

Agreement on Implementation and Maintenance of Machine Translation Solution, and Post-Editing Services

Reg. No. [Company's registration number] / [Other party's agreement number]

This Agreement is entered into in Riga, on [date *OR* the date indicated on the timestamp of the last signature of the Agreement], by and between:

- (1) **RB Rail AS**, a joint stock company registered in the Latvian Commercial Register with registration No 40103845025 and legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the "Company"), represented by [●] acting on the basis of [●], on the one side, and
- (2) [●], a company registered in [●] with registration No. [●], legal address at [●] (the "Contractor"), represented by [●] acting on the basis of [●], on the other side,

(the Company and the Contractor referred to as the "Parties" and separately – as the "Party").

WHEREAS:

- (A) this Agreement is entered into under the Rail Baltica 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 with 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 (the "Global Project");
- (B) the Company has organised a procurement procedure "**Implementation and maintenance of a Machine Translation solution, and post-editing services**" (identification No RBR 2023/15) (the "Procurement Procedure") where the tender proposal submitted by the Contractor (the "Contractor's Proposal") was selected as the winning bid;
- (C) this Agreement is co-financed from the Connecting Europe Facility ("CEF"), [●], and other recently signed grant agreements or future grant or financing agreements (the "Grant Agreements") to be signed.

THEREFORE, the Parties agree as follows:

1. DEFINITIONS, INTERPRETATION AND ORDER OF PRECEDENCE

- 1.1. Definitions. In this Agreement, unless the context requires otherwise, the following definitions shall have the following meaning:
 - 1.1.1. "Acceptance Deed" as defined in Clause 3.9.
 - 1.1.2. "Additional Services" means post-editing and formatting services, implementation of Change Requests and additional online trainings; the Additional Services are subject to separate Assignment Order(s) to be issued by the Company.
 - 1.1.3. "Annex" means any of the annexes enclosed to this Agreement and listed in Clause 1.3.

- 1.1.4. "**Agreement**" means this Agreement together with all its Annexes; whenever in the Agreement there is a reference to the Agreement, it includes a reference to all its Annexes, and reference to specific Annex following the reference to the Agreement is without prejudice to it.
- 1.1.5. "**Applicable Laws**" means any legislative act, regulation, decree, order, ordinance, statute, treaty, directive, judgment, or other legislative measure applicable to the Agreement, the Services, the Parties, etc. (including, but not limited to the Public Procurement Law of the Republic of Latvia).
- 1.1.6. "**Approved Staff**" means any person or organization listed in **Annex A** which is in a contractual relationship with the Contractor to provide a part of the Services.
- 1.1.7. "**Approved Sub-Contractor**" any person or organisation listed in **Annex A** which is in a contractual relationship with the Contractor to provide a part of the Services.
- 1.1.8. "**Assignment**" means the specific instance of the Additional Services that is procured by the Company in accordance with this Agreement and with respect to which the specific Assignment Order is signed by the Parties.
- 1.1.9. "**Assignment Order**" means the assignment order substantially in the form of **Annex B** which, following the request of the Company, constitutes an agreement between the Company and the Contractor to carry out the Additional Services.
- 1.1.10. "**Business day**" means any day except Saturday, Sunday and any day which is a public holiday in the Republic of Latvia.
- 1.1.11. "**CEE**" as defined in the Preamble of the Agreement.
- 1.1.12. "**Change Request**" means change requests related to the functionality of the Solution according to Clause 5.1 of the Technical Specification.
- 1.1.13. "**Commencement Date**" as defined in Clause 3.2.
- 1.1.14. "**Company**" as defined in the above list of the parties to the Agreement.
- 1.1.15. "**Completion Date**" as defined in Clause 3.10(a).
- 1.1.16. "**Confidential Information**" as defined in Clause 16.1.
- 1.1.17. "**Contractor**" as defined in the above list of the parties to the Agreement.
- 1.1.18. "**Contractor's Proposal**" as defined in the Preamble of the Agreement and enclosed in **Annex C** to the Agreement.
- 1.1.19. "**Corrective Period**" as defined in Clause 13.4.
- 1.1.20. "**Cure Period**" as defined in Clause 3.7.
- 1.1.21. "**Damages**" any cost, claim, damage, demand, loss, expense or liability incurred by the relevant Party.
- 1.1.22. "**Data Agreement**" the personal data processing agreement with the form and contents enclosed in **Annex E** (subject to finalization prior to signing and adjustments or amendments reasonably requested by the Company).
- 1.1.23. "**Defect**" means any error, fault, omission, defect or other non-compliance of the Deliverable or the Services with the requirements of the Agreement.
- 1.1.24. "**Deliverable**" means any information, documents and/or other items which the Contractor is required to deliver to the Company as part of an Assignment Order and/or Agreement.

- 1.1.25. "Documentation" means all documents, records, correspondence, and files of the Contractor and its employees created, developed, subsisting or used in relation to the Services.
- 1.1.26. "Fee" as defined in Clause 4.2.
- 1.1.27. "Force Majeure Event" means any of the following:
- (a) an act of the public enemy or war (declared or undeclared), threat of war, revolution, riot, insurrection, civil commotion, demonstration or sabotage;
 - (b) an act of vandalism or accidental damage or destruction of machinery, equipment, track or other infrastructure;
 - (c) a natural disaster or phenomena, including extreme weather or environmental conditions (such as lightning, earthquake, hurricane, storm, fire, flood, drought or accumulation of snow or ice);
 - (d) nuclear, chemical or biological contamination, epidemic or pandemic (except for COVID-19 pandemic);
 - (e) strike, lockout or other industrial action other than involving the Contractor or the Company.
- 1.1.28. "Global Project" as defined in the Preamble of the Agreement.
- 1.1.29. "Good Industry Practice" means, in relation to the performance of any activity to which this standard is applied, the exercise of that degree of skill, diligence, prudence and foresight as would reasonably be expected to be exercised by a properly qualified and competent person engaged in carrying out Services or services of a similar size, nature, scope, type and complexity, complying with the Applicable Laws.
- 1.1.30. "Objection Notice" as defined in Clause 3.10(b).
- 1.1.31. "Party" or "Parties" as defined in the above list of the parties to the Agreement.
- 1.1.32. "Person" includes any person, company, body corporate, government, state or agency of a state or any association or partnership (whether or not it is separate legal person).
- 1.1.33. "Procurement Procedure" as defined in the Preamble of the Agreement.
- 1.1.34. "Representatives" as defined in Clause 10.4.
- 1.1.35. "Services" as defined in Clause 2.1.
- 1.1.36. "Signing Date" means the date on which this Agreement is signed by the Parties as indicated above or, if signed with secure electronic signature, the date indicated on the timestamp of the last signature of the Agreement.
- 1.1.37. "Software" means software used in the Neural Machine Translation Solution.
- 1.1.38. "Solution" means Neural Machine Translation Solution, that includes Software and/or System.
- 1.1.39. "Supplier's Declaration" means Appendix 6¹ to the Common Procurement Standards and Guidelines for the Rail Baltica Project.
- 1.1.40. "System" means system used in the Neural Machine Translation Solution.
- 1.1.41. "Total Value" as defined in Clause 4.1.

¹ https://www.railbaltica.org/wp-content/uploads/2021/06/APPENDIX-6_SUPPLIERS-DECLARATION_June_2021.pdf

- 1.1.42. “Technical Specification” means Technical Specification attached in **Annex D** to this Agreement.
- 1.1.43. “Third Persons” means, without limitation, all and any stakeholders relevant to execution of the Global Project, including, without limitation, shareholders of the Company, authorities and institutions of the European Union, local authorities or municipalities, companies or natural persons, associations or organisations in Estonia, Latvia, Lithuania and other member states of the European Union.
- 1.1.44. “Variations” as defined in Clause 9.1.
- 1.2. Interpretation.
- (a) The headings contained in this Agreement shall not be used in its interpretation.
 - (b) References to the singular shall include references in the plural and vice versa and words denoting natural persons shall include any other Persons.
 - (c) References to a treaty, directive, regulation, law or legislative provision shall be construed, at any particular time, as including a reference to any modification, extension or re-enactment of the respective treaty, directive, regulation, law or legislative provision at any time then in force and to all subordinate legislation enacted from time to time.
 - (d) Unless expressly stated to the contrary, any reference in this Agreement to the right of consent, approval or agreement shall be construed such that the relevant consent, approval or agreement shall not be unreasonably delayed or withheld.
 - (e) A reference to “writing” shall include an e-mail transmission and any means of reproducing words in a tangible and permanently visible form.
 - (f) The words “include” and “including” are to be construed without limitation.
 - (g) Unless indicated otherwise, all references to “days” shall mean calendar days.
 - (h) Unless expressly stated to the contrary, any reference in this Agreement to the right of consent, approval or agreement shall be construed such that the relevant consent, approval or agreement shall not be unreasonably delayed or withheld.
- 1.3. Annexes. The Agreement contains the following Annexes:
- 1.3.1. **Annex A:** List of Approved Staff and Approved Sub-Contractors;
 - 1.3.2. **Annex B:** Assignment Order Form;
 - 1.3.3. **Annex C:** Contractor’s Proposal;
 - 1.3.4. **Annex D:** Technical Specification;
 - 1.3.5. **Annex E:** Personal Data Processing Agreement;
 - 1.3.6. **Annex F:** Acceptance Deed Form.
- 1.4. Order of precedence. In the event of any discrepancy or inconsistency between the documents forming part of this Agreement, the following order of precedence shall apply:
- (a) this Agreement document (body text);
 - (b) explanations (clarifications) of the Procurement Procedure documentation;
 - (c) the Procurement Procedure documents with the annexes (including the Technical Specification);
 - (d) clarifications of the Contractor’s Proposal;

- (e) the Contractor's Proposal;
- (f) all other Annexes of the Agreement.

2. SERVICES

- 2.1. Services. The Company hereby engages, and the Contractor accepts such engagement and hereby undertakes to supply Solution, provide Solution implementation and maintenance services, provide post-editing and formatting services, provide online-trainings and provide implementation of Change Requests (the "Services"), as further described and according to the specifications contained in Technical Specification, Technical Proposal and other Annexes, and the Contractor hereby accepts such engagement.
- 2.2. Scope of the Services. The scope of the Services covers all measures, including those not explicitly listed in the Agreement required for due performance of the Services in accordance with the terms and conditions of the Agreement and achievement of the intended results. When the achievement of the aforementioned is not possible without performance of a measure not explicitly listed in the Agreement, then performance of such a measure is considered as contractual obligation of the Contractor according to the Agreement.
- 2.3. Data Storage. The Contractor ensures appropriate storage space for the Company's data (the "Storage Space") according to the Technical Specification and Contractor's Proposal throughout the duration of the Agreement. The Contractor provides data storage within the European Union or European Economic Area and fully adheres to the General Data Protection Regulation (GDPR).
- 2.4. Support. The Contractor provides system and service support of the Solution, including System and/or Software, if used, in accordance with the Contractor's standard terms and conditions provided in Contractor's proposal (Annex C).
- 2.5. Initial Training. Contractor at a mutually agreed time shall provide a one-time initial online training (and video tutorials, if applicable) in English language for Company that shall cover, but not limited to, all functionality and requirements mentioned in Technical Specification (Annex D). The Parties shall mutually agree on the time for online training. The User Manual and the Administrator Manual shall be provided as a Deliverable for the implementation of the Solution. The User Manual and the Administrator Manual shall be sent to the Company for approval at least 5 (five) Business days before the approval of the implementation of the Solution.
- 2.6. Technical support. The Contractor will provide technical support five (5) days a week (working days) via phone, email or online. The initial response and first action should be done no later than 2 hours after receiving support request within the set support hours. The Contractor shall provide maintenance and support services in accordance with the scope set out in Technical Specification (Annex D). Technical support requests shall be submitted by the Company's Representative. Requests for minor functionality problems of the Solution or consultations on the Solution may be submitted through the System online interface and such option shall be available to all users of the System at no additional cost.
- 2.7. Availability. The Contractor undertakes to provide an availability time for Solution at least 99.5%. The Contractor undertakes to provide an availability (from 8:00 to 19:00 (Riga time) / Latvia working days) for maintenance and technical support service to the Company by e-mail, phone and online during the period of the Agreement. Availability time for Additional Services shall be provided at least during working hours (from 8:00 to 18:00 (Riga time) / Latvia working days). Co-operation. The Parties shall cooperate with one another to fulfil their respective obligations under this Agreement. Parties shall endeavour to maintain good working relationships among all key personnel engaged toward provision of the Services.

3. DELIVERY, ACCEPTANCE AND DEFECTS

- 3.1. Deadlines. The Contractor shall provide the Services, including Additional Services, within the deadlines set out in this Agreement and the Contractor's Proposal (Annex C).

- 3.2. Commencement of Services. The Services shall be commenced on the Signing Date (the "Commencement Date").
- 3.3. Language. The Documentation under this Agreement shall be in the English language and delivered to the Company in *Microsoft Word* (.doc or .docx) and *Portable Document Format* (.pdf) formats. The Contractor shall ensure that the Documentation is prepared in high quality English language using appropriate terminology, and the Contractor shall in this respect ensure proof reading by a person proficient in the use of the English language and undertake other relevant measures prior to submission of the Documentation to the Company.
- 3.4. Assignment Orders (Additional Services). For every Assignment a separate Assignment Order will be signed by the Parties. Each Assignment Order and this Agreement shall form a single agreement between the Parties. The provisions of this Agreement constitute an integral part of each Assignment Order. In the event of any inconsistency between the provisions of this Agreement and the Assignment Order, the Assignment Order shall prevail. If the Assignment does not exceed 10 000,00 EUR, the Parties may agree on the Assignment via email or Solution (without signing Assignment Order), including, the description of the Assignment, Assignment order number, deadline for completing the Assignment, Fee and other terms.
- 3.5. Request for Assignment. The following procedure with respect to Assignments shall apply:
- 3.5.1. The Company invites a Contractor to implement an Assignment by sending a request for Assignment (the "Request for Assignment") describing the details of the planned Assignment.
- 3.5.2. After receiving a Request for Assignment, the Contractor shall as soon as possible but not later than within 1 (one) business day, unless otherwise specified in the Request for Assignment, respond by stating availability of its respective Approved Staff to implement the Assignment by sending to the Company (i) a proposal to implement the Assignment or (ii) its confirmation or rejection of its readiness to implement the Assignment based on the terms determined by the Company in the Request for Assignment.
- 3.5.3. The proposal to implement the Assignment should not exceed the proposed price (unit price or hourly rate) under the Contractor's Proposal.
- 3.5.4. The Company accepts the Contractor's proposal or confirmation on readiness to implement an Assignment by sending to the Contractor an e-mail with a draft Assignment Order that is based on the information laid down in the specific Request for Assignment and Contractor's proposal to implement the Assignment. The Contractor must review received draft Assignment Order and respond within 1 (one) business day. Mutually approved Assignment Order is first signed by the Company and then by the Contractor. When the Contractor receives approved Assignment Order, it should be signed and sent to the Company as soon as possible but not later than within 3 (three) business days after receiving it.
- 3.5.5. The Contractor shall not be entitled to introduce in the Assignment Order any terms, conditions or requirements contradictory to the Agreement or the Request for Assignment, or otherwise being not acceptable to the Company due to any reason.
- 3.5.6. After the Assignment Order is signed by the Parties, the conditions set in the Assignment Order become binding upon the Parties and the Assignment shall be executed in accordance with its specific requirements as well as the general provisions set out in this Agreement.
- 3.5.7. In case the Contractor rejects the Request for Assignment or fails to respond within the required time period, or the delivered proposal is not compliant with requirements defined by the Company or not in line with the Company's budget, the Company is entitled to:
- (a) reject the proposal, and/or

- (b) request the Contractor to pay a contractual penalty in the double amount of the Fee for the respective Assignment.
- 3.6. Cancellation of Assignment Order. The Company is entitled to cancel any Assignment Order or Assignment (entirely or partly) by notifying the Contractor's Representative. If such notice is issued before commencement of the respective Assignment, the Company shall have no liability towards the Contractor with respect to such cancellation. If such notice is issued after the commencement of the respective Assignment, the Parties shall in good faith agree on compensation to the Contractor of the already incurred direct costs and expenses of the Contractor in relation to such already commenced Assignment, and the Company shall pay such compensation when agreed. Such compensation shall not exceed the amount of the Fee with respect to such already commenced Assignment. This Clause is without prejudice to the rights to terminate and the consequences of termination pursuant to Section 13.
- 3.7. Defects and Cure Period. During the implementation and maintenance of Solution and implementation of Change Requests, the Company shall notify the Contractor of each Defect within reasonable term after the Defect is identified by the Company and the Contractor shall have an obligation to notify the Company of each Defect within reasonable term after the Defect is identified by the Contractor. Upon discovering a Defect, or upon receipt by the Contractor of a notification of the Defect from the Company, the Contractor shall, at the Contractor's cost, remedy the Defect within 10 (ten) days, unless otherwise reasonably specified by the Company or agreed by the Parties (the "Cure Period"). For provision of post-editing and formatting services, and video tutorial (if applicable) the Cure Period is 2 (two) Business days, unless otherwise reasonably specified by the Company or agreed by the Parties.
- 3.8. Failure to remedy Defects. In the event of inability or failure by the Contractor to remedy the Defect within the Cure Period, the Company shall be entitled, at the sole and exclusive discretion of the Company, to do any of the following:
- (a) allow the Contractor an additional time period for remedying the Defect, such time period to be determined in the sole discretion of the Company,
 - (b) remedy the Defect at own cost of the Company (including by means of relying on the services of a third Person) and demand reimbursement by the Contractor of costs incurred by the Company as a result of having to pay other Person toward carrying out any work or action,
 - (c) terminate the Agreement according to Section 13.
- 3.9. Completion of Services or part of Services. Delivery of the Services occurs whenever the Contractor has completed the work it has undertaken to perform according to this Agreement. Upon completing the Services (including all Documentation and information forming part of the Services in whole), the Contractor shall inform the Company on the completion of the Services via email or Solution. Once per month a signed Acceptance Deed substantially in the form of **Annex F** (the "Acceptance Deed") shall be issued to the Company for all Services or part of the Services provided in the previous month. The Acceptance Deed shall include adequate supporting Documentation and information relevant to the Services completed.
- 3.10. Review by Company. The Company shall review the Services within 10 (ten) business days from the date of receipt of the Acceptance Deed. After the Deliverable or the Services are reviewed, the Company either:
- (a) accepts the Deliverable and/or the Services by signing the Acceptance Deed if no reasons for rejection of the Acceptance Deed exist and delivering the signed Acceptance Deed to the Contractor; the completion date stated in the mutually signed Acceptance Deed shall constitute the "Completion Date" with respect to the relevant Deliverable and/or the Services; the signed Acceptance Deed may have annexed to it a list of any outstanding Defects or deficiencies to be corrected by the Contractor; or

- (b) rejects the Deliverable or the Services and issues to the Contractor a written notice (the “Objection Notice”) setting out in reasonable detail any Defect or reason for the rejection, thus initiating the Cure Period and the Defects remedy period pursuant to Clause 3.7.
- 3.11. Completion of Services or part of Services after Objection Notice. After the Defects specified by the Company in the Objection Notice have been remedied, the Contractor shall issue to the Company a second signed Acceptance Deed as per the procedure specified in Clause 3.9 and the Company shall perform the review as generally provided for in Clause 3.10, and:
- (a) in the event no further reasons for objection to the second Acceptance Deed exist, then the Defects remedy procedure is concluded and the provisions of Clause 3.10(a) are to be applied. In this case Completion Date shall be extended by number of days that were needed for Defects to be remedied; or
- (b) in the event the Company rejects the submitted second Acceptance Deed, it shall give a second Objection Notice, thus simultaneously continuing the Defects remedy procedure with the possibility for the Company, at its own discretion, to exercise its rights under Clause 3.8.
- 3.12. Acceptance. The respective Deliverable and/or the underlying Services are deemed to be accepted by the Company only when the Company has signed the Acceptance Deed. The Contractor is aware that the acceptance by the Company of certain Deliverables and/or the Services (including signing of the Acceptance Deed) may be subject to certain prior internal approval procedures.
- 3.13. Objection Notice and contractual penalty. For the avoidance of any doubt, issuance of the Objection Notice shall be without prejudice to and shall not relieve the Contractor from the obligation to pay any contractual penalty in accordance with the provisions of Clause 14.2 or to pay Damages in accordance with the provisions Clause 14.3 of this Agreement.
- 3.14. Limits to review by Company. By performing the review of submitted Deliverables the Company may not influence the results of the Services insofar as such results are strictly regulated by Applicable Laws, but the Company may give its opinions or considerations on the Contractor’s chosen methods or approach to the provision of the Services. The implementation of Company’s valid considerations or remarks is a requirement for the acceptance of the performed Services.
- 3.15. No waiver. The Company’s review or acceptance of the Deliverable and/or the Services or any payments under this Agreement shall not be interpreted or construed to operate as a waiver of any right or cause for action under this Agreement.
- 3.16. Circumstances affecting performance. Each Party shall have an obligation to promptly notify the other Party in writing of any event or circumstances capable of impeding the proper or timely performance of its respective obligations under this Agreement.
- 3.17. Impediments and delays. If timely performance of the Services is affected due to impediments or delays caused by the Company or any third parties engaged by the Company:
- (a) the Contractor shall promptly notify the Company of the circumstances and probable effects of such impediment or delay on the performance of the Services (if not notified in timely manner, the Contractor shall lose its right to make any claim in this respect); and
- (b) the Parties shall in good faith discuss such allegation of the Contractor, and, if agreed, the duration of the Services (including the term for delivery of any pending Deliverable) shall be extended by the number of days directly affected by such impediment or delay.

4. TOTAL VALUE, FEE AND PAYMENTS

- 4.1. Total Value. The total value of the Agreement is 221 522,00 EUR (two hundred twenty one thousand five hundred twenty two euro), excluding VAT (the "Total Value"). The Total Value does not in any way bind the Company to procure the Services through this Agreement for the entirety of the Total Value or any other guaranteed amount.
- 4.2. Fee. The Company undertakes to pay to the Contractor the following fees (the "Fee") in consideration of the due provision of:
- (a) Solution implementation services: a fixed fee according to Contractor's Financial Proposal (the "Implementation Fee");
 - (b) Solution maintenance services: a fixed monthly fee according to Contractor's Financial Proposal (the "Maintenance Fee"),
 - (c) the Additional Services: a fee according to Contractor's Financial Proposal (part of Contractor's Proposal - Annex C) (the "Additional Service Fee") which will be payable only with respect to the actually ordered (under the Assignment Order(s)), provided and accepted Additional Services pursuant to the terms of the respective Assignment Order(s).
- 4.3. Fee Reduction. The Parties hereby agree that the Contractor shall not be entitled to receive Maintenance Fee for the time period the Solution has not been fully functional or available to the Company. Thus, the Company shall be entitled unilaterally to reduce the amount of the Maintenance Fee in proportion to the time period the Solution has not been fully functional or available to the Company in accordance with the terms and conditions laid down in the Agreement.
- 4.4. Licence Fee. Licence fees for Solution, including System and/or Software, (if such occur) are included in the Maintenance Fee.
- 4.5. VAT. The Fee excludes value added tax ("VAT") that will be charged at the rate applicable by the Applicable Laws at the time of invoicing.
- 4.6. Compliance with tax obligations. It is acknowledged and agreed by the Parties that the Fee shall include all taxes and duties payable by the Contractor in the consequence of provision of the Services, except VAT. The Contractor shall, at the sole cost and expense of the Contractor, comply with the obligation to pay all taxes and duties relevant to the provision of the Services in accordance with Applicable Law. In addition, the Contractor shall assume all risks associated with the payment or obligation to pay such taxes and duties, if any. The Contractor assumes all risks associated with the possible increase in the amount of the Fee arising as a result of the obligation of having to pay any such taxes or duties.
- 4.7. All-inclusive. The Fee is the all-inclusive consideration for the duly provided Services and includes reimbursement of all and any expenditure incurred by the Contractor toward performance of any steps, actions or measures contemplated in accordance with this Agreement (including, without limitation, costs of training of personnel of the Company, etc.). The Contractor agrees and acknowledges that it shall have no right to request reimbursement by the Company of any additional expenditure whatsoever as may have been incurred by the Contractor toward provision of the services contemplated by this Agreement, unless reimbursement of such additional expenditure has been explicitly agreed between the Parties in writing.
- 4.8. Payments, costs, and commissions. Payment of the Contractor's invoices will be made in euro by bank transfer within 15 (fifteen) days from the moment of signing Acceptance Deed and receipt of the respective invoice. Each Party shall bear its own costs, fees, commissions and expenses incurred in connection with the transfer of any funds under this Agreement to the other Party.
- 4.9. Invoice details. The Contractor's invoices shall contain the following details:
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: [●]
The Company's VAT No: LV40103845025
Subject: For provided Services under [●]
Specific information for [CEF reference]; Company's Representative: [●]
the Company:

- 4.10. Invoicing. The Contractor shall send the invoice to the Company electronically to the following e-mail address: invoices@railbaltica.org. In case payment for the Services (in whole or in part) will be made from more than one financing source, and upon the Company's request, the Contractor shall issue separate invoices corresponding to the amounts financed from the financing source as indicated by the Company.
- 4.11. Set-offs. The Company shall have the right to make the payments to the Contractor with set-off, retention, counterclaim, abatement, or other deduction of any kind that arises from this Agreement and from the obligations of the Contractor provided herein. If the Company uses the right to make the payments to the Contractor with set-off, retention, counterclaim, abatement, or other deduction of any kind, then the Company notifies the Contractor no later than on the due date of the respective payment stating the amount, the grounds and the basis for the use of the right to set-off, retention, counterclaim, abatement or other deduction or other right.
- 4.12. VAT payer's status. If required by the Applicable Law, the Contractor shall obtain VAT payers status and VAT No. in the Republic of Latvia.

5. CONTRACTOR'S OTHER OBLIGATIONS AND COVENANTS

- 5.1. Standard of performance. Without prejudice to the requirements prescribed elsewhere under the Agreement, the Contractor shall:
- 5.1.1. ensure that the Services and the Deliverables comply with (i) the specifications and requirements contained in the Procurement Regulations, including the Technical Specification, (ii) the Applicable Laws, including any requirements and recommendations of the European Union or its institutions, (iii) reasonable requirements, comments or specific instructions of the Company as well as the requirements under the agreements in relation to or binding to the Company (including, but not limited to CEF grant agreements, inter-governmental agreements, etc.), (iv) to the extent not being contrary to any of the above, the terms and conditions contained in the Contractor's Proposal, as well as (v) the Good Industry Practices;
 - 5.1.2. carry out the Services and develop and provide the Deliverables in a conscientious, diligent, expeditious, proper, workmanlike and impartial manner;
 - 5.1.3. use its best efforts, skill and experience in developing the and to allocate qualified and suitable personnel devoting such time as is reasonably required to fulfil the Contractor's duties hereunder;

- 5.1.4. ensure that whenever required under this Agreement, the Applicable Laws or upon receipt of a separate request from the Company, the Deliverables, presentation materials etc. under or in relation to this Agreement features logos or other requisites pertinent to the Global Project, including, without limitation, reference to the fact that the Global Project is financed under the auspices of CEF.
- 5.2. Maintenance of records. During the term of the Services and for a period of 10 (ten) years (or, at the Contractor's discretion, longer) 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 Company, 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.
- 5.3. Access to documentations. At all times during the term of the Services, the Company's representative or auditor shall have access to all documentation related to the Services. This access shall be continuing and survive the termination of this Agreement for either cause or convenience. 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 Company's auditor, or expert appointed by the Company during the abovementioned period of time.
- 5.4. Right to sub-contractors and staff. In carrying out the Services, the Contractor may rely only on the services of the Approved Sub-Contractors and the Approved Staff. In this respect:
- 5.4.1. The list of the Approved Sub-Contractors and the Approved Staff may, from time to time, be modified or supplemented always subject to a prior written consent of the Company and in accordance with the terms and subject to the criteria contained in the Applicable Laws.
- 5.4.2. The Contractor shall have an obligation to notify the Company in writing of any changes to Approved Sub-Contractor or the Approved Staff data occurring during the term of this Agreement and of the required information for any new Approved Sub-Contractors or the Approved Staff member which it may subsequently engage toward provision of the Services.
- 5.4.3. The Contractor shall obtain prior written consent of the Company for the replacement of each Approved Sub-Contractor or each Approved Staff member or involvement of any additional persons. Review and evaluation of the replacement of Approved Sub-Contractors or Approved Staff shall be carried out, and the consent or refusal to give consent shall be rendered by the Company in accordance with Applicable Laws (in particular, Article 62 of the Public Procurement Law of the Republic of Latvia).
- 5.4.4. The Contractor shall retain 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 Approved Sub-Contractors or the Approved Staff shall, for the purposes of this Agreement, be deemed to be the act, failure to act, breach or negligence of the Contractor itself.
- 5.4.5. The Contractor shall be responsible for the work of the Approved Staff and ensure that the Company has free access to the Approved Staff during the Company's working hours with response time being reasonable.
- 5.4.6. The Contractor shall ensure that all Approved Staff members are fully available with respect to the Services (including the Additional Services) until the expiry of the Additional Services Period. The Contractor has the right to choose which of the Approved Staff members to involve in the performance of the Service for each language pair (as per Clause 8.4.4. of the Procurement Procedure Regulations).

- 5.4.7. The Contractor must replace any Approved Staff member involved in the performance of the Service if requested by the Company and supported by the reasons such as repeated careless performance of duties, incompetence or negligence, non-fulfilment of obligations or duties stipulated in the Agreement, as well as other reasons prescribed under the Agreement (including Clause 5.5 and the Technical Specification).
- 5.5. Security clearance requirements. The Contractor shall not involve in the performance of the Agreement a person convicted of an intentional criminal offense (employees, sub-contractors and/or any other person and personnel), regardless of the criminal record having been set aside or extinguished, and/or a person of whom there are known facts that give grounds to doubt his or her ability to retain restricted access and/or classified information, as well as a person who has or may have a conflict of interest by involving him in the performance of the obligations under this Agreement. In this respect:
- 5.5.1. At the Company's request, the Contractor shall submit to the Company a statement (certificate) from the relevant state penalty register regarding the criminal record of the natural person who will be involved in the performance of the Agreement.
- 5.5.2. In order to assess the compliance of the natural person whom the Contractor intends to involve in the performance of the Agreement with the requirements specified in this Clause 5.5, the Company has the right to organize an additional security compliance check.
- 5.5.3. The Contractor undertakes to inform the natural person involved in the performance of the Agreement about the processing of personal data performed by the Company when organizing a security compliance check.
- 5.5.4. The Contractor shall submit to the Company in writing at least 10 (ten) business days prior to the involvement of any natural person in the performance of the Agreement the following information of the person: name, surname, personal identification code (or equivalent personal identification information), place of birth, position, company name (in case involved staff of sub-contractors), the country from which the person comes. At the Company's request, the Contractor shall also submit a brief description of the role and responsibilities of the natural person in the performance of the Agreement.
- 5.5.5. The Company has the right, at its own discretion, to prohibit a natural person specified by the Contractor from performing tasks related to the performance of the Agreement by notifying the Contractor thereof in writing if the requirements referred to in this section of the Agreement are not complied with. The Parties agree that such decision of the Company is incontestable.
- 5.5.6. If the Company prohibits a natural person specified by the Contractor from performing the tasks related to the performance of the Agreement, the Contractor shall replace this natural person with another natural person by notifying the Company in accordance with the procedure laid down in Clause 5.5.4.
- 5.5.7. If the Contractor cannot replace a natural person or if its replacement would cause disproportionately high expenses to the Contractor, the Contractor shall immediately provide the Company with a motivated explanation and the Parties shall try to agree on possible conditions and procedures in which this natural person may perform tasks related to the performance of the Agreement.
- 5.5.8. The Contractor shall take all necessary actions and measures in a timely manner to ensure that a natural person is not involved in the performance of the Agreement or the involvement is immediately terminated if the natural person does not comply with this Clause 5.5, otherwise creates or may create security risks for the Company, incl. risks to the Company's information systems, information or data, as well as risks to the Company's reputation or operations.

- 5.5.9. The Contractor is obliged to:
- (a) ensure that a natural person who does not comply with the security clearance requirements is not involved in the performance of the Agreement;
 - (b) immediately replace a natural person who does not comply with the security clearance requirements in accordance with the provisions of this Agreement (and/or with the requirements of the Applicable Laws);
 - (c) observe and not contest the Company's written instructions and decisions in accordance with this Clause 5.5;
 - (d) provide the Company with all the necessary information and support related to the necessity to replace a natural person.
- 5.5.10. In any case, the Contractor shall immediately notify the Company in writing of any situation that has arisen before the start and during the performance of the Agreement, as a result of which there is or may be a risk of involving a natural person who does not comply with the security clearance requirements under this Clause 5.5, as well as notify the Company in writing of the replacement of such natural person involved in the performance of the Agreement.
- 5.5.11. If the Contractor violates the conditions referred to in this Clause 5.5 and/or disregards the Company's instructions regarding security clearance requirements, then it constitutes a material breach of the Agreement and a ground for the Company to immediately terminate the Agreement according to Clause 13.6(c).
- 5.6. No conflicting activity. Except with the Company's knowledge and express written permission, the Contractor shall not engage in any activity or accept any employment, other agreement, interest, or contribution that would reasonably appear to compromise the Contractor's professional judgment and performance with respect to the provision of Services and/or the Global Project. In performing the Services, the Contractor shall take all necessary measures to prevent any situation where the impartial and objective implementation of the Services is compromised for reasons involving economic interest, political or national affinity, family, or emotional ties or any other shared interest.
- 5.7. Information furnished by Company. The Contractor shall be entitled to rely on the accuracy and completeness of information furnished by the Company. The Contractor shall provide prompt written notice to the Company if the Contractor becomes aware of any errors, omissions, or inconsistencies in the information provided by the Company or in the preparation of the Deliverables or provision of the Services.
- 5.8. Visibility requirements. At all times during performance of the Services, the Contractor undertakes to comply with each of the following requirements:
- 5.8.1. any report, brochure, document, or information related to the Services carried out by the Contractor hereunder or any other person, or which the Contractor makes publicly available shall include each of the following:
- (a) a funding statement which indicates that the Services are financed from CEF funds substantially in the following form: "Co-funded by the European Union";
 - (b) 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 sole responsibility of this publication lies with the author. The European Union is not responsible for any use that may be made of the information contained therein". The disclaimer in all official languages of the European Union can be viewed on the website https://cinea.ec.europa.eu/communication-toolkit_en; and
 - (c) the flag of the Council of Europe and the European Union.

- 5.8.2. the requirements set forth in Clauses 5.8.1(a) and 5.8.1(c) can be complied with by means of utilizing the following logo (if the Contractor uses this logo, the Contractor shall ensure that the individual elements forming part of the logo are not separated (the logo shall be used as a single unit) and sufficient free space is ensured around the logo):



**Co-funded by
the European Union**

- 5.8.3. 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 at the Signing Date, the visibility requirements are available for review on the webpage https://cinea.ec.europa.eu/communication-toolkit_en.
- 5.9. **Reporting.** The Contractor shall, in a format and at intervals to be agreed with the Company:
- (a) provide the Company with regular reports and status updates on the progress of the Additional Services;
 - (b) use reasonable endeavours to provide any other information and status updates as may be reasonably requested by the Company at any time; and
 - (c) report on any changes to the Annexes of this Agreement which the Contractor considers may be needed in order to fulfil the objectives set out in the Agreement (in any case, any change to the above-mentioned documentation can be made only pursuant to this Agreement, if agreed by Parties, and, if the proposed changes are compliant with the Applicable Laws).
- 5.10. **Vulnerabilities.** During the term of the Agreement the Contractor and/or the manufacturer of the relevant product are obliged to inform or publish information about the discovered vulnerabilities of the information and communication technology product or service, their prevention measures and deadlines.
- 5.11. **Beneficiaries.** The Contractor shall inform the Company on any changes in the beneficiaries of the Contractor. The beneficiaries of the Contractor shall comply with Paragraph 36 and 36.¹ of the Regulation No. 442 of the Cabinet of Ministers (Adopted 28 July 2015) "Procedures for the Ensuring Conformity of Information and Communication Technologies Systems to Minimum Security Requirements".
- 6. COMPANY'S OTHER OBLIGATIONS AND COVENANTS**
- 6.1. **Supply of information.** Unless otherwise provided under this Agreement, the Company shall, in a timely manner, provide to the Contractor any information as may reasonably be requested by the Contractor for the purposes of the Services or Additional Services, provided that the Company is in possession of such information.
- 6.2. **Decisions.** On all matters properly referred to it in writing by the Contractor, the Company shall give its decision in writing so as not to delay the provision of Services or Additional Services and within a reasonable time.
- 7. SECURITY REQUIREMENTS**
- 7.1. **Warranty.** The Contractor warrants that during the term of the Agreement the Company's requirements in relation to the security of the Services set in Technical specification (**Annex D**) and Contractor's Proposal (**Annex C**) as well as in Section 7 of this Agreement will be adhered by.

- 7.2. Contractual penalty. In case of any breach of security obligations set forth in Section 7 of this Agreement, the Contractor shall pay to the Company contractual penalty in the amount of 10% of total amount of the Total Value as set out in Clause 4.1. Payment of contractual penalty shall not release the Contractor from due performance of security obligation under the Agreement.
- 7.3. Authorized access. The Contractor shall provide authorized access to Company's data, solely to the Contractor's personnel who meet the Security Clearance requirements stipulated in Clause 5.5 of this Agreement and are assigned to process data for the purposes of this Agreement.
- 7.4. Integrity. The Contractor ensures the integrity of the Company's data (preserving the content and structure of the information) to the extent necessary and reasonably possible for the performance of the obligations under this Agreement.
- 7.5. Encryption. The Contractor provides that the transfer of the Company's data from the Solution (uploading, downloading) is performed in encrypted form.
- 7.6. Separation. The Solution used in the performance of this Agreement must be physically or logically separated from any other third-party users of the Contractor's software (e.g. other clients of the Contractor) in a secure manner to prevent any breaches to the security or confidentiality of the Company's data.
- 7.7. Identification of users. The Contractor undertakes to perform the identification of the Company's authorised users and performs the required actions to ensure that only the Company's authorised users have access to the Solution.
- 7.8. Security test. The Contractor warrants that prior to the performance on this Agreement the Contractor has performed a security test of the Solution in accordance with the best industry practice.
- 7.9. Quality control. The Company is entitled to perform quality control of the Services during the performance of the Agreement by requesting information from the Contractor – reviews about the quality of the provision of Services, confidentiality and security incidents etc.
- 7.10. Potential breaches. The Contractor undertakes to without any hesitation inform the Company about any existing or potential security or confidentiality breaches of the Solution, including but not limited to the unauthorised access of the Solution, leaks of Company's data etc. The Contractor sends the information to the Company's email address: admins@railbaltica.org and to the Company's Representative's email address.

8. REPRESENTATIONS AND WARRANTIES

- 8.1. Certain representations and warranties of the Parties. Each Party represents and warrants to the other Party, as of the Signing Date, as follows:
 - (a) it has full power to enter into and perform this Agreement, and the person signing this Agreement on its behalf has been duly authorized and empowered to enter into such agreement;
 - (b) it has read this Agreement, understands it and agrees to be bound by it;
 - (c) it has entered into this Agreement with the aim of attaining all of the objectives and performing in all material respects all of the obligations and commitments herein set forth;
 - (d) it has entered into this Agreement without having any intention or goal whatsoever to violate the Applicable Laws, its own articles of association, other constitutional documents, laws or agreements of any kind to which it is a party to;
 - (e) it is not bankrupt and is not the subject of insolvency or winding-up proceedings, where its assets are being administered by a liquidator or by the court, it is not in an arrangement with creditors, where

its business activities are suspended, or it is in any analogous situation arising from a similar procedure under the laws of the country where it is registered and submits its tax accounts; and

(f) it has entered into this Agreement of its own volition and in good faith.

8.2. Certain representations and warranties of the Contractor. The Contractor represents and warrants to the Company, as of the Signing Date, as follows:

(a) it has all requisite qualification, skills and competence to perform the Services on the terms and conditions of this Agreement which are no less favourable than the terms and conditions of service identified by the Contractor in any document submitted by the Contractor to the Company as part of the Procurement Procedure and on the terms of the Contractor's Proposal;

(b) it holds and will hold for the entire term of the Agreement all requisite accreditations, recognitions, licenses, permits, approvals and consents necessary under the Applicable Laws to enable performance by the Contractor of the Services;

(c) it has all requisite ability to ensure the highest quality of the Services;

(d) it will assign competent and duly qualified personnel to carry out the Services according to the highest professional standards and the Good Industry Practices;

(e) it is not deemed to be a person associated with the Company for the purposes of the Applicable Laws;

(f) it has been registered as a VAT payer in [●];

(g) if the Contractor and the Company are residing in different jurisdictions, the Services under this Agreement will not be provided through a permanent establishment or fixed base maintained by the Contractor in the Republic of Latvia. The Contractor is aware that the applicable laws of Latvia prescribe certain instances when payments to non-residents are subject to a withholding tax (for instance, in case of management and consultancy services), and the Company will be obliged to make such withholdings with the following exception. No withholdings will be made if the Contractor (before the Company will be obliged to make any payment under the Agreement) will provide all necessary information and documents (including, where relevant, a residence certificate confirmed by the competent authority of the Contractor's country of residence and the Latvian State Revenue Service) allowing to make an exemption from such withholding pursuant to the terms of the applicable laws of Latvia and international conventions or agreements between Latvia and the Contractor's country of residence;

(h) it is compliant with all of the requirements of the Supplier's Declaration and will continue to be compliant with all such requirements during the term of this Agreement.

9. VARIATIONS

9.1. Variations. Notwithstanding any provisions in this Agreement to the contrary, whenever the Company or the Contractor reasonably consider that a variation to the Agreement (the "Variations") is necessary, the Company and the Contractor shall negotiate in good faith the terms of the proposed Variations. For the avoidance of doubt, no Variation shall be effective unless and until concluded in writing by the Parties.

9.2. Scope of Variations. For the purpose of the Agreement, and at any time prior to the completion of the Services under the Agreement, as the case may be, the Variations may be concluded in respect of:

9.2.1. extension of the Term pursuant to Clause 13.1;

9.2.2. amendments to the Agreement necessary to comply with the amendments or adjustments to the Applicable Laws from time to time, if any;

- 9.2.3. supply of additional Services not previously foreseen under the Agreement;
 - 9.2.4. implementation of any amendments to the Agreement as initiated or approved by the Company during the provision of the Services which are necessary due to such reasons which the Company could not foresee in advance.
- 9.3. Limitations to Variations. In case of Variations due to supply of additional Services or due to reasons which the Company could not foresee in advance, the Total Value of the Agreement may not change by more than the maximum amount permitted under the Applicable Laws. Notwithstanding anything to the contrary contained in the Agreement, the Company and the Contractor may agree on the supply of additional Services not previously foreseen under the Agreement if they do not change the nature of the Agreement (type and purpose specified herein).
- 9.4. Variations' Fee. The fee for additional Services as a result of the Variations, if any, shall be determined taking into account the calculations and fees under the Technical Specification and the Contractor's Proposal. Furthermore, such fee shall be consistent with the market practice and proportionate to the fee for the Services with similar scope under the Agreement, if any. Variations not resulting in additional Services or works, including Variations related to the additional time for the provision of the Services, shall not result in additional fees or compensation of costs.

10. COMMUNICATION

- 10.1. Main principles. Communication under the Agreement (e.g., information, requests, submissions, formal notifications, etc.) must:
- (a) be carried out in English;
 - (b) be made in writing (including electronic form);
 - (c) be primarily carried out between the Representatives as specified in Clause 10.4 or otherwise notified to each other;
 - (d) bear the Agreement's number and, if applicable, Assignment Order's number.
- 10.2. Presumption of receipt. Notices, declarations, invoices etc. shall be deemed received:
- (a) if delivered by hand, on the first (1) business day following the delivery day;
 - (b) if sent by post, on the fifth (5) Business Day after the date of posting;
 - (c) if sent by e-mail, the same Business Day if sent prior to 17:00 o'clock and the next Business Day if sent after 17:00 o'clock (Eastern European Time); communication by e-mail is deemed made when it is sent by the sending Party to the receiving Party, unless the sending Party receives a message of non-delivery.
- 10.3. Exchange over internet. For the purposes of the performance of the Agreement, the Parties agree that information may be exchanged electronically over the internet, always complying with the IT security requirements, if any, determined by the Company.
- 10.4. Representatives. The Company and the Contractor shall appoint an officer, employee or individual to serve as its representative toward the implementation of the Agreement and supply or receipt of the Services (including signing of the Assignment Order, signing of the Acceptance Deed and the Objection Notice), with full authority to act on its behalf in connection with this Agreement, without the right to conclude amendments to the Agreement (the "Representative"). Any restriction placed by either Party on its Representative's authority shall be notified to the other Party in writing to be effective. The Representatives may delegate their authority by notice in writing specifying the contact information of the delegate and specifying the scope of authority so delegated. Each Party may replace or remove any Representative by

notifying in writing the other Party immediately, but not later than 1 (one) business day after the replacement or the removal of the respective Representative. The initial Representatives are:

- (a) the authorised representative of the Company for the Agreement fulfilment issues and procedures is, e-mail: [●], phone: [●];
- (b) the authorised representative of the Contractor for the Agreement fulfilment issues and procedures is, e-mail: [●], phone: [●].

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1. Right to use. The Company has rights to use the Solution, including System and/or Software, provided by the Contractor.
- 11.2. Infringements. The Company will prevent any infringement of the Contractor's intellectual property rights in the Solution and will promptly report to the Contractor any such infringement that comes to its attention. In particular, the Company:
 - 11.2.1. will ensure that each user, before starting to use the Solution, is made aware that it is proprietary to the Contractor and that it can only be used in accordance with this Agreement;
 - 11.2.2. has right to permit the third parties, with which the Company have concluded the cooperation agreement on implementation of the Global Project (including but not limited to national implementing bodies of Rail Baltica Global Project: [●], beneficiaries of the Rail Baltica Global Project: [●] and designers of detail technical designs of the railway line for the Rail Baltica Global Project), to have access to the Solution without the prior written consent of the Contractor;
- 11.3. Duly owed. The Contractor ensures that the intellectual property rights to the Solution (its Software and/or System) are duly owned (or licensed, or assigned, or held on any other valid legal basis) by the Contractor, and the use of the Solution by the Company in the way described in this Agreement will not harm any third party intellectual property rights.
- 11.4. Indemnity. The Contractor defends, holds harmless and indemnifies the Company from all third party claims and related costs (including without limitation reasonable attorneys' fees and costs) resulting from any claims or potentially unlawful use of third party intellectual property, which is the result of misleading or incomplete information provided by the Contractor, or which are in any way connected with the actions or omissions of the Contractor.
- 11.5. Language data. To the extent permitted by the Applicable Laws, Intellectual property rights for the language data obtained during the usage of the Solution shall be transferred to the Company.
- 11.6. Provided information. The Company shall remain all rights for the information provided to the Contractor or used in the Solution during the execution of the Agreement.

12. TRANSFER OF RIGHTS

- 12.1. Language Data. In order to ensure its business continuity, the Company is allowed to request and the Contractor has to provide a copy of all language data obtained during the usage of the Solution and the Services and consequently store it on its own devices.
- 12.2. Data Extraction. In the event of termination of the Agreement, the Company has the right to immediately extract its data from the Solution and from the cloud storage if used and obtain the audit history trail from the Solution. The Contractor will not prevent or disturb the Company in any way within the process of the extraction of data, and the Contractor must ensure the possibility of the extraction of the data in an unencrypted, compatible and interoperable manner.

- 12.3. Liquidation, bankruptcy, insolvency or legal proceedings. If liquidation, bankruptcy, insolvency or legal protection proceedings have been initiated against the Contractor or the Contractor itself has filed for liquidation, bankruptcy, insolvency or legal protection proceedings, or the Solution cease to exist, the Contractor must immediately notify the Company and must ensure the extraction of data and audit history trail as set out in Clause 12.2.

13. TERM, TERMINATION AND SUSPENSION

- 13.1. Term. The term of the Agreement is 36 (thirty-six) months starting on the Signing Date (the "Term"). The Parties agree that in case the Total Value of the Agreement has not been reached, yet the initial 36 (thirty-six) month term has passed, the initial Term can be extended multiple times for a total period of up to 24 (months), each part of the extended term not exceeding 12 (twelve) months, or until the Total Value is reached, whichever comes first, by a written, unilateral notice from the Company to the Contractor. In such case, other terms of the Agreement shall remain unamended.
- 13.2. Expiry. After the expiry of the Term or once the Total Value has been reached, no more new Assignment Orders can be concluded. The Agreement fully expires once all of the existing Assignment Orders are fully completed by the Contractor and approved by the Company and the Parties have fulfilled their contractual obligations arising out of this Agreement.
- 13.3. Termination for material breach. Subject to the provisions of Clause 13.4, either the Company or the Contractor shall be entitled to terminate this Agreement upon giving a written notice of termination to the other Party in the event of material breach by the Party of any of its obligations under this Agreement. The written notice of termination shall contain an itemized description of the breach. For the purposes of this Clause 13.3 an event of material breach shall include any of the following:
- (a) commitment by a Party of any persistent or material breach of this Agreement (which shall include failure to pay an amount of at least EUR 10 000 due to the other Party or perform any part of the Services valued at least EUR 10 000);
 - (b) failure by the Contractor to duly address any of the matters raised in the second Objection Notice given by the Company in accordance with Clause 3.11(b);
 - (c) failure by any Deliverable to conform to any of the material requirements to such Deliverable contained in the Agreement, provided that such failure is not capable of being remedied upon receipt of the rejection in accordance with Clause 3.10(b);
 - (d) failure by the Company, as applicable, to make any payment to the Contractor in accordance with this Agreement within at least 15 (fifteen) business days from the date of payment falling due;
 - (e) any of the representations or warranties given by either Party under Clause 8.1 or any of the declarations, representations or warranties given by the Contractor under Clause 8.2 or the Contractor's Declaration proves to be untrue.
- 13.4. Corrective Period. In the event of a material breach by either Party of its obligations under this Agreement, the non-breaching Party shall allow the breaching Party 14 (fourteen) days for the corrective action or submission of a corrective action plan (the "Corrective Period"). The Corrective Period shall be counted from the date of receipt by the breaching Party of a written notice of breach. Should no satisfactory corrective action be taken, or acceptable corrective action plan provided by the breaching Party, the non-breaching Party shall have the right to terminate the Agreement. It is acknowledged and agreed by the Parties that the provisions of this Clause 13.4 shall not apply with respect to any of the events listed in Clause 13.5. In addition and for the avoidance of any doubt, the application of the Corrective Period under this Clause 13.4 shall be without prejudice to and shall not relieve either Party from the obligation to pay any contractual penalty in accordance with the provisions of Clause 14.2 or to pay Damages incurred by the other Party in accordance with the provisions of Clause 14.3. To clarify, the Corrective Period is not applied where the

breach of the Agreement is related to Defects and Acceptance procedures as referred to in Clauses 13.3(b) and 13.3(c) as in these cases the purpose of the Corrective Period is fulfilled by the Cure Period and its prior application.

13.5. Parties' right to terminate immediately. Notwithstanding anything to the contrary contained in this Agreement, the Company and the Contractor may terminate this Agreement immediately upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the following:

- (a) breach by the other Party of Clause 21.1;
- (b) an event of Force Majeure has been continuing during more than sixty (60) days;
- (c) the other Party had passed a resolution for winding-up;
- (d) the other Party is unable to pay its debts and has presented a petition for voluntary bankruptcy;
- (e) the other Party had a bankruptcy order issued against it;
- (f) liquidation, insolvency or legal protection proceedings have been initiated with respect to the other Party or the other Party is declared insolvent;
- (g) the occurrence of any event analogous to the events enumerated under above paragraphs (d) - (f) under the law of any jurisdiction to which the other Party's assets and undertaking are subject.

13.6. Company's right to terminate immediately. The Company may terminate this Agreement immediately upon giving the Contractor a written notice of termination explaining, in reasonable detail, the reason for termination, if:

- (a) the respective Services are no longer required;
- (b) CEF co-financing for further financing of the Services is not available to the Company fully or partly;
- (c) the Contractor has breached Clause 5.4 , Clause 5.5 or Clause 16;
- (d) it is not possible to execute the Agreement due to the application of international or national sanctions, or the European Union or the North Atlantic Treaty Organization applied sanctions significantly affecting interests of financial or capital market;

If paragraph (a) or (b) of this Clause 13.6 is applied, the Company shall pay the Contractor the Fee in respect of the Services already provided under this Agreement up to the date of the notification of the termination of this Agreement, but the Company shall have no other liability in this respect (including, but not limited to not being obliged to pay contractual or any other penalty or Damages to the Contractor).

13.7. Company's right to terminate. The Company shall be entitled to unilaterally terminate the Agreement with a 30 (thirty) days prior written notice to the Contractor without specifying the cause for termination. The Company shall pay the Contractor the Fee in respect of the Services already provided under this Agreement up to the date of the notification of the termination of this Agreement, but the Company shall have no other liability in this respect (including, but not limited to not being obliged to pay contractual or any other penalty or Damages to the Contractor).

13.8. Termination according to Public Procurement Law. The Agreement can be immediately terminated by the Company upon giving the Contractor a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the provisions mentioned in the Article 64 of the Public Procurement Law of the Republic of Latvia. In such a case, the Company shall pay the Contractor the Fee in respect of the Services already provided under this Agreement up to the date of the notification of the

- termination of this Agreement, but the Company shall have no other liability in this respect (including, but not limited to not being obliged to pay contractual or any other penalty or Damages to the Contractor).
- 13.9. Termination of Agreement in Case of Restriction on the Beneficial Owner. The Agreement can be terminated if the restriction on the beneficial owner specified in Paragraphs 36 and 36.1 of the Regulation No. 442 of the Cabinet of Ministers (Adopted 28 July 2015) "Procedures for the Ensuring Conformity of Information and Communication Technologies Systems to Minimum Security Requirements" has occurred and the competent State security institution has not agreed to the continuation of the Agreement.
- 13.10. Consequences of termination. Upon expiration or termination of this Agreement, the obligations of the Parties set forth in this Agreement shall cease, except with respect to the following:
- (a) any obligations arising as a result of any antecedent breach of this Agreement or any accrued rights; and
 - (b) the provisions stipulated in accordance with Clauses 3.7, 5.2 and 5.3 Section 11, Section 12, Clauses 13.14-13.16, Section 14, Section 16, Section 17, Section 18, Section 19.1, Section 20 and Clause 21.1 which shall survive the termination or expiry of this Agreement and continue in full force and effect along with any other Clauses of or Annexes hereof which are necessary to give effect to the Clauses specifically identified in this Clause 13.10(b).
- 13.11. Company's obligation to pay. Except in the event of termination by the Company occurring as a result of violation by the Contractor of Clause 21.1 or termination by the Company according to Clause 13.6 or 13.8, in the event this Agreement is terminated for any reason prior to completion of the Services, the Company shall have an obligation to pay the Contractor the documented costs reasonably and properly incurred by the Contractor with respect to the Services up to the date of termination. The "costs" for the purposes of this Clause shall include:
- (a) salaries for the Approved Staff and other personnel in the direct employ of the Contractor in the performance of the Services or relating to the Services (including related benefits and taxes for items such as social security and other benefits for the labour and employees),
 - (b) payments to the Approved Sub-Contractors with respect to actually provided Services,
 - (c) sales, use, gross receipts or other taxes related to the Services, imposed by any governmental authority, to the extent that the Contractor is responsible for such taxes,
 - (d) costs of any data processing services used in connection with the performance of the Services required under this Agreement.
- 13.12. No obligation to pay costs incurred prior to acceptance. Notwithstanding anything set forth in this Agreement to the contrary including, without limitation, under Clause 13.11, the Company shall have no obligation to pay any of the costs incurred by the Contractor with respect to the Services (or part of the Services) not deemed as having been accepted by the Company in accordance with Clauses 3.9, 3.10, 3.11 and 3.12.
- 13.13. No prejudice to other rights. The right to terminate this Agreement shall be without prejudice to any other right of either Party which has accrued prior to or as a result of such termination or to any remedy available to either Party under the terms of this Agreement or in accordance with the Applicable Laws.
- 13.14. Return of data. Following the termination of this Agreement due to any reason and upon a written request by Company, the Contractor must immediately return the Company's data. The Contractor ensures the transfer of data sets from its Solution, cloud storage, and any Sub-Contractors storage to the Company within 3 months after the termination of the Agreement; for the avoidance of doubt, the data must be transferred as soon as practically possible, but in any event not later than within 3 months after the termination;

- 13.15. Data extraction and transfer. The Contractor ensures the data extraction and transfer from the Solution, including cloud storage, as well as assistance to the Company, as far as necessary to ensure safe, efficient and interoperable data transfer from the Solution to the Company without any additional cost. Data shall be extracted and transferred to the Company in some of the open file formats (for example *.txt*, *.sql*, *.csv*).
- 13.16. Language data. The language data obtained during the Company's usage of the Services should be transferred to the Company in some of the open file formats (for example *.txt*, *.sql*, *.csv*) when requested and after the term of the Agreement or in case of termination of the Agreement.

14. LIABILITY

- 14.1. Liability of Parties. The Contractor shall be liable to compensate Damages incurred by the Company arising out of or in connection with this Agreement and pay contractual penalty set forth in accordance with Clause 14.2 if a breach of any of the obligations of the Contractor under this Agreement is established against the Contractor. The Company shall be liable to pay the contractual penalty set forth in accordance with Clause 14.2 if a breach of payment obligations of the Company under this Agreement is established against the Company.
- 14.2. Contractual penalty.
- 14.2.1. If the Contractor refuses or fails to duly complete the Assignment, the Company is entitled to request the Contractor to pay a contractual penalty in the double amount of the Fee for the respective Assignment;
- 14.2.2. In the event the actions and/or inactions of the Contractor result in a failure by the Contractor to provide Services and/or Additional Services, the Company shall be entitled to claim from the Contractor a contractual penalty in the amount of 0.1% (zero point one percent) from the total amount payable for the respective Service or Additional Service for each day of delay, provided that the total amount of the contractual penalty payable by the Contractor under this Clause 14.2.1 shall not exceed 10% (ten percent) of the total amount payable for the respective Service or Additional Service
- 14.2.3. For each breach of Clause 5.4 by the Contractor, the Company shall be entitled to request the Contractor to pay a contractual penalty in the amount of EUR 500 provided that the total amount of the contractual penalty payable by the Contractor under this Clause 14.2.3 shall not exceed 10% (ten percent) of the total amount payable for the respective Service or Additional Service.
- 14.2.4. In the event of failure by the Company to pay any amount in accordance with Clause 4.8, the Contractor shall be entitled to request the Company to pay a contractual penalty in the amount of 0.1% (zero point one percent) from the delayed amount for each day of delay, provided that the total amount of such contractual penalty payable by the Company under this Clause 14.2.4 shall not exceed 10% (ten percent) of the delayed amount.
- 14.2.5. The contractual penalties shall be applied upon the sole discretion of the entitled Party under the Agreement considering the material consequences of the infringement.
- 14.2.6. Payment of the contractual penalty shall not release the Party from performance of any of its obligations under the Agreement. The contractual penalty applied in accordance with Clauses 14.2.1 - 14.2.4 shall be deducted from the overall damage claim of the Company for the same breach.
- 14.3. Compensation for Damages. Notwithstanding of and without prejudice to any contractual penalty payable in accordance with Clause 14.2 and subject to the provisions of Clause 14.5, in the event it is established that either Party is liable to the other Party with respect to any breach of its respective obligations under

this Agreement, the liable Party shall compensate the other Party for any Damages incurred as a result of such breach, subject to the following terms:

- (a) the amount of compensation shall be limited to the amount of reasonably foreseeable Damages suffered as a result of the breach(es), but not otherwise; and
- (b) if either Party is considered to be liable jointly with third parties to the other, the proportion of compensation payable by the liable Party shall be limited to that proportion of liability which is attributable to the breach by the liable Party.

14.4. Attribution of Damages. Any Damages suffered by either Party shall, for the purposes of Clause 14.3, be reduced to the extent that the Damages are caused by or contributed to by the other Party's own negligence or breach of its obligations under this Agreement.

14.5. Limitation of liability. Notwithstanding anything to the contrary set forth in this Agreement, in no circumstances shall any Party be liable to the other Party for any loss of production, loss of profit, loss of revenue, loss of contract, liability incurred under other agreements (with the exception of costs paid by the Company to contractors appointed by the Company in relation to the Services or the Global Project) or any indirect or consequential loss arising out of or in connection with this Agreement.

15. FORCE MAJEURE

15.1. Effects of Force Majeure Event. Subject to the requirements set forth in accordance with Clauses 15.2 and 15.3, 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.

15.2. Action on becoming aware of Force Majeure Event. Each Party shall at all times, following the occurrence of a Force Majeure Event:

- (a) take reasonable steps to prevent and mitigate the consequences of such an event upon the performance of its obligations under this Agreement, 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; and
- (b) 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 15.2(a).

15.3. Notification requirements. 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 10 (ten) business 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 15.2(a) 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.

15.4. Notification of resumed performance. The affected Party shall notify the other Parties 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).

15.5. Mitigation of effects of Force Majeure Event. As soon as practicable after the notification specified pursuant to Clause 15.3, the Parties shall use reasonable endeavours to agree appropriate terms or modifications to

the Services to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.

16. CONFIDENTIALITY

- 16.1. Confidential Information. “Confidential Information” means, in relation to the Company, all information of a confidential nature relating to the Company and its affiliates which is supplied by the Company (whether before or after the date of this Agreement) to the Contractor, either in writing, orally or in any other form and includes disputes and their settlement as well as the Contractor’s data uploaded to the Solution, and other documents and information which contain or otherwise reflect or are derived from such information, but excludes information which:
- (a) the Company confirms in writing is not required to be treated as confidential; or
 - (b) the Contractor can show that the Confidential Information was in its possession or known to it (by being in its use or being recorded in its files or computers or other recording media) prior to receipt from the Company and was not previously acquired by the Contractor from the Company or its affiliates under an obligation of confidence; or
 - (c) was developed by or for the Contractor at any time independently of this Agreement.
- 16.2. Undertakings with respect to Confidential Information. The Contractor shall:
- (a) at all times keep confidential all Confidential Information received by it and shall not disclose such Confidential Information to any other Person; and
 - (b) procure that its affiliates and its and their respective officers, employees and agents shall keep confidential and not disclose to any Person any Confidential Information except with the prior written consent of the Company.
- 16.3. Permitted disclosure. The Contractor shall, without the prior written consent of the Company, be entitled to disclose Confidential Information:
- (a) that is reasonably required by the Contractor in the performance of its obligations pursuant to this Agreement, including the disclosure of any Confidential Information to any employee, agent, officer, Approved Sub-Contractor or adviser to the extent necessary to enable the Contractor to perform its obligations under this Agreement;
 - (b) to enable a determination to be made pursuant to Section 18;
 - (c) to its lenders or their professional advisers, any rating agencies, or its insurance advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;
 - (d) to the extent required by the Applicable Laws or pursuant to an order of any court of competent jurisdiction, any parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law; or
 - (e) to the extent Confidential Information has become available to the public other than as a result of any breach of an obligation of confidence; provided that any such disclosure is made in good faith.
- 16.4. Obligations of recipients. Whenever disclosure is permitted to be made pursuant to Clauses 16.3(a) or 16.3(c), the Contractor shall require that the recipient of Confidential Information be subject to the same obligation of confidentiality as that contained in this Agreement.
- 16.5. Obligations on termination or expiry of Agreement. If this Agreement is terminated for whatsoever reason or it expires or the Company so requests, the Contractor shall:

- (a) return to the Company all of the Confidential Information then within the possession or control of the Contractor; or
 - (b) destroy such Confidential Information using a secure and confidential method of destruction.
- 16.6. No press release. Save as required by the Applicable Laws, the Parties shall not issue any press release in relation to the matters contemplated under this Agreement without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed) as to both the content and the timing of the issue of the press release.
- 16.7. Remedies. The Parties acknowledge and agree that a breach of the provisions of this Section 16 may cause the owner of Confidential Information to suffer irreparable Damages that could not be adequately remedied by an action at law. Accordingly, the Contractor agrees that the owner of Confidential Information that is disclosed in breach of Clauses 16.2, 16.4 or 16.6 may be entitled to specific performance of those provisions to enjoin a breach or attempted breach thereof and to any other remedy, including, inter alia, damages and injunctive relief, awarded by a court of competent jurisdiction.

17. RIGHT TO AUDIT

- 17.1. Right to audit. Notwithstanding anything to the contrary set forth in this Agreement, the Company itself or authority auditing the Company shall at reasonable times, on reasonable notice and during normal business hours be entitled to inspect and/or audit the Contractor to ensure compliance with the terms of this Agreement, including inspecting and/or auditing:
- (a) the performance of any aspect of the Services; and/or
 - (b) any documentation of the Contractor and/or other records used in or reasonably related to the performance of the Services provided that nothing herein shall obligate the Contractor to disclose any documents or other material relating to the profitability or internal profit and loss/balance sheets associated with the Contractor's business, payroll information, or information or material that constitute legally privileged documents or information that Contractor is bound to maintain as confidential by written obligation to a third party.
- 17.2. Obligation to assist. The Contractor shall provide all reasonable assistance in carrying out any such inspection or audit pursuant to this Section 17. The Company shall be responsible for its own costs 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 Company for all of its additional reasonable costs incurred, provided such non-compliance is material.
- 17.3. Survival of termination. The rights and obligations of the Company set forth in accordance with this Section 17 shall survive expiration or termination of this Agreement for any reason and shall continue to apply during the period of 10 (ten) years following expiration or termination of this Agreement for any reason whatsoever.
- 17.4. Confidential nature. Audit results, including information and documentation disclosed or made available to the Company in the course of any such audit shall be deemed the Confidential Information and treated as such.

18. ON-THE-SPOT VISITS

- 18.1. Right to perform on-the-spot visits. By submitting a written notice 5 (five) business days in advance, the Company may carry out on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out. The above mentioned unannounced on-the-spot visits shall

not be deemed to include visits to the main data centers and in order to attend such premises the Parties must agree in advance on timing of such visits.

- 18.2. Personnel involved. On-the-spot visits may be carried out by authorised staff of the Company. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis.
- 18.3. Access to the information. The Contractor shall provide to the performer of the on-the-spot visit 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 which relates solely to the Contractor's obligations pursuant to this Agreement, as well as shall allow the authorized staff of the performer of the on-the-spot visit the copying of the information and documents, with due respect to the confidentiality obligation. Any review of the Contractor's records, facilities or procedures, made pursuant to a written request from the Company, shall be conducted at reasonable times, on reasonable notice and during normal business hours. Nothing herein shall obligate the Contractor to disclose to the Company any documents or other material relating to the profitability or internal profit and loss/balance sheets associated with the Contractor's business, payroll information, or information or material that constitute legally privileged documents or information that Contractor is bound to maintain as confidential by written obligation to a third party.
- 18.4. Checks and inspections. 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 and Regulation (EU) 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 other laws 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 Contractor in case such activities are related to the use of grants awarded.

19. PERSONAL DATA

- 19.1. Data processing. The Contractor processes personal data on behalf of the Company in accordance with the Agreement.
- 19.2. Personal Data Processing Agreement. The Company is the data controller, and the Contractor is the data processor, therefore the Parties sign a Personal Data Processing Agreement as attached in Annex E of the Agreement on the day of the signing of this Agreement. The Contractor is obliged to follow data processing rules specified in Annex E of the Agreement.

20. GOVERNING LAW AND RESOLUTION OF DISPUTES

- 20.1. Governing law. This Agreement shall be governed by and construed in accordance with law of the Republic of Latvia.
- 20.2. Resolution by amicable means. The Parties shall first attempt to settle any dispute, controversy or claim arising out of or relating to this Agreement through good faith debate, discussion, and negotiating prior to submitting them to mediation, arbitration, or other legal proceeding.
- 20.3. Venue for resolution of disputes. Should the Parties fail to settle such disputes, controversies or claims within 2 (two) months by amicable negotiations, the Parties shall submit all their disputes arising out of or in connection with this Agreement to the exclusive jurisdiction of the courts of the Republic of Latvia.
- 20.4. Language. The Parties hereby represent and warrant that the English language is understandable for both Parties.

21. MISCELLANEOUS PROVISIONS

- 21.1. Conflict of interest, corruption and fraud. Notwithstanding any penalties that may be enforced against the Contractor under the Applicable Laws, or the laws of other jurisdiction(s), the Contractor shall be deemed to have committed a breach under this Agreement and the Company shall be entitled to terminate this Agreement immediately and without any regard to the provisions of Clause 13.4, if it is shown that the Contractor is guilty of:
- (a) offering, giving, receiving or soliciting anything of value with a view to influencing the behaviour or action of anyone, whether a public official or otherwise, directly or indirectly in the selection process or in the conduct of the Agreement; or
 - (b) misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Company, including the use of collusive practices intended to stifle or reduce the benefits of free and open competition.
- 21.2. Relationship of Parties. The relationship between the Contractor and the Company under this Agreement is that of independent contractor. The Contractor (or the Approved Sub-Contractors or Approved Staff) is not an employee of the Company, is not carrying out the regular business of the Company and is not subject to the same employment regulations as are applicable to employees of the Company. Each of the Parties shall be solely and entirely responsible for their own acts and the acts of their employees. No benefits, special considerations, or employer/employee-type provisions are provided by the Company to the Contractor, its employees, its consultants, or the employees of such consultants.
- 21.3. Severability. If any provision of this Agreement shall be held to be illegal, invalid, void or unenforceable under the Applicable Laws, the legality, validity and enforceability of the remainder of this Agreement shall not be affected, and the legality, validity and enforceability of the whole of this Agreement shall not be affected.
- 21.4. Successors and assigns. The Parties each bind themselves, their successors, legal representatives, and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect to all covenants of this Agreement. Neither Party shall assign or transfer its respective interest in the Agreement without written consent of the other Party, if not directly provided otherwise under the Agreement.
- 21.5. Amendments and Variations. No amendment to or Variation of this Agreement shall be effective unless made in writing by duly authorized representatives of both Parties, if not provided otherwise herein. The Agreement can be amended in compliance with the provisions of Article 61 of the Public Procurement Law of the Republic of Latvia.
- 21.6. Entire agreement. This Agreement, and the Annexes hereto, constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes and extinguishes all and any prior drafts, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to such subject matter.
- 21.7. Execution. This Agreement is executed in 2 (two) copies, one for each Party, both having the same legal effect.

For and on behalf of the Company:

For and on behalf of the Contractor:

[●]

[●]

*[THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A QUALIFIED ELECTRONIC SIGNATURE
AND CONTAINS TIME SEAL]*

Annex A: List of Approved Staff and Approved Sub-Contractors

Annex B: Assignment Order Form

ASSIGNMENT ORDER NO. [●]

Date [●]

FOR THE PROVISION OF [●]

This Assignment Order has been entered into pursuant to the Agreement on Implementation and Maintenance of Machine Translation Solution, and Post-Editing Services No [●] (the "Agreement") between:

RB Rail AS, a company organized and existing under the laws of Republic of Latvia, registry code 40103845025, registered address Satekles iela 2B, Riga, LV-1050, Latvia (the "Company"), represented by [position] [name], and

[●], a company organized and existing under the laws of [country], registry code [●], registered address [●] (the "Contractor"), represented by [position] [name],

for providing of the following Assignment by the Contractor to the Company on the following conditions:

1. Description of the Assignment: [·].
2. Timeline/deadline for completing the Assignment: [·].
3. Contact person(s) for the Company: [·].
4. Contact person(s) for the Contractor: [·].
5. Fee: [·].
6. Payment terms: according to the Agreement.
7. No Conflict of Interest: the Contractor and the Approved Staff appointed to implement Assignment Order confirms having no Conflict of Interests for the provision of Additional Services regarding the above described Assignment Order. .
8. Governance: This Assignment Order supplements, forms part of and is subject to the Agreement. All provisions contained in the Agreement thereof govern this Assignment Order. In the event of any inconsistency between the provisions of the Agreement and this Assignment Order, the Agreement shall prevail.
9. Other terms: [·].
10. Enclosed: [·].

On behalf of RB Rail AS:

On behalf of [●]:

[●]

[●]

Annex C: Contractor's Proposal

Annex D: Technical Specification

Annex E: Personal Data Processing Agreement

PERSONAL DATA PROCESSING AGREEMENT NO. [●]

This personal data processing agreement (the “DPA”) is entered into in [place] on [date OR the date indicated on the timestamp of the last signature of the Agreement] by and between:

- (1) **RB Rail AS**, a joint stock company registered in the Latvian Commercial Register with registration No 40103845025 and legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the “Company”), represented by [●] acting on the basis of [●], on the one side, and
- (2) [●], a company registered in [●] with registration No. [●], legal address at [●] (the “Contractor”), represented by [●] acting on the basis of [●], on the other side,

the Company and the Contractor referred to as the “Parties” and separately – as the “Party”. The Parties hereby undertake to meet the following requirements:

1. **Definitions.** Unless defined otherwise in this DPA, the definitions used in the DPA shall have the same meaning as under the Agreement (as defined below). In addition, the following definitions should have the following meaning:

“Agreement” means the Agreement No. [●] on Implementation and Maintenance of Machine Translation Solution, and Post-Editing Services (the “Agreement”) signed by the Parties.

“Controller” means the Company, who determines the purpose and means of the Processing of Personal Data.

“GDPR” means the EU General Data Protection Regulation (2016/679).

“Personal Data” means any information relating to an identified or identifiable natural person (data subject) that the Contractor is Processing on behalf of the Company. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

“Personal Data Breach” means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, the Personal Data transmitted, stored or otherwise Processed.

“Processing” means any operation or set of operations, which is performed on the Personal Data or on sets of the Personal Data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

“Processor” means the Contractor, who Processes the Personal Data on behalf of the Controller.

“Sub-Processor” means any sub-processor who is Processing the Personal Data and is engaged by the Contractor or by any other Sub-Processor.

2. **DPA and Annexes.** The DPA consists of its body text and two Annexes: (i) Annex 1: Information on Data Processing; and (ii) Annex 2: Approved Sub-Processors. The DPA is an integral part of and related to the Agreement. The DPA forms an agreement on the Processing on Personal Data in accordance with GDPR. The DPA is applicable when the Contractor Processes the Personal Data on behalf of the Company based on the Agreement. In the event of any discrepancy between the provisions of the Agreement and this DPA, the provisions of this DPA shall prevail.

3. **Purpose.** The purpose of the DPA is to agree on the privacy and the Personal data security measures and to ensure that the Personal Data at all times is Processed in accordance with the Applicable Laws.
4. **Role of Controller.** As the Controller, the Company is responsible for ensuring that it has the necessary rights to Process the Personal Data. The Company is responsible for informing the data subjects of the Processing of information concerning them. The Company is responsible for the accuracy of the Personal Data provided to the Contractor. The Company has the right and obligation to determine the purpose and means of the Processing of the Personal Data.
5. **Processing.** The Contractor undertakes to Process the Personal Data on behalf of the Company. The Contractor has the right to Process the Personal Data only in accordance with the Agreement, this DPA (including its annexes) and the written guidance of the Company and only insofar as it is necessary to deliver the services mentioned in the Agreement. The subject-matter, nature and purposes of the Processing are further defined in Annex 1 of this DPA. The Contractor may refuse to follow the Company's guidance if it contradicts the Applicable Laws.

The Contractor may not (except as set out in this DPA):

- (a) collect or release the Personal Data from or to any third party;
 - (b) change the means of Processing;
 - (c) duplicate or reproduce any Personal Data;
 - (d) compile or collate any Personal Data;
 - (e) in any other way Process the Personal Data for any purpose other than those set out in Annex 1, the Agreement or this DPA.
6. **Maintaining Records.** The Contractor shall maintain a record of all categories of Processing activities carried out on behalf of the Company (including by any Sub-Processor) containing (i) the name and contact details of the Contractor, the Company and the Sub-Processor, if any, as well as the data protection officers, if any, (ii) all the categories of Processing carried out on behalf of Company, (iii) where applicable, transfers of the Personal Data to a third country, including the identification of that third country and, where applicable, the documentation of suitable safeguards, and (iv) where possible, a general description of the technical and organizational security measures.

The records maintained by the Contractor according to the DPA shall be made available to the Company at no cost and without delay, but in any case, not later than within 12 (twelve) days after the Company's request.
 7. **Deletion and Returning of Personal Data.** Upon expiry or termination of the Agreement or expiry of the need for Processing activity, the Contractor returns (at no cost) all the Personal Data to the Company or deletes it in accordance with the instruction of the Company or provisions of the Agreement and the DPA, unless the Applicable Laws require the retention of the Personal Data.
 8. **Subcontracting.** The Contractor is not permitted to subcontract (also to the Contractor's affiliates, subsidiaries etc.) any of its Processing operations performed on behalf of the Company, unless a prior approval of the Company for each individual Sub-Processor is provided pursuant to Annex 2. Upon the Company's request, the Contractor shall without undue delay and at no extra cost for the Company provide copies of any such subcontracting agreements.

The Contractor shall keep an up-to date list of the identity and location of all Sub-Processors. The Contractor will at all times remain fully responsible for the Sub-Processors' compliance with the provisions of this DPA. If the Contractor wants to replace the Sub-Processor, the Contractor shall notify the Company thereof without delay.

The Company is entitled to give written notice of termination of this DPA and/or the Agreement, effective immediately or at any later date, in the event the Company cannot accept the proposed new Sub-Processor due to objective reasons.

9. **Contractor's Obligation to Assist.** The Contractor must immediately forward to the Company all requests to inspect, rectify, erase, ban etc. the Processing of the Personal Data or other requests received from the data subjects. It is the Company's duty to respond such requests.

Considering the nature of the Processing, the Contractor helps the Company with appropriate technical and organisational measures, in order for the Company to fulfil its duty to respond to the data subject's requests. Considering the nature of the Processing and the available data, the Contractor must assist the Company in ensuring that the Company complies with its obligations in accordance with the Applicable Laws. Such obligations may concern data security, notifications of data security incidents, data protection impact assessment and prior consultations.

The Contractor must assist the Company to the extent that the DPA and the Applicable Laws set the requirements for the Processor of the Personal Data. The Contractor directs all inquiries from the supervisory authorities directly to the Company if it is not prohibited by the Applicable Laws due to the alleged fact that the Contractor has no authority to represent the Company.

10. **Processing Outside of EU/EEA.** The Contractor warrants that, without prior written consent from the Company, it will under no circumstances Process, export or in any way whatsoever make accessible any Personal Data from a location outside the EU/EEA. For avoidance of doubt, this prohibition also covers and applies for technical support, maintenance and similar services.

11. **Data Security Measures.** The Contractor shall implement appropriate technical and organisational measures to protect the Personal Data and to ensure a level of security appropriate to the risk, including inter alia as appropriate:

- (a) pseudonymisation and encryption of the Personal Data, if possible;
- (b) the ability to ensure the ongoing confidentiality, integrity, availability and resilience of Processing systems and services;
- (c) the ability to restore the availability and access to the Personal Data in a timely manner in the event of physical or technical incident; and
- (d) process for regular testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the Processing.

The Contractor implements appropriate technical and organizational measures to protect the Personal Data, considering the risks that are presented by the Processing, such as accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, the Personal Data transmitted, stored or otherwise Processed.

The technical options and the costs of the options in relation to the special risks connected with the Processing of and sensitive nature of the Personal Data, of which the Company has informed or in writing brought out, must be taken into account when organizing the security measures.

The Company must ensure that the Contractor is informed of all matters regarding the Personal Data provided by the Company, such as Processing of special categories of data, which may affect the technical and organizational measures in accordance with this DPA. The Contractor ensures that the personnel of the Contractor or its Sub-Processors, that take part in the Processing of the Personal Data, maintains appropriate confidentiality.

On the Company's demand and without unreasonable delay, the Contractor shall provide the Company with a documented description of the Contractor's implemented technical, organisational and security measures.

- 12. Notification of Personal Data Breach.** The Contractor notifies the Company of all the Personal Data Breaches without undue delay after the Contractor becomes aware of or its Sub-Processor becomes aware of the Personal Data Breach, but not later than within 24 (twenty-four) hours from the moment when the Contractor or the Sub-Processor becomes aware of the Personal Data Breach.

If requested by the Company, the Contractor must without undue delay provide the Company with all appropriate information of the Personal Data Breach. To the extent that this information is held by the Contractor, the notification must describe at least:

- (a) the Personal Data Breach that has taken place;
- (b) as far as possible, the categories and approximate number of data subjects concerned and the categories and approximate number of the Personal Data records concerned;
- (c) description of the likely consequences of the Personal Data Breach;
- (d) description of the remedial actions that the Contractor has taken or must take to prevent future Personal Data Breach and, if necessary, also measures to mitigate its possible adverse effects;
- (e) the name and contact details of the data protection officer or other contact point where more information can be obtained; and
- (f) any other necessary and available information that the Company needs in order to be able to take appropriate safeguards and meet its obligations of notification of a Personal Data Breach to the supervisory authority and, if applicable, to the affected data subjects.

The Contractor must without delay document the results of the investigation and the actions taken for the Company, comprising the facts relating to the Personal Data Breach, its effects and the remedial action taken. The Company is responsible for necessary notifications to the supervisory authorities.

- 13. Liability.** The Company shall be liable for the damage caused by the Processing which infringes the Applicable Laws. The Contractor shall be liable for the damage caused by the Processing only where it has not complied with obligations of the Applicable Laws specifically directed to the processors or where it has acted outside or contrary to lawful instructions of the Company. If claims or administrative fines are directed against the Contractor as a result of breach of this DPA or Applicable Laws, the Contractor shall immediately notify the Company thereof and take every possible measure to mitigate the damages resulting from the breach.

Each Party is obliged to pay the part of the imposed damages and administrative fines that reflects its liability for the damage according to the supervisory authority or court decision. In other respects, the Parties' liability is determined in accordance with the Agreement.

- 14. Effect of Changes.** The Contractor informs the Company in writing of all changes that may affect its ability or prospects to comply with this DPA and the written guidance of the Company. The Parties will agree of all additions and changes to this DPA in writing.
- 15. Force and Validity.** This DPA enters into force when signed by both Parties. The DPA remains in force for as long as (i) the Agreement remains in force, or (ii) the Parties have obligations towards each other based on the Agreement. The obligations, which due to their nature are intended to remain in force regardless of the expiry of this DPA remains in force after the expiry of this DPA. This DPA expires with respect to the Agreement, when the Processing of the Personal Data under the Agreement and this DPA has ended.
- 16. Applicable Law and Dispute Resolution.** This DPA shall be governed by and construed in accordance with the laws of the Republic of Latvia. Any dispute, controversy or claim arising out of or in connection with this DPA, or the breach, termination or invalidity thereof, shall be finally settled in the competent court of the Republic of Latvia.

For and on behalf of the Company:

For and on behalf of the Contractor:

[●]

[●]

*[THIS DOCUMENT IS ELECTRONICALLY SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIME
STAMP]*

Annex 1 to Personal Data Processing Agreement No. [●]**Information on Data Processing**

[place] [date]

INSTRUCTIONS AND PURPOSE

The Contractor undertakes to Process the Personal Data only in compliance with the Company's instructions according to this Annex 1. In the event the Contractor lacks information necessary to carry out its obligations, the Contractor shall promptly inform the Company thereof and await necessary instructions.

1. The purpose of the Processing: [to describe]
2. The nature of the Processing: [to describe]
3. The types and categories of Personal Data that shall be Processed: [to describe]
4. The categories of data subjects: [to describe]
5. The place for the Processing: [to describe]
6. The duration of the Processing / retention period: [to describe]

For and on behalf of the Company:

For and on behalf of the Contractor:

[●]

[●]

Annex 2 to Personal Data Processing Agreement No. [●]**Approved Sub-Processors****INSTRUCTIONS AND PURPOSE**

The Contractor is only permitted to subcontract any of its Processing operations performed on behalf of the Company when the Contractor has received a written consent from the Company. The Contractor must execute a written agreement with the Sub-Processor according to which the Sub-Processor is required to abide by the same obligations as those in the DPA and the Agreement. The Contractor shall keep an up-to date list of the identity and location of all Sub-Processors. The Contractor will at all times remain fully responsible for the Sub-Processor's compliance with the provisions of the Agreement and the DPA.

1. The Company hereby permits the Sub-Processor(s) listed below to Process the Personal Data in accordance to Applicable Laws, the Agreement and the DPA.
2. The purpose of the Processing: [*to describe*]
3. The nature of the Processing: [*to describe*]
4. The types and categories of Personal Data that shall be Processed: [*to describe*]
5. The categories of data subjects: [*to describe*]
6. The place for the Processing: [*to describe*]
7. The duration of the Processing / retention period: [*to describe*]

For and on behalf of the Company:**For and on behalf of the Contractor:**_____
[●]_____
[●]

Annex F: Acceptance Deed Form

Acceptance Deed

No.: [insert number]

Date: [insert date]

Place: [insert place]

From: [●], a company registered in [●] registration No. [●], legal address at [●] (the "Contractor"), represented by [●]

To: RB Rail AS, registration No. 40103845025, legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the "Company"), represented by [●]

This Acceptance Deed is issued to the Company by the Contractor with respect to the Agreement on Implementation and Maintenance of Machine Translation Solution, and Post-Editing Services No. [●].

Assignment Order No:

[●], [●], [●] [only for Additional Services].

All defined terms used in this deed shall bear the same meaning as in the Agreement and/or Assignment Orders.

The Company hereby confirms that on [insert date] the following Services were provided by the Contractor in good quality and are accepted by the Company in its entirety:

No	Assignment No	Description of the Services	Completion date	Amount in Euro
1.		[●]	[●]	[●]
			VAT 21%	[●]
			Total:	[●]