

SERVICE AGREEMENT

On

THE PROVISION OF MOBILE COMMUNICATION SERVICES IN [LATVIA / LITHUANIA / ESTONIA]

between

[RB Rail AS / RB Rail AS Lietuvos filialas / RB Rail AS Eesti filial]

("Principal")

and

[●]

("Contractor")

Agreement No: [●]

Registration number [●]

Procurement Procedure identification No RBR 2023/10

Riga

2023



**Co-funded by
the European Union**

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SERVICE AGREEMENT ON THE PROVISION OF MOBILE COMMUNICATION SERVICE IN [LATVIA / LITHUANIA / ESTONIA]

This SERVICE AGREEMENT ON THE PROVISION OF MOBILE COMMUNICATION SERVICES IN [LATVIA (for Lot No 1) / LITHUANIA (for Lot No 2) / ESTONIA (for Lot No 3)] together with all annexes thereto (the "**Agreement**"), is entered into on the date of the timestamp of the last enclosed qualified electronic signature (the "**Effective Date**"), by and between:

[RB Rail AS (for Lot No 1) / RB Rail AS Lietuvos filialas (for Lot No 2) / RB Rail AS Eesti filial (for Lot No 3)], a company registered in [●], registration No [●], legal address at [●] (the "**Principal**"), represented by [●], acting on the basis of [●], on the one side,

and

[●], a company registered in [●], registration No [●], legal address at [●] (the "**Contractor**"), represented by [●], acting on the basis in accordance with the [●], on the other side,

(both, the Principal and the Contractor, referred to as the "**Parties**" and separately – as the "**Party**").

WHEREAS:

- (A) This Agreement is entered into under the Global Project which includes all activities undertaken by the respective beneficiaries and implementing bodies of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania in order to build, render operational and commercialise the Rail Baltica railway – a new fast conventional double track electrified railway line according TSI INF P2-F1 criteria and European standard gauge (1435mm) on the route from Tallinn through Pärnu-Riga-Panevėžys-Kaunas to Lithuanian-Polish border, with the connection of Kaunas – Vilnius, and related railway infrastructure in accordance with the agreed route, technical parameters and time schedule;
- (B) RB Rail AS has organised a procurement "Mobile Communication Services in Latvia, Lithuania and Estonia" (identification No RBR 2023/10) that was divided into three Lots (parts) - Lot No 1 "Mobile Communication Services in Latvia", Lot No 2 "Mobile Communication Services in Lithuania" and Lot No 3 "Mobile Communication Services in Estonia" (the "**Procurement Procedure**"), where the proposal submitted by the Contractor in the Lot [●] (the "**Contractor's Proposal**", enclosed to this Agreement as *Annex A: Technical Specification – Contractor's Proposal* and *Annex B: Financial Proposal*) was selected as the winning bid in Lot No [●] of the Procurement Procedure;
- (C) This Agreement is co-financed from the Connecting Europe Facility funding instrument (the "**CEF**") and other signed grant agreements or future grant or financing agreements to be signed;

THEREFORE, the Parties agree as follows:

1. SUBJECT MATTER OF THE AGREEMENT

- 1.1. The Contractor shall provide mobile communication services in [Latvia (for Lot No 1) / Lithuania (for Lot No 2) / Estonia (for Lot No 3)] to the Principal in accordance with the Principals requests and the requirements specified in this Agreement, including its *Annex A: Technical Specification – Contractor's Proposal* and the *Annex B: Financial Proposal* (the "**Services**").
- 1.2. The Contractor shall provide the Services with its own material and technical means and personnel, if necessary, attracting additional resources, the cost of which are included in the fees for the Services specified in the *Annex B: Financial Proposal*.
- 1.3. [OPTIONAL] For the avoidance of doubt, the Contractor shall commence the provision of the Services upon and per the Principal's request and provided that the provision of the mobile communication services under the previous agreement has been terminated.

2. TOTAL VALUE AND PAYMENT TERMS

- 2.1. During the term of the Agreement, the Contractor performs the Services for the Principal for a total amount not exceeding EUR [●] ([●] euros, 00 cents), excluding VAT (the "**Total value**"). The Principal is under no obligation to procure the Services for the Total value of the Agreement, and likewise the Contractor is not guaranteed any specific amount or value of Services during the term of the Agreement.

- 2.2. The fees for the Services, as specified in detail in *Annex B: Financial Proposal*, include completely all costs associated with the provision of the Services, including taxes (except value added tax (the “VAT”) which shall be paid at the applicable rates).
- 2.3. The amount of the monthly invoice shall be calculated in accordance with fees indicated under *Annex B: Financial Proposal* and taking into account the actual consumption of the Services in the respective month.
- 2.4. The Contractor’s invoices shall contain the following Contractor’s details and details about the Agreement:

Principal	[RB Rail AS (for Lot No 1) / RB Rail AS Lietuvos filialas (for Lot No 2) / RB Rail AS Eesti filial (for Lot No 3)]
Registration No	[●]
VAT payer's No	[●]
Legal address, city, zip code, country	[●]

Contractor	[●]
Registration No	[●]
VAT payer's No or indication that the Contractor is not a VAT payer	[●]
Legal address, city, zip code, country	[●]
Legal name of Bank	[●]
Bank SWIFT Code	[●]
Bank Account No IBAN	[●]
Subject:	For provided services according to Agreement No. [●]

- 2.5. Once a month, by the tenth (10th) day of the month, the Contractor shall submit an invoice to the Principal for the Services provided in the previous month together with a detailed report of the Services provided to the Principal (i.e. report in MS Excel or CSV format of outgoing sms, calls for each connection, the amount of internet data used, roaming services etc.). The Contractor prepares invoices and the detailed reports electronically and sends them to the Principal's e-mail address: invoices@railbaltica.org. The Parties agree to recognize as valid and payable invoices prepared electronically without the “signature” part of the details area.
- 2.6. If, after reviewing the submitted invoice and detailed report, the Principal finds deficiencies, the Principal shall inform the Contractor about the identified deficiencies and the Contractor shall submit an updated invoice and / or detailed report to the Principal within two (2) working days.
- 2.7. For the Services actually provided by the Contractor, based on the invoice and report submitted by the Contractor, the Principal shall make payments to the bank account indicated in the Contractor's invoice within thirty (30) calendar days after the date of receipt of the correctly issued invoice and report.
- 2.8. The payment shall be deemed made when the Principal has made the respective payment from the Principal's bank account to the Contractor's bank account specified under the Agreement or the respective invoice.

3. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 3.1. The Contractor is entitled:
 - 3.1.1. to receive payment from the Principal for the Services provided in conformance with the terms of the Agreement in the order and the amount specified by the Agreement;
 - 3.1.2. to request from the Principal information necessary for the fulfilment of the obligations under the Agreement.
- 3.2. The Contractor is obliged:
 - 3.2.1. to ensure the provision of quality and uninterrupted Services in accordance with the requirements of this Agreement and any part thereof;
 - 3.2.2. to have due regard to any comments or instructions made by the Principal in connection with the performance of the Agreement and the provision of the Services and shall provide reasons to the Principal where it does not take into account any such comments;

- 3.2.3. to immediately, but not later than within three (3) working days upon receipt of such request from the Principal, activate a new connection (subscription) or deactivate an existing connection of the Services;
 - 3.2.4. to provide the Services at a high professional level, in accordance with the provisions of the Agreement (its annexes) and the requirements of the regulatory enactments in force [including overriding mandatory provisions in force in the Republic of Lithuania that prevails over laws of the Republic of Latvia (for Lot No 2) / including overriding mandatory provisions in force in the Republic of Estonia that prevails over laws of the Republic of Latvia (for Lot No 3)], including during the processing of personal data, provision of electronic communications services and ensuring security of information technology systems, etc.;
 - 3.2.5. immediately, but not later than within one (1) working day, inform the Principal about possible or foreseeable delays in the performance of the Agreement and circumstances, events and problems that affect or may affect the accurate and complete performance of the Agreement or Services, or their performance within the specified time;
 - 3.2.6. to eliminate the non-compliance of the Services with the requirements of the Agreement and its annexes in accordance with the procedures specified in this Agreement free of charge;
 - 3.2.7. upon the Principal's request to provide the Principal with information related to the provision of the Services;
 - 3.2.8. to provide the Principal with an opportunity to monitor the quality of the Contractor's Services;
 - 3.2.9. to notify the Principal in case the costs of the Services provided under the Agreement reach Total value indicated in the Clause 2.1 of this Agreement;
 - 3.2.10. to ensure the performance of the Agreement and the Services that do not endanger, create risks or otherwise adversely affect the security and defence interests of the Principal in any way;
 - 3.2.11. to comply with the Service tariffs (fees) specified in the Agreement and its *Annex B: Financial Proposal*;
 - 3.2.12. to inform the Principal at least one (1) working day in advance about the expected interruptions of the Services related to the planned network coverage improvement works;
 - 3.2.13. to ensure that the Contractor is registered in [the Register of Electronic Communications Merchants (for Lot No 1), in the Communications Regulatory Authority of the Republic of Lithuania (RRT) (for Lot No 2), in the Register of Economic Activities (MTR) (for Lot No 3)] throughout the performance of the Agreement;
 - 3.2.14. to ensure that throughout the performance of the Agreement the Contractor and the sub-contractors involved in the performance of the Agreement (if any) have all certificates, licenses, permits, etc. required according to regulatory enactments in force in the Republic of [Latvia (for Lot No 1) / Lithuania (for Lot No 2) / Estonia (for Lot No 3)];
 - 3.2.15. to immediately notify the Principal's contact persons specified in the Agreement regarding the information technology security incident that may affect the Principal and take all actions necessary for its prevention;
 - 3.2.16. comply with all of the requirements of the "Suppliers Declaration" available on the Principal's website (here: https://www.railbaltica.org/wp-content/uploads/2021/06/APPENDIX-6_SUPPLIERS-DECLARATION_June_2021.pdf) throughout the term of the Agreement.
- 3.3. The Principal is entitled:
- 3.3.1. to provide binding comments or instructions in connection with the performance of the Agreement and the provision of the Services;
 - 3.3.2. to request the Contractor to immediately, but not later than within three (3) working days upon receipt of such request, activate a new connection (subscriptions) or deactivate an existing connection of the mobile communication services without additional fee;
 - 3.3.3. to reduce or increase the number of connections (subscriptions) for each type of tariff plan under the *Annex A: Technical Specification – Contractor's Proposal* by notifying the Contractor at least three (3) working days in advance;

- 3.3.4. to provide all information related to the conclusion and performance of the Agreement to other institutions which have the right to request and receive this information in connection with the performance of tasks or functions specified in an external regulatory enactment;
 - 3.3.5. if deficiencies or other inaccuracies are established in the performance of the Services with the requirements set forth in the Agreement, which should be eliminated, and about which the Principal has informed the Contractor, the Principal, to the reasonable extent, has the right not to pay the invoice in full or in part, as the case may be, submitted by the Contractor. In this case, the contractual penalty or other remedies specified under the Agreement cannot be applied to the Principal;
 - 3.3.6. to constantly monitor the quality of the provision of Services and to control the progress of the Agreement, as well as to request and receive from the Contractor information related to the provision of the Services;
 - 3.3.7. to submit claims to the Contractor (incl. to apply for payment of contractual penalties), if the performance of the Agreement or the quality of the Services does not comply with the provisions of the Agreement;
 - 3.3.8. to perform inspections of the Contractor, its sub-contractors, as well as employees / representatives involved in the performance of the Agreement in accordance with regulatory enactments on ensuring critical infrastructure security, involving the competent security authority if necessary (incl. transfer personal data to the competent security authority to perform necessary inspections).
- 3.4. The Principal is obliged:
- 3.4.1. to pay for the Services provided in conformance with the terms of the Agreement in the order and amount specified in this Agreement;
 - 3.4.2. to provide the Contractor with the information necessary for the timely and high-quality performance of the Agreement, insofar as such information is at the disposal of the Principal and is to be disclosed in accordance with the applicable laws and regulations and this Agreement;
 - 3.4.3. to comply with the Contractor's Terms of Use - [●], the current version of which is published on the Contractor's website [●], insofar as they do not contradict the Agreement and are not considered significant amendments under the Paragraph two of the Section 61 of the Public Procurement Law of the Republic of Latvia. The Parties agree that in the event of any conflict, this Agreement shall prevail.

4. REPRESENTATIVES

- 4.1. The Contractor authorizes the following employees who are directly responsible for the organization, execution and the performance of the Agreement on behalf of the Contractor, advising the Principal on the Services and any part thereof, as well as for the general execution of the Agreement:
 - 4.1.1. Name, surname, telephone, e-mail of the Contractor's representative: [●]
 - 4.1.2. Name, surname, telephone, e-mail of the Contractor's representative: [●]
- 4.2. The Principal authorizes the following employees who are directly responsible for the organization, execution and the performance of the Agreement on behalf of the Principal, as well as all issues related to the performance of the Agreement:
 - 4.2.1. Name, surname, telephone, e-mail of the Principal's representative: [●]
 - 4.2.2. Name, surname, telephone, e-mail of the Principal's representative: [●]
- 4.3. The authorized persons of the Parties mentioned in Clauses 4.1 and 4.2 of the Agreement shall maintain contacts with each other, as well as are responsible for monitoring the fulfilment of the Agreement, including timely submission and acceptance of invoices, and payment.
- 4.4. In the event that any of the authorized representatives of the Contractor or the Principal mentioned in Clauses 4.1 and 4.2 of the Agreement are replaced during the performance of the Agreement, the respective Party shall immediately inform the other Party in writing thereof. In such circumstances no written amendments to the Agreement are necessary.

5. PROCEDURE FOR SUBMITTING CLAIMS

- 5.1. If the Contractor does not provide the Services in the quality specified in the Agreement or in accordance with the requirements specified in the Agreement, or fails to fulfil other obligations specified in the Agreement, the Principal has the right to draw up and submit a claim to the Contractor. The Contractor is obliged to eliminate the identified deficiencies at his own expense within the term specified in the Principal's claim.
- 5.2. Following the Clause 5.1 of the Agreement the Principal is also entitled to make a claim regarding the quality of the provided Services in cases when service interruptions are detected that are not related to the planned network coverage improvement works or the user's location outside the Contractor's mobile network coverage area.
- 5.3. If the Contractor does not eliminate the discrepancies or deficiencies recorded in the claim within the term specified by the Principal, the Principal is entitled not to pay for the Services that do not comply with the provisions of the Agreement.

6. LIABILITY

- 6.1. The Parties shall be liable to compensate direct damages incurred by the other Party arising out of or in connection with this Agreement and pay contractual penalty if a breach of any of the obligations of the Party under this Agreement is established against the respective Party.
- 6.2. If the Principal fails to make any payment due to the Contractor under this Agreement on the due date then, without prejudice to any other right or remedy available to the Contractor, the Contractor shall be entitled to charge the Principal a penalty of 0.5 (zero point five) per cent of the unpaid amount for each calendar day of delay, but not more than 10 (ten) per cent of the unpaid amount, until payment in full is made.
- 6.3. If the Contractor does not provide the Services in the quality specified under the Agreement or in accordance with the requirements specified in the Agreement, or fails to perform the obligations specified under the Agreement then, without prejudice to any other right or remedy available to the Principal, the Principal shall be entitled to charge the Contractor a penalty of 0.5 (zero point five) per cent of the Total value for each calendar day, but not more than 10 (ten) per cent of the Total value, until the respective violation is remedied.
- 6.4. Payment of a contractual penalty shall not release the Parties from the performance of obligations arising out of this Agreement.

7. DATA PROTECTION

- 7.1. The Parties shall have the right to process personal data obtained from the other Party for the purpose of fulfilling the obligations under this Agreement, while ensuring compliance with the requirements of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). During the fulfilment of the Agreement, the Parties will be considered as independent controllers.
- 7.2. The Party transferring the personal data to the other Party for processing shall be responsible for informing and obtaining the consent of the data subjects concerned, if needed.
- 7.3. To the extent reasonably possible, the Parties undertake to destroy, at the request of the other Party, the data of natural persons obtained from the other Party if the need to process them to ensure the performance of the Agreement ceases.

8. CONFIDENTIALITY

- 8.1. "**Confidential Information**" means all information relating to the Parties and their affiliates which is supplied by the Party (whether before or after the date of this Agreement) to the other Party, either in writing, orally or in any other form and includes all analyses, compilations, notes, studies, memoranda and other documents which contain or otherwise reflect or are derived from such information.
- 8.2. Both Parties shall at all times keep confidential (and take reasonable steps to procure that its employees and agents shall keep confidential) and shall not at any time for any reason disclose or permit to be disclosed to any person or otherwise make use of or permit to be made use of any Confidential Information obtained during implementation of this Agreement, relating to the Services, other Party's business methods, plans, systems, finances, projects, trade secrets. The obligation to keep confidentiality

shall remain effective also after the expiration or termination of this Agreement for maximum time period allowed by laws.

- 8.3. If the Agreement is terminated for whatever reason, upon a written request, both Parties shall deliver to the other Party all working papers or other material and copies provided to him pursuant to this Agreement or prepared by him either in pursuance of this Agreement or previously.
- 8.4. The Parties agree that the Principal, the Contractor and the employees and staff of the Contractor who during the performance of the Services shall be granted access to the IT systems and/or data or information of the Principal, shall sign a tripartite mutual agreement on the nondisclosure of Confidential Information of the Principal, if the Principal requests for such nondisclosure agreement to be signed.

9. VISIBILITY REQUIREMENTS

9.1. The Contractor is obliged to comply with the following visibility requirements:

9.1.1. Any report, brochure, document or information related to the Service provided by the Contractor to the Principal which the Contractor makes publicly available shall include each of the following:

- (i) a funding statement which indicates that the Agreement is financed from CEF funds substantially in the following form: "Co-funded by the European Union";
- (ii) with respect to printed materials, a disclaimer releasing the European Union from liability with respect to any contents of any distributed materials substantially in the form as follows: "The contents of this publication are the sole responsibility of (name of the implementing partner) and do not necessarily reflect the opinion of the European Union". The disclaimer in all official languages of the European Union can be viewed on the website https://cinea.ec.europa.eu/communication-toolkit_en;
- (iii) the European Union flag.

9.1.2. requirements set in Clause 9.1.1 (i) and 9.1.1 (iii) can be fulfilled by using the following logo:



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9.1.3. if the Contractor shall use this logo, the Contractor shall ensure that elements of the logo will not be separated (the logo will be used as one whole unit) and enough free space around the logo shall be ensured;

9.1.4. in order to comply with the latest applicable visibility requirements established by the European Union, the Contractor shall regularly monitor changes to visibility requirements; as of the Effective Date, the visibility requirements are available for review on the webpage https://cinea.ec.europa.eu/communication-toolkit_en.

10. RIGHT TO AUDIT

10.1. Notwithstanding anything to the contrary set forth in this Agreement including, the Principal itself, a reputable outside independent body or expert engaged and authorized by the Principal shall be entitled to inspect and/or audit the Contractor to ensure compliance with the terms of this Agreement, including inspecting and/or auditing:

10.1.1. the performance of any aspect of the Services; and/or

10.1.2. any documentation, including all payrolls, accounts of the Contractor and/or other records used in or related to the performance of the Services.

10.2. The Contractor shall provide all reasonable assistance to the Principal or the independent body authorized by the Principal in carrying out any inspection or audit pursuant to this Section 10. The Principal shall be responsible for its own costs, or the costs incurred by the outside independent body designated by the Principal, incurred toward carrying out such inspection or audit, unless, in the case of any such audit, that audit reveals that the Contractor is not compliant with the terms of this Agreement, in which case the Contractor shall reimburse the Principal for all of its additional reasonable costs incurred, provided such non-compliance is material.

- 10.3. The rights and obligations of the Principal set forth in accordance with this Section 10, shall survive expiration or termination of this Agreement for any reason and shall continue to apply during ten (10) years following expiration or termination of this Agreement for any reason whatsoever.

11. ON-THE-SPOT VISITS

- 11.1. By submitting a written notice five (5) working days in advance, but at the same time reserving the right of an unannounced on-the-spot visit without an advance notice, the Principal may carry out on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out.
- 11.2. On-the-spot visits may be carried out either directly by authorised staff or representatives of the Principal or by any other outside body or third party authorised to do so on behalf of the Principal. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis. The Principal shall ensure that any authorised outside body or third party shall be bound by the same confidentiality obligations.
- 11.3. Contractor shall provide to the performer of the on-the-spot visit or any other authorised outside body or third party access to all the information and documents, including information and documents in electronic format, which is requested by the authorised staff of the performer of the on-the-spot visit or any other authorised outside body or third party for the performance of an on-the-spot visit and which relates to the implementation of the Agreement, as well as shall allow the authorised staff of the performer of the on-the-spot visit or any other authorised outside body or third party the copying of the information and documents, with due respect to the confidentiality obligation.
- 11.4. By virtue of "Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities", "Regulation (EU, Euratom) No 883/2013 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999" and other legislation and documentation relating to European Union grant awarding and subsequent monitoring processes, the European Commission; the European Anti-Fraud Office; the European Climate, Infrastructure and Environment Executive Agency; the European Court of Auditors and other European Union institutions and bodies might perform checks, reviews, audits and investigations towards the Contractor in case such activities are related to the use of grants awarded.

12. AGREEMENT TERM AND TERMINATION

- 12.1. The Agreement shall enter into force on the Effective date and shall remain valid for twenty-four (24) months, or until the Total value of the Agreement is reached, depending on whichever occurs first. There is an option for Parties to extend the aforesaid term of the Agreement for additional six (6) months, if the Total value for is not reached within the initial period.
- 12.2. During the term of the Agreement the Parties may conclude amendments to the Agreement to the permitted extent and in accordance with the Section 61 of the Public Procurement Law of the Republic of Latvia.
- 12.3. Any amendments to the Agreement must be made in writing and signed by the Parties. Amendments to the Agreement made in writing and signed by the Parties shall become an integral part of the Agreement.
- 12.4. The Contractor has the right to terminate the Agreement unilaterally by notifying the Principal in writing at least ten (10) working days in advance, if the Principal has not paid more than two (2) of the invoices issued by the Contractor and the Contractor is not responsible for non-payment of invoices, and the Principal has not remedied the breach within ten (10) calendar days upon the receipt of a respective notice.
- 12.5. The Principal has the right to terminate the Agreement unilaterally with immediate effect by notifying the Contractor in writing, if:
- 12.5.1. the Contractor fails to fulfil its material obligations under the Agreement, or the Contractor's performance does not comply with the material provisions of the Agreement or the applicable laws and regulations of which the Principal has informed the Contractor in a written (including electronic) claim;

- 12.5.2. during the performance of the Agreement, it becomes clear that the Contractor is not able to perform the Services in accordance with the provisions of the Agreement and/or certain circumstances have occurred that prevent or prevent the Contractor from continuing the performance of the Agreement in accordance with the provisions of the Agreement;
 - 12.5.3. the Insolvency proceedings of the Contractor are declared or the liquidation proceedings of the Contractor are initiated;
 - 12.5.4. the Principal has received information from the competent security authority that the Contractor cannot provide the Services for the Principal;
 - 12.5.5. substantial amendments have been made to the Agreement which are not permitted under the Section 61 of the Public Procurement Law of the Republic of Latvia;
 - 12.5.6. at the time of awarding the Agreement, the Contractor fell under with one of the exclusions referred to in the Paragraph one of Section 42 of the Public Procurement Law of the Republic of Latvia and was to be excluded from the Procurement procedure;
 - 12.5.7. the Contractor is under international (including OFAC) or national sanctions, or a Member State's of the European Union or North Atlantic Treaty Organization applied sanctions;
 - 12.5.8. the Connecting Europe Facility (CEF) co-financing of the Agreement becomes unavailable to the Principal fully or partly;
 - 12.5.9. the Contractor is excluded from [the Register of Electronic Communications Merchants (for Lot No 1), in the Communications Regulatory Authority of the Republic of Lithuania (RRT) (for Lot No 2), in the Register of Economic Activities (MTR) (for Lot No 3)].
- 12.6. The Principal upon its sole discretion has the right to terminate the Agreement unilaterally at any time by notifying the Contractor in writing at least thirty (30) calendar days in advance.
 - 12.7. At any time, the Agreement may be terminated before the term specified under Clause 12.1 of the Agreement by mutual written agreement of the Parties.
 - 12.8. In any case of termination of the Agreement, the Parties undertake to fulfil all obligations arising before the termination of the Agreement.

13. FORCE MAJEURE

- 13.1. Subject to the requirements set forth in accordance with Clause 13.2 and 13.3, each Party shall be relieved from liability for non-performance of its obligations under this Agreement (other than any obligation to pay) to the extent that the Party is not able to perform such obligations due to a Force Majeure Event. The "**Force Majeure Event**" means any event which meets all the following criteria:
 - (a) It is an event that cannot be avoided and whose consequences cannot be overcome;
 - (b) It could not be foreseen at the time when the Agreement was concluded;
 - (c) It was not caused by the act of the affected Party or a person under its control;
 - (d) It makes it impossible to fulfil the obligation arising from the Agreement.
- 13.2. Each Party shall at all times, following the occurrence of a Force Majeure Event:
 - 13.2.1. take reasonable steps to prevent and mitigate the consequences of such an event upon the performance of its obligations under this Agreement;
 - 13.2.2. resume performance of its obligations affected by the Force Majeure Event as soon as practicable and use reasonable endeavours in accordance with good industry practice to remedy its failure to perform;
 - 13.2.3. not be relieved from liability under this Agreement to the extent that it is not able to perform, or has not in fact performed, its obligations under this Agreement due to any failure to comply with its obligations under Clause 13.2.1 of this Agreement.
- 13.3. Upon the occurrence of a Force Majeure Event, the affected Party shall notify the other Party as soon as reasonably practicable and in any event within three (3) working days of it becoming aware of the relevant Force Majeure Event. Such notification shall give sufficient details to identify the particular event claimed to be a Force Majeure Event and shall contain detailed information relating to the failure to perform (or delay in performing), including the date of occurrence of the Force Majeure Event, the effect of the Force

Majeure Event on the ability of the affected Party to perform, the action being taken in accordance with Clause 13.2 of the Agreement and an estimate of the period of time required to overcome the Force Majeure Event. The affected Party shall provide the other Party with any further information it receives or becomes aware of which relates to the Force Majeure Event and provide an update on the estimate of the period of time required to overcome its effects.

- 13.4. The affected Party shall notify the other Party as soon as practicable once the performance of its affected obligations can be resumed (performance to continue on the terms existing immediately prior to the occurrence of the Force Majeure Event).
- 13.5. As soon as practicable after the notification specified pursuant to Clause 13.4 of the Agreement, the Parties shall use reasonable endeavours to agree appropriate terms or modifications to the scope of Service to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.

14. SUB-CONTRACTORS

- 14.1. In carrying out the Services, the Contractor may only rely on the services of those sub-contractors listed in *Annex A: Technical Specification – Contractor’s Proposal*. However, such list may, from time to time, be modified or supplemented in agreement with the Principal and in accordance with the terms and subject to the criteria contained in the applicable Public Procurement Law of the Republic of Latvia. The Contractor shall have an obligation to notify the Principal in writing of any intended changes to sub-contractor specified in *Annex A: Technical Specification – Contractor’s Proposal* during the term of this Agreement and provide required information regarding any new sub-contractors which it may want to subsequently engage toward provision of the Services.
- 14.2. Pursuant to the Public Procurement Law of the Republic of Latvia the Contractor shall obtain prior written consent of the Principal for the replacement of each sub-contractor indicated in *Annex A: Technical Specification – Contractor’s Proposal* and involvement of additional sub-contractors.
- 14.3. Review and evaluation of the replacement of sub-contractors or involvement of new sub-contractors shall be carried out, and the consent or refusal to give consent shall be rendered by the Principal in accordance with Section 62 of the Public Procurement Law of the Republic of Latvia.
- 14.4. The Contractor shall replace the sub-contractor which meets any of the compulsory grounds for exclusion of tenderers (or sub-contractors) that were verified during the Procurement Procedure.
- 14.5. The Contractor shall have an obligation to notify the Principal in writing of any changes to sub-contractor data specified in *Annex A: Technical Specification – Contractor’s Proposal* occurring during the term of this Agreement.
- 14.6. The Contractor retains the complete responsibility for the proper performance of all of its obligations under this Agreement, and any act, failure to act, breach or negligence on the part of any of its sub-contractors shall, for the purposes of this Agreement, be deemed to be the act, failure to act, breach or negligence of the Contractor.

15. GOVERNING LAW AND RESOLUTION OF DISPUTES

- 15.1. This Agreement shall be governed by and construed in accordance with laws of the Republic of Latvia [and those overriding mandatory provisions in force in the Republic of Lithuania that prevails over laws of the Republic of Latvia (for Lot No 2) / and those overriding mandatory provisions in force in the Republic of Estonia that prevails over laws of the Republic of Latvia (for Lot No 3)].
- 15.2. The Parties shall first attempt to settle any dispute, controversy or claim arising out of or relating to this Agreement by way of amicable negotiations.
- 15.3. Should the Parties fail to agree by means of amicable negotiations within the time period of thirty (30) calendar days from the date of serving of the respective written complaint to the other Party, the Parties shall submit all their disputes arising out of or in connection with this Agreement to the courts of general jurisdiction of the Republic of Latvia.

16. MISCELLANEOUS PROVISIONS

- 16.1. During the term of the Agreement and for a period of 10 (ten) years from expiration or termination of this Agreement for any reason whatsoever, the Contractor shall keep and maintain clear, adequate, and accurate records and documentation evidencing, to the reasonable satisfaction of the Principal, that the

Services have been carried out in accordance with the Agreement. In case of on-going audits, appeals, litigation or pursuit of claims concerning the grant, including in the case of correction of systemic or recurrent errors, irregularities, fraud or breach of obligations, the records shall be kept and maintained longer.

- 16.2. At all times the Principal shall have access to all documentation related to the Services. The documentation shall be kept accessible in a generally recognized format for a period of 10 (ten) years from the date of expiration or termination of this Agreement. All records forming part of such documentation shall be available to the Principal's auditor, or expert appointed by the Principal during the abovementioned period of time.
- 16.3. Upon expiration or termination of this Agreement, the obligations of the Parties set forth in this Agreement shall cease, except the provisions stipulated in Clauses 16.1, 16.2 and Sections 8, 10, 15, which shall survive the termination or expiry of this Agreement and continue in full force and effect.
- 16.4. Neither Party may assign its rights deriving from the Agreement to a third party without coordination with the other Party.
- 16.5. The Agreement is binding on the Principal and the Contractor, as well as on all third parties who legally take over their rights and obligations.
- 16.6. The Parties shall notify each other in writing of any changes in the details of the respective Party.
- 16.7. The Agreement is executed as an electronic document and at the Effective Date the Agreement contains the following annexes:
- 16.7.1. *Annex A: Technical Specification – Contractor's Proposal;*
- 16.7.2. *Annex B: Financial Proposal.*

17. DETAILS OF THE PARTIES AND SIGNATURES

For and on behalf of the Principal:

[●]
Registration No [●]
Legal address: [●]

For and on behalf of the Contractor:

[●]
Registration No [●]
Legal address: [●]

Bank account details:

[●]
[●]
[●]

Bank account details:

[●]
[●]
[●]

[●]

[●]

THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH SAFE ELECTRONICAL SIGNATURE
AND CONTAINS TIME SEAL

Annex A: Technical Specification – Contractor's Proposal



Annex B: Financial Proposal

