FRAMEWORK AGREEMENT

ON SUPPLY OF IT EQUIPMENT AND RELATED SERVICES

Lot 4: Network devices, corresponding spare and component parts and accessories

BETWEEN

RB RAIL AS

AND

SIA "OptiCom"

RB047-RBR-AGR\_FR-Z-00010

|  |  |
| --- | --- |
| Agreement number: | 1.19/LV-2024-14-10 |
| Procurement procedure ID No. | RBR 2023/8 |

Riga

2024

TABLE OF CONTENTS

[1. Definitions, Interpretation and Order of Precedence 4](#_Toc163138981)

[2. Services 8](#_Toc163138982)

[3. Total Value and Term 10](#_Toc163138983)

[4. Award of Assignments 10](#_Toc163138984)

[5. Fee and Payments 13](#_Toc163138985)

[6. Contractor’s Other Obligations and Covenants 15](#_Toc163138986)

[7. Company’s Other Obligations and Covenants 19](#_Toc163138987)

[8. Warranty Obligations 19](#_Toc163138988)

[9. Representations and Warranties 20](#_Toc163138989)

[10. Variations 21](#_Toc163138990)

[11. Communication 22](#_Toc163138991)

[12. Termination 22](#_Toc163138992)

[13. Liability 25](#_Toc163138993)

[14. Force Majeure 25](#_Toc163138994)

[15. Confidentiality 26](#_Toc163138995)

[16. Right to Audit 27](#_Toc163138996)

[17. On-the-spot Visits 28](#_Toc163138997)

[18. Personal Data 28](#_Toc163138998)

[19. Governing Law and Dispute Resolution 29](#_Toc163138999)

[20. Miscellaneous Provisions 29](#_Toc163139000)

[Annex A: Acceptance Deed Form 31](#_Toc163139001)

[Annex B: Approved Staff and Approved Sub-Contractors 32](#_Toc163139002)

[Annex C: Assignment Order Form 33](#_Toc163139003)

[Annex D: Contractor’s Financial Proposal 34](#_Toc163139004)

[Annex E: Technical Specification-Technical specification 35](#_Toc163139005)

[Annex F: Representatives 38](#_Toc163139006)

FRAMEWORK AGREEMENT

on Supply of IT Equipment and Related Services

Lot 4: Network devices, corresponding spare and component parts and accessories

This Agreement is entered into in Riga, on 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 Commercial Register of the Republic of Latvia with registration No 40103845025 and legal address at Satekles iela 2B, Riga, LV-1050, Latvia (the “Company”), represented by [CONFIDENIAL], on the one side, and
2. Sabiedrība ar ierobežotu atbildību "OptiCom", a company registered in Commercial Register of the Republic of Latvia with registration No. 40003231409 , legal address at Rūpniecības iela 5-2, Riga LV-1010, Latvia (the “Contractor”), represented by [CONFIDENIAL], on the other side,

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

WHEREAS:

* 1. 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”);
  2. the Company has organised a procurement procedure “IT equipment framework” (identification No. RBR 2023/8) (the “Procurement Procedure”) where the tender proposal submitted by the Contractor in Lot 4 of the Procurement Procedure (the “Contractor`s Proposal”) together with the tender proposals of the Other Contractors (as defined below) was selected for entering into a framework agreement to provide the Services (as defined below);
  3. this Agreement is co-financed from the Connecting Europe Facility (“CEF”), Grant Agreements and other financing agreements;

THEREFORE, the Parties agree as follows:

1. Definitions, Interpretation and Order of Precedence
   1. Definitions. In this Agreement, unless the context requires otherwise, the following definitions shall have the following meaning:
      1. “Acceptance Deed” means a deed of acceptance substantially in the form of Annex A.
      2. “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.
      3. “Annex” means any of the annexes enclosed to this Agreement and listed in Clause 1.3 of the Agreement.
      4. “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).
      5. “Approved Staff” means any person listed in Annex B which is in a contractual employment relationship with the Contractor to provide a part of the Services.
      6. “Approved Sub-Contractor” any person or organisation listed in Annex B which is in a contractual relationship with the Contractor to provide a part of the Services.
      7. “Assignment” means the specific instance of the 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.
      8. “Assignment Order” means an agreement between the Company and the Contractor for the implementation of an Assignment in accordance with the form (as may be adjusted from time to time by the Company) in Annex C.
      9. “business day” means any day except Saturday, Sunday and any day which is a public holiday in Latvia, Lithuania or Estonia (public holidays of the country in connection with which the respective Services are provided must be taken into account).
      10. “CEF” as defined in the Preamble of the Agreement.
      11. “Company” as defined in the above list of the parties to the Agreement.
      12. “Confidential Information” as defined in Clause 15.1 of the Agreement.
      13. “Contractor” as defined in the above list of the parties to the Agreement.
      14. “Contractor’s Proposal” as defined in the Preamble of the Agreement and enclosed in Annex D to the Agreement.
      15. “Corrective Period” as defined in Clause 12.3 of the Agreement.
      16. “Damages” any direct cost, claim, damage, demand, loss, expense or liability incurred by the relevant person.
      17. “Defect” means any error, fault, omission, defect or other non-compliance of the Services with the requirements of the Agreement, the Technical Specification, the Request for Proposal, the Assignment Order, the Applicable Laws, or the Good Industry Practice.
      18. “Delivery Note” means a document that is included with a delivery of Goods to the Company. It lists the description and amount of goods enclosed in the delivery.
      19. “Documentation” means all documents, records, correspondence, files etc. of the Contractor, its employees, sub-contractors etc. pertaining to the Assignment.
      20. “EUR” and “euro” means the official currency of the eurozone, officially known as the euro area.
      21. “Fee” as defined in Clause 5.1 of the Agreement.
      22. “Framework Agreements” means this Agreement as well as the other identical framework agreements concluded with the Other Contractors as well as other contractors (with respect to other Lots) based on the results of the Procurement Procedure.
      23. “Force Majeure Event” means any event which meets all the following criteria:
2. It is an event that cannot be avoided and whose consequences cannot be overcome;
3. It could not be foreseen at the time when the Agreement was concluded;
4. It was not caused by the act of the affected Party or a person under its control;
5. It makes it impossible to fulfil the obligation arising from the Agreement.

For example, these events could be considered as Force Majeure Events if they meet the criteria defined above (this list is not exhaustive):

* + - * 1. an act of the public enemy or war (declared or undeclared), threat of war, revolution, riot, insurrection, civil commotion, demonstration or sabotage;
        2. an act of vandalism or accidental damage or destruction of machinery, equipment, track or other infrastructure;
        3. 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);
        4. nuclear, chemical or biological contamination, epidemic or pandemic (except for COVID-19 pandemic);
        5. strike, lockout or other industrial action other than involving the Contractor or the Company.
    1. “Global Project” as defined in the Preamble of the Agreement.
    2. “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 the Services or services of a similar size, nature, scope, type and complexity, complying with the Applicable Laws.
    3. “Goods” means goods that shall be delivered according to the Agreement.
    4. “Lot” means each procurement lot under the Procurement Procedure.
    5. “Other Contractors” means the following other contractors that have been chosen by the Company to enter into a framework agreement with the same contents as this Agreement with respect to Lot 4:
       - 1. SIA "ATEA", registration No 40003312822, registered address at Unijas iela 15, Riga, LV-1039, Latvia;
         2. Akciju sabiedrība "CAPITAL", registration No 40003088497, registered address at Ganību dambis 23C, Riga, Latvia, LV-1005.
    6. “Party” or “Parties” as defined in the above list of the parties to the Agreement.
    7. “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).
    8. “Promotion activities” means pre-sales consultations and demo equipment for testing the Goods that are provided by the Contractor and are free-of-charge.
    9. “Procurement Procedure” as defined in the Preamble of the Agreement.
    10. “Ranking” means the following ranking of the Service Providers based on the results of the Procurement Procedure:

1.1.33.1. SIA “Atea” – 95.60 (ninety-five point sixty) points;

1.1.33.2. AS “Capital” – 94.40 (ninety-four point forty) points;

1.1.33.3. SIA "Opticom" – 80.50 (eighty point fifty) points.

* + 1. “Related Services” means installation and configuration services that are related to the supplied Goods.
    2. “Representatives” as defined in Clause 11.4 of the Agreement.
    3. “Request for Assignment” as defined in Clause 4.2.1 of the Agreement.
    4. “Request for Proposal” as defined in Clause 4.3.1 of the Agreement.
    5. “Service Provider” means the Contractor and/or any of the Other Contractors.
    6. “Services” as defined in Clause 2.1 of the Agreement.
    7. “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.
    8. “Supplier’s Declaration” means Appendix 6[[1]](#footnote-2) to the Common Procurement Standards and Guidelines for the Rail Baltica Project.
    9. “Technical Specification” means Annex E to this Agreement.
    10. “Total Value” as defined in Clause 3.1 of the Agreement.
    11. “Variations” as defined in Clause 10.1 of the Agreement.
    12. “Warranty period” as defined in Clause 8.1 of the Agreement.
  1. Interpretation. The following interpretation rules of the provisions of this Agreement shall apply:
     + 1. The headings contained in this Agreement shall not be used in its interpretation.
       2. References to the singular shall include references in the plural and vice versa and words denoting natural persons shall include any other Persons.
       3. 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.
       4. 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.
       5. A reference to “writing” shall include an e-mail transmission and any means of reproducing words in a tangible and permanently visible form.
       6. The words “include” and “including” are to be construed without limitation.
       7. Unless indicated otherwise, all references to “days” shall mean calendar days.
       8. 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.
  2. Annexes. The Agreement contains the following Annexes:
     1. Annex A: Acceptance Deed Form;
     2. Annex B: Approved Staff and Approved Sub-Contractors;
     3. Annex C: Assignment Order Form;
     4. Annex D: Contractor’s Financial Proposal;
     5. Annex E: Technical Specification-Technical proposal;
     6. Annex F: Representatives.
  3. 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:
     + 1. this Agreement document (body text);
       2. explanations (clarifications) of the Procurement Procedure documentation;
       3. the Procurement Procedure documents with the annexes (including the Technical Specification);
       4. clarifications of the Contractor’s Proposal;
       5. the Contractor’s Proposal;
       6. Respective Assignment Order;
       7. all other Annexes of the Agreement.

1. Services
   1. Services. The subject matter of this Agreement is supply of Goods of Lot 4 of the Procurement Procedure and provision of the Related Services (the “Services”) as further described in the Technical Specification and as further detailed and specified in each respective Request for Assignment or Request for Proposal and the respective Assignment Order.
   2. Deliveries. The Goods shall be delivered to and Related Services shall be provided at the following addresses:
      1. Latvia: “Origo One” office building Satekles street 2b, Riga, LV-1050;
      2. Estonia: RB Rail AS Estonian branch, Veskiposti 2/1, Polarise maja, 10138 Tallinn;
      3. Lithuania:  RB Rail AS Lithuanian branch, J. Basanavičiaus 24, LT-03224, Vilnius.
   3. Term of Delivery of Goods. If not otherwise stated in the Assignment Order, the Goods shall be delivered within 5 (five) working days from the date the Assignment Order is signed by the Parties.
   4. Promotion activities. The Contractor is entitled to provide Promotion activities (pre-sales consultations and demo equipment for testing the Goods). Promotion activities shall be provided free-of-charge.
   5. On-Demand Basis. This Agreement as well as the other identical Framework Agreements concluded with the Other Contractors are on-demand based with no fixed (promised) workload and/or fixed (promised) overall value.
   6. Framework. The purpose of the Agreement is to define the terms and conditions under which the Contractor may be engaged to provide the Services to the Company. The Agreement is a framework agreement and does not impose an obligation whatsoever on the Company to engage the Contractor to provide the Services, nor does it guarantee any exclusive right to the Contractor to provide the Services. This Agreement entitles the Contractor to participate in mini competitions for the Assignments and/or be awarded with the provision of the Assignment directly by the Company at the full discretion of the Company.
   7. Scope of Services. The scope of the Services for each of the Assignments 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.
   8. Assignment Orders. For every Assignment which is entrusted to the Contractor pursuant to the Agreement, a separate Assignment Order will be signed by the Parties.
   9. Completion of Assignments (for Goods). Upon completing the Assignment for supply of Goods (or, if so envisaged under the respective Assignment Order, the part of the Assignment), the Contractor shall issue Delivery Note. Upon receipt of the Delivery Note, the Company shall review the submitted Delivery Note and, where relevant, the supporting documentation and either (i) approve the Delivery Note by co-signing it or (ii) reject the Delivery Note and inform the Contractor on the reasons of such rejection. When the reasons for rejection are eliminated/rectified by the Contractor, the Contractor re-submits the Delivery Note for review and approval of the Company.
   10. Completion of Assignments (for Related Services). Upon completing the Assignment for Related Services (or, if so envisaged under the respective Assignment Order, the part of the Assignment), the Contractor shall issue to the Company a signed Acceptance Deed. The Acceptance Deed shall include information and, where applicable, supporting documentation with respect to the completed Assignment (or its part). Upon receipt of the Acceptance Deed, the Company shall review the submitted Acceptance Deed and, where relevant, the supporting documentation and either (i) approve the Acceptance Deed by co-signing it or (ii) reject the Acceptance Deed and inform the Contractor on the reasons of such rejection. When the reasons for rejection are eliminated/rectified by the Contractor, the Contractor re-submits the Acceptance Deed for review and approval of the Company.
   11. 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 12.
   12. Co-operation. The Parties shall cooperate with one another to fulfil their respective obligations under this Agreement. The Parties shall endeavour to maintain good working relationships among all key personnel engaged toward provision of the Services.
   13. Meetings. The Company shall have a right, at any time during the Services provision period, to convene in person or online meetings with the Contractor for the assessment of any of the Services and/or to discuss other matters relevant to any activities contemplated under this Agreement. The place and time of such meetings shall be within the sole discretion of the Company. The Contractor undertakes to act in good faith and reasonably cooperate with the Company with respect to the holding of and participating in any such meetings. If requested by the Company, the Contractor shall record meetings (also online meetings) between Parties and prepare meeting reports within 5 (five) business days after each meeting. All meeting reports shall be confirmed by the Company.
   14. 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.
   15. 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:
       * 1. 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
         2. 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 Services) shall be extended by the number of days directly affected by such impediment or delay.
   16. Language. The Services shall be provided in high quality English and, where relevant and requested in respective Assignment Orders, local language(s).
   17. Defects. During the provision of the Services or following completion of the respective Services, the Company is entitled to notify the Contractor of each Defect within reasonable period after the Defect is discovered by the Company. 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, rectify the Defect within 5 (five) business days, unless otherwise reasonably specified by the Company or agreed by the Parties.
   18. No Waiver. The Company’s acceptance of 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 or in relation to this Agreement.
   19. Reporting. If requested by the Company, the Contractor shall, in a format and at intervals to be agreed with the Company, provide the Company with regular reports and status updates on the progress of the Services, and use reasonable endeavours to provide any other information and status updates as may be reasonably requested by the Company at any time.
2. Total Value and Term
   1. Total Value. The total value of all Framework Agreements concluded as a result of the Procurement Procedure together is up to EUR 150 000,00 (one hundred fifty thousand euro, 00 euro cents), excluding VAT (the “Total Value”). The Total Value does not in any way bind the Company to procure the Services through this Agreement or other Framework Agreements for the entirety of the Total Value or any other guaranteed amount.
   2. Term. The term of the Agreement is 36 (thirty-six) months starting on the Signing Date or until the Total Value is reached, whichever comes first (the “Term”). The Parties agree that in case the Total Value has not been reached, yet the initial 36 (thirty-six) month term has passed, the initial Term can be extended for a period of up to additional 12 (twelve) months or until the Total Value is reached, whichever comes first, by a written, unilateral notice from the Company to the Service Providers. In such case, other terms of the Agreement shall remain unamended.
   3. 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.
3. Award of Assignments
   1. Selection of Service Provider. To receive the Services, the Company will select the Service Provider and conclude an Assignment Order. Each Assignment will be allocated either (i) through a direct award or (ii) by conducting a mini competition. The Company shall have full discretion in (i) selecting either the direct award or mini competition approach; and (ii) deciding which of the Service Providers to approach with a direct award, taking into consideration the specifics of the respective Assignment, i.e., link to prior and similar Assignments and possibility to separate new Assignment from prior and similar Assignments, nature and complexity of the Assignment, the planned fees for the provision of the particular Assignment, necessity for expert's special knowledge, experience and education etc., or other interests of the Company that would allow to justify the application of direct award procedure. If in the respective Lot the Agreement has been concluded only with one Service Provider, Assignment will be allocated through a direct award.
   2. Procedure of Direct Awards. The following procedure with respect to direct awards shall apply:
      1. The Company invites a Service Provider to implement an Assignment by sending a request for Assignment (the “Request for Assignment”) describing the details of the planned Assignment and explaining why a direct award procedure is chosen. In case the Company deems it reasonable, the Company might send the Request for Assignment for several Service Providers.
      2. After receiving a Request for Assignment, the Contractor shall as soon as possible but not later than within 3 (three) business days, unless otherwise specified in the Request for Assignment, respond by stating its availability 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. For Related Services and delivery costs the proposal to implement the Assignment must not exceed the proposed prices under the Contractor’s Proposal, but it is allowed to offer reduced prices.
      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 unless otherwise specified by the Company. 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.
      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.
      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.
      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:
         * 1. reject the proposal, and/or
           2. send a Request for Assignment to the Other Contractor, and/or
           3. invite the Service Providers to a mini-competition (if the Company, at its own discretion, finds it reasonable, the Contractor may be excluded from such mini-competition), and/or
           4. discontinue the direct award procedure.
      8. The Company is entitled to discontinue the direct award procedure at any moment also due to any other considerations of the Company.
      9. The Contractor bears all its costs and expenses incurred in relation to the above procedure with respect to the direct awards. This principle is also applicable in cases when the Company has decided to discontinue the direct award in accordance with Clause 4.2.8.
      10. The Company reserves the right not to invite the Contractor to participate in the direct award procedure according to Clauses 4.4 or 4.6.
   3. Procedure of Mini Competitions. The mini competitions are carried out as follows:
      1. The Company invites the Service Providers to implement an Assignment by sending a request for proposal (the “Request for Proposal”) indicting the planned event, the specific requirements as well as any other relevant details.
      2. After receiving the Request for Proposal, the Contractor shall, within 3 (three) business days, unless otherwise specified in the Request for Proposal, respond by sending its proposal to the specific requests under the Request for Proposal. Failing to respond to the Request for Proposal within the required time period will be considered as a rejection to participate in the respective mini competition.
      3. For Related Services and delivery costs the proposal to implement the Assignment must not exceed the proposed prices under the Contractor’s Proposal, but it is allowed to offer reduced prices.
      4. Mini competition proposals received from the Service Providers will be evaluated and ranked by the Company. The most economically advantageous proposal will be awarded with the implementation of the Assignment. If the received proposals exceed the planned budget or are otherwise not acceptable to the Company, the Company reserves the right to discontinue the mini competition. The Company is entitled to discontinue the mini competition procedure at any moment also due to any other considerations of the Company.
      5. The Company will choose the winner(s) of the mini competition for the provision of the particular Assignment by comparing and evaluating the received proposals based on the criteria specified in the specific Request for Proposal that may follow, for example, any of these general criteria (listed in no particular order and containing no predefined value):
         * 1. the amount of the fee, delivery costs, hourly rates, and the time necessary for the provision of the particular Assignment;
           2. experience and availability (considering workload or manpower invested by the respective experts in already committed and ongoing Assignments) of the respective staff of the Service providers or sub-contractors designated for the provision of the particular Assignment;
           3. potential quality of carrying out the Assignment by the respective Service Provider, taking into account among others the potential workload to be invested for the provision of the particular Assignment or experience of the respective Service Provider in carrying out similar assignments;
           4. the cooperation experience with the respective Service Provider in previous Assignments based on the performance evaluation(s) pursuant to Clause 4.6 of this Agreement.
      6. The Company will inform the Service Providers participating in the mini competition on the results of each mini competition.
      7. The Service Provider with the most economically advantageous proposal shall be invited to sign the Assignment Order. If more than one proposal is determined to be equally advantageous, then the rights to sign the Assignment Order are provided to the Service Provider who:
         * 1. has the highest rank in the Ranking; or, if such criterion does not help identifying the winner,
           2. who has proposed lower hourly rates (sum of hourly rates in case several hourly rates were submitted) within the Procurement Procedure; or, if such criterion does not help identifying the winner,
           3. who has no pending (not completed) Assignment Orders under the Framework Agreements; or, if such criterion does not help identifying the winner,
           4. who proposes to provide higher discount to the Fee under the respective Assignment Order.
      8. If the Contractor’s proposal shall be the most economically advantageous, the Company shall draft the specific Assignment Order based on the information laid down in the specific Request for Proposal and Contractor’s proposal to implement the Assignment and send this draft Assignment Order to the Contractor for its approval via e-mail. 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 not later than within 3 (three) business days after receiving it.
      9. 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 Proposal, or otherwise being not acceptable to the Company due to any reason.
      10. 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.
      11. If the Assignment Order (as approved by the Company) is not signed by the Contractor as envisaged under Clause 4.3.8, the Company is entitled, at its sole discretion, to (i) award the Assignment Order to the Other Contractor who had the second most advantageous proposal within the respective mini competition (or who was not chosen due to criteria applied pursuant to Clause 4.3.7), or (ii) cancel the respective mini competition with or without issuing a new Request for Proposal for the same or similar Assignment.
      12. The Contractor bears all its costs and expenses incurred in relation to the participation in such mini competitions. This principle is also applicable in all cases when the Company has decided to discontinue the mini competition procedure in accordance with Clause 4.3.4
      13. The Company reserves the right not to invite the Contractor to participate in a mini competition according to Clauses 4.4 or 4.6.
   4. General Duty to Participate. The Contractor has a right to reject the Request for Assignment or the Request for Proposal only in exceptional cases related to the current workload of the Contractor in relation to other Assignments in progress, or when the Contractor envisages that the implementation of a particular Assignment would result in a conflict with the requirements set in this Agreement. The decision of the Contractor to reject the Request for Assignment or the Request for Proposal shall be provided in writing by stating the reasons for such decision in sufficient detail. If the Contractor has not responded to or has rejected the Request for Assignment or has sent a non-compliant proposal in any two consecutive direct award procedures, the Company in addition to other measures available in this Agreement may, at its sole discretion, decide not to invite the Contractor to participate in the next direct award procedure. If the Contractor has not participated in any two consecutive mini competitions, the Company in addition to other measures available in this Agreement may, at its sole discretion, decide not to invite the Contractor to participate in (i) the next direct award procedure and (ii) the next mini competition. The respective Service Provider is informed about such decision of the Company.
   5. Additional Information. The Contractor has the right to request reasonable explanatory information from the Company regarding the specifics of provision of an Assignment. If the Company finds it necessary to respond, the Company has the obligation to disclose information provided to the Contractor also to the Other Contractors if such information may influence the contents of the Contractor’s bid in the respective mini competition.
   6. Evaluation of Performance. The Services will be evaluated as follows:
      1. Following completion of each Assignment, the Company will evaluate the Services provided by the respective Service Provider with respect to the particular Assignment. The Company may inter alia assess whether the Assignment has been implemented in full accordance with the concluded Assignment Order and the Agreement (including the quality of the Services, the compliance of the Service Provider with the set deadlines and milestones) as well as other specific aspects of the Services (e.g., overall co-operation with the Service Provider) as may be determined relevant by the Company from time to time.
      2. In every case where (i) the Assignment Order has not been signed by the Contractor as envisaged under Clause 4.2.4 or Clause 4.3.8, or (ii) the Assignment has not been implemented in full compliance with the Assignment Order or the Agreement, or (iii) the Company has otherwise determined that the Services provided by the respective Service Provider with respect to the particular Assignment have overall been unsatisfactory, the Company in addition to other measures available in this Agreement may, at its sole discretion, decide not to invite the Contractor to participate in (i) the next direct award procedure and (ii) the next mini competition. The respective Service Provider is informed about such decision of the Company.
4. Fee and Payments
   1. Fee. In consideration of provision of the Services, the Company undertakes to pay the Contractor a fee in the total amount set forth in the Assignment Order (the “Fee”). The Assignment Order may prescribe that the Fee is split into separate instalments or is paid as a single lump sum payment.
   2. VAT. Unless otherwise stated in the Assignment Order, the Fee specified in the Assignment Order excludes value added tax (“VAT”) that will be charged at the rate applicable in accordance with Applicable Laws at the time of invoicing.
   3. 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 (other than 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 Laws. In addition, the Contractor shall assume all risks associated with the payment or obligation to pay such taxes and duties, if any.
   4. All-inclusive. Unless otherwise agreed in the Assignment Order, 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 the respective Assignment Order and/or in relation to the respective Assignment. 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, unless reimbursement of such additional expenditure has been explicitly agreed between the Parties in writing.
   5. Invoicing. The Contractor shall send the invoice to the Company electronically to the following e-mail address: [invoices@railbaltica.org](mailto:invoices@railbaltica.org). The Contractor shall deliver to the Company an invoice specifying the amount of the Fee payable only after the Company has signed the Acceptance Deed and/or Delivery Note with respect to the Assignment (or its part) which the invoice is related to. 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.
   6. Invoice details. The Contractor’s invoices shall contain the following details:

|  |  |
| --- | --- |
| Contractor: | Sabiedrība ar ierobežotu atbildību "OptiCom" |
| Registration No: | 40003231409 |
| VAT payer's No: | LV40003231409 |
| Legal address, city, Zip code, country: | Rūpniecības iela 5-2, Riga, LV-1010, Latvia |
| Legal name of Bank: | [CONFIDENIAL] |
| Bank SWIFT Code: | [CONFIDENIAL] |
| Bank Account No IBAN: | [CONFIDENIAL] |
| The Company’s VAT No: | LV40103845025 |
| Subject: | For provided Services under Agreement No [●], Assignment No [●] |
| Specific information for the Company: | [CEF reference]; Company’s Representative: [CONFIDENIAL] |

* 1. Payments. The payment of the Contractor's invoices will be made in euro by bank transfer within 30 (thirty) days after the compliant invoice is received. The Company may at any point suspend the payment deadline if an invoice cannot be processed because it does not comply with the requirements of the Agreement, the Applicable Laws, or the respective Assignment Order or Acceptance Deed and/or Delivery Notice. In such case the Company must formally notify the Contractor of the suspension and the reasons for it. After the condition for suspending the payment deadline is rectified, the suspension will be lifted — and the remaining payment period will resume. 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.
  2. 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.
  3. VAT payer’s status. If required by the Applicable Laws, the Contractor shall obtain VAT payers status and VAT No. in the Republic of Latvia.

1. Contractor’s Other Obligations and Covenants
   1. Standard of Performance. Without prejudice to the requirements prescribed elsewhere under the Agreement, the Contractor shall:
      1. perform the Services in accordance with the Agreement, the Technical Specification, the respective Request for Assignment or the Request for Proposal, the respective Assignment Order as well as reasonable requests, comments, requirements and instructions of the Company;
      2. perform the Services in accordance with the Applicable Laws and the Good Industry Practice;
      3. perform the Services and each particular Assignment timely having due regard to any applicable Assignment milestones and any other key dates for performance of the particular Services;
      4. exercise reasonable professional skill, diligence and care as may be expected of a properly qualified and competent person carrying out services of a similar size, nature, type and complexity;
      5. ensure that its personnel are properly qualified and competent;
      6. ensure that specific documents as per respective Services, if any, and other documents and information required to be prepared or submitted by the Contractor under this Agreement conform to Good Industry Practice generally acceptable at the time of submission of such specific documents as per respective Services, documents and information;
      7. act in good faith towards the Company in respect of all matters under the Agreement.
   2. Maintenance of Records. During the term of the Services and for a period of 10 (ten) years from expiration or termination of this Agreement for any reason whatsoever, the Contractor shall keep and maintain clear, adequate, and accurate records and documentation evidencing, to the reasonable satisfaction of the 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.
   3. Access to Documentation. At all times during the term of the Services, the Company 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’ auditor, or expert appointed by the Company during the abovementioned period of time.
   4. 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:
      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.
      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 6.4, the Company has the right to organize an additional security compliance check.
      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.
      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. 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.
      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 6.4.4.
      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.
      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 6.4, 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.
      9. The Contractor is obliged to:
         * 1. ensure that a natural person who does not comply with the security clearance requirements is not involved in the performance of the Agreement;
           2. 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);
           3. observe and not contest the Company’s written instructions and decisions in accordance with this Clause 6.4;
           4. provide the Company with all the necessary information and support related to the necessity to replace a natural person.
      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 6.4, as well as notify the Company in writing of the replacement of such natural person involved in the performance of the Agreement.
      11. If the Contractor violates the conditions referred to in this Clause 6.4 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 12.5.
   5. 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:
      1. The list of the Approved Sub-Contractors and the Approved Staff may, from time to time, be modified or supplemented always (i) subject to a prior written consent of the Company, (ii) compliance of new sub-contractors or staff with the qualification criteria under the Procurement Procedure documents and (iii) otherwise in accordance with the terms and subject to the criteria contained in the Applicable Laws.
      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.
      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) and this Agreement.
      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. 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, including but not limited to no later than until the end of business day answer to e-mail or recall to the Company.
      6. The Contractor shall ensure that all Approved Staff members are fully available with respect to the Services. The Contractor shall ensure that the Approved Staff members participate in the meetings with the Company as requested by the Company from time to time.
      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 the Technical Specification).
   6. Certain Negative Covenants. In performing the Services, the Contractor undertakes not to procure goods or services of any kind from any person meeting any of the following criteria:
      1. the Person who is a member of the Management Board or Supervisory Board of an Approved Sub-Contractor or procurator of an Approved Sub-Contractor, or is authorised to represent or act on behalf of an Approved Sub-Contractor with respect to any activity related to any subsidiary company of such Approved Sub-Contractor, and such Person has been accused of commitment of any of the following criminal offences pursuant to an order issued by a public prosecutor or was found to be guilty of commitment of any of the following criminal offences in accordance with a court judgment that has entered into legal force, is non-disputable and non-appealable:
      2. formation, organisation, leading or involvement in the criminal organisation or another criminal formation, or participation in the criminal acts of such organisation or formation;
      3. accepting a bribe, giving of a bribe, misappropriation of a bribe, intermediation toward giving or taking of a bribe, acceptance of a prohibited benefit or commercial bribing;
      4. fraud, misappropriation of funds or money laundering;
      5. tax evasion or evasion of payments equivalent to tax;
      6. terrorism, financing of terrorism, instigation of acts of terrorism, terrorist threats or recruitment and training of a person with the aim of committing acts of terrorism;
      7. human trafficking;
      8. avoidance of tax and other similar payments;
      9. the Person has, by decision of a competent authority or judgment of a court which has entered into legal force and is non-disputable and non-appealable, been found guilty of violation of labour law in any of the following manners:
      10. employment of one or more citizens or nationals of countries who are not citizens or nationals of a Member State of the European Union and are residing in the territory of a Member State of the European Union unlawfully;
      11. employment of one or more persons without having entered into written employment agreement with such persons, or without having submitted an employee declaration with respect to such persons within a period of time stipulated in accordance with applicable laws and regulations applicable to persons that enter into salaried employment;
      12. the Person who, by decision of a competent authority or in accordance with judgment of a competent court which has entered into legal force, is non-disputable and non-appealable, has been held guilty of violation of applicable rules of competition law manifested as a vertical agreement aimed at restricting the ability of one or more purchasers to determine the resale price, or a horizontal cartel agreement, with the exception of instances where the relevant authority, upon having established the fact of violation of applicable rules of competition law, has discharged the candidate or participant in a tender offer from imposition of a fine or has reduced the amount of fine as a part of co-operation leniency programme;
      13. the Person who has insolvency proceedings initiated against it (except in the circumstances where a bailout or a similar set of measures are applied within the insolvency proceedings and are aimed at preventing the bankruptcy and restoring the debtor back to solvency, in which case the Contractor shall evaluate the possibility of participation by such Person in performing the Services), economic activity of the Person has been suspended or discontinued, bankruptcy proceedings have been initiated against the Person or the Person is subject to a liquidation;
      14. the Person has unpaid tax indebtedness in the country where the procurement is organised or in the country where the Person is registered or permanently residing as a tax payer, including the indebtedness with respect to State social insurance contributions, in the total amount exceeding EUR 150 in each individual country; in such case, the Contractor can, within its sole discretion, prompt the Approved Sub-Contractor to pay or discharge all outstanding tax indebtedness within 10 (ten) Business Days and, upon such payment or discharge, allow the Person to continue performance of the Services;
      15. the Person is an entity registered offshore;
      16. International or national sanctions or substantial sanctions by the European Union or the North Atlantic Treaty Organization Member State affecting the interests of the financial and capital market has been imposed to the Person and such sanctions can affect the execution of the Contract; and
      17. any of the above-mentioned criteria shall apply to all members of a group of persons if the Person is a group of persons.
   7. Visibility Requirements. At all times during performance of the Services, the Contractor undertakes to comply with each of the following requirements:
      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:
         * 1. a funding statement which indicates that the Services are financed from CEF funds substantially in the following form: “Co-financed by the Connecting Europe Facility of the European Union”;
           2. 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
           3. the flag of the Council of Europe and the European Union.
      2. the requirements set forth in Clauses 6.7.1(a) and 6.7.1(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):

A close-up of a logo

Description automatically generated

* + 1. 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>.
  1. 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.
  2. End-of-Life. The Contractor shall inform the Company 1 (one) year prior the Goods are at the end of product lifecycle (EOL product)
  3. Beneficiaries. The Contractor shall inform the Company on any changes in the beneficiaries of the Contractor. If specified in the Request for Assignment or Request for Proposal, 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”.

1. Company’s Other Obligations and Covenants
   1. Information. 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. The Contractor is 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.
   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 the Services and within a reasonable time.
2. Warranty Obligations
   1. The Contractor undertakes warranty obligations for the Goods in accordance with 2 (two) years from the date of mutual signing of the Delivery Note or within the manufacturer's warranty period, whichever is longer, and guarantees that the Goods will maintain proper quality and full use characteristics during the warranty period.
   2. If, during the Warranty period, the Company finds that the Goods do not maintain its proper quality and usage characteristics (hereinafter - Defects), the Company shall notify the Contractor in writing.
   3. If damage to the Goods is discovered during the Warranty period of the Goods, which did not occur as a result of improper use of the Goods, the Company's authorized person prepares a claim and sends it electronically to the Contractor's authorized person.
   4. The Contractor's obligation is within 2 (two) weeks from the day of sending the claim referred to in Clause 8.3 (if the Parties mutually do not agree on longer period) to repair the damage to the Goods at their own expense, if necessary, by exchanging them for Goods of equivalent or higher quality or technical level. During the repair of the damage, at the Company's request, the Contractor provides a replacement device (it may be of a lower class than the damaged one, but it must provide basic functions) and the data contained in the Company's device must be copied free of charge, if it is possible to retrieve them from the damaged Goods. The Contractor covers all expenses related to the transportation of the damaged Goods to the Contractor and back to the Company.
   5. The Contractor is not obliged to exchange the Goods for which Defects have been found, which occurred because the Company did not follow the instructions for use and storage of the Goods submitted by the Contractor.
   6. If the Defects are detected by the day of payment for the Goods, the Company returns the Goods to the Contractor at the place of receipt and a new Delivery Note is drawn up, indicating only the Goods that comply with the terms of the Agreement and the Assignment Order. The payment term for the Goods is calculated from the day of signing the Delivery Note.
   7. Warranty obligations are valid under the conditions if the Company complies with the terms of use of the Goods.
3. Representations and Warranties

* 1. Certain representations and warranties of the Parties. Each Party represents and warrants to the other Party, as of the Signing Date, as follows:
     + 1. 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;
       2. it has read this Agreement, understands it and agrees to be bound by it;
       3. 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;
       4. it has entered into this Agreement without violating the Applicable Laws, its own articles of association, other constitutional documents, laws or agreements of any kind to which it is a party to;
       5. 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
       6. it has entered into this Agreement of its own volition and in good faith.
  2. Certain representations and warranties of the Contractor. The Contractor represents and warrants to the Company, as follows:
     + 1. it has all as of the Signing Date and will have for the entire term of the Agreement 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;
       2. it holds as of Signing Date 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;
       3. it has as of the Signing Date and will have for the entire term of the Agreement all requisite ability to ensure the highest quality of the Services;
       4. it will assign competent and duly qualified personnel to carry out the Services according to the highest professional standards and the Good Industry Practices;
       5. it is not deemed to be a person associated with the Company for the purposes of the Applicable Laws;
       6. 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;
       7. it has been registered as a VAT payer in the Republic of Latvia, reg. No LV40003231409 ;
       8. 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.

1. Variations
   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.
   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:
      1. extension of the Term pursuant to Clause 3.2;
      2. amendments to the Agreement necessary to comply with the amendments or adjustments to the Applicable Laws from time to time, if any;
      3. supply of additional Services not previously foreseen under the Agreement;
      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.
   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) and if the total value of such additional Services does not concurrently reach the thresholds specified under the Applicable Laws.
   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 timeline of the provision of the Services, shall not result in additional fees or compensation of costs.
   5. Variations in case of employee count increase. In case The Company’s employee count is increased for more than 5%, the Company is entitled unilaterally to amend Agreement’s Total value in proportion to increased employee count, but not more than up to 750’000,00 EUR. Initial Employee count – [CONFIDENIAL]
2. Communication
   1. Main Principles. Communication under the Agreement (e.g., information, requests, submissions, formal notifications, etc.) must:
      * 1. be carried out in English;
        2. be made in writing (including electronic form);
        3. be primarily carried out between the Representatives as specified in Clause 11.4 or otherwise notified to each other;
        4. during the implementation of the Assignment Order, the communication via e-mail shall be executed between contact persons indicated in the respective Assignment Order. Additionally, all copies of those e-mail messages shall be sent to the Parties’ Representatives.
   2. Presumption of Receipt. Notices, declarations, invoices etc. shall be deemed received:
      * 1. if delivered by hand, on the first (1) business day following the delivery day;
        2. if sent by post, on the fifth (5) business day after the date of posting;
        3. 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;
   3. Exchange Over Internet and Electronic Documents.
      * 1. The Parties agree that information may be exchanged electronically over the internet by a way of e-mail or otherwise, always complying with the IT security requirements, if any, determined by the Company.
        2. In case a prior approval from the Company’s Representative is received, certain electronic documents, e.g., e-mails, Contractor’s proposals mentioned in Clause 4.2.2 and in Clause 4.3.2 and Acceptance Deeds and/or Delivery Notes shall be considered properly signed and issued by a Party if they are sent from Representative’s e-mails and contain an advanced electronic signature, i.e., even if they are without a qualified electronic signature. Notwithstanding the above, the Assignment Orders or their amendments, the Variations or other amendments to the Agreement shall always be signed with original (wet ink) signature or a qualified electronic signature.
   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 the request or confirmation of the Services, issuance of the Request for Assignment or the Request for Proposal, etc.), 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 of the Parties are indicated in Annex F.
   5. For the purpose of Assignment allocation according to Section 4 of the Agreement and other related matters, the Company shall use the following e-mail: [frameworkagreements@railbaltica.org](mailto:frameworkagreements@railbaltica.org).
3. Termination
   1. Force and Expiry. The Agreement enters into force when signed by the Parties and expires once the Parties have fulfilled their contractual obligations arising out of this Agreement, unless terminated earlier pursuant to the provisions of the Agreement.
   2. Termination for material breach. Subject to the provisions of Clause 12.3, either the Company or the Contractor is entitled to terminate this Agreement and/or the Assignment Order upon giving a written notice of termination to the other Party in the event of material breach by the other Party of any of its obligations under this Agreement and/or the Assignment Order. The written notice of termination shall contain an itemized description of the breach. For the purposes of this Clause 12.2 an event of material breach shall include any of the following (this list is not exhaustive):
      * 1. commitment by a Party of any persistent or material breach of this Agreement and/or the Assignment Order (which shall include failure to pay an amount of at least EUR 5,000 due to the other Party or perform any part of the Services valued at least EUR 5,000);
        2. failure by the Contractor to duly address and remedy the Defects;
        3. failure of any part of the Services to conform to any of the material requirements to such Services, provided that such failure is not capable of being remedied and is not remedied during the Cure Period;
        4. any of the representations or warranties given by either Party under Clause 9.1 or any of the declarations, representations or warranties given by the Contractor under Clause 9.2 or the Contractor’s Declaration proves to be untrue.
   3. Corrective Period. In the event of a material breach by either Party of its obligations under the Agreement and/or the Assignment Order, the non-breaching Party shall allow the breaching Party 10 (ten) 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 and/or the Assignment Order. It is acknowledged and agreed by the Parties that the provisions of this Clause 12.3 shall not apply with respect to any of the events listed in Clause 12.4. In addition and for the avoidance of any doubt, the application of the Corrective Period under this Clause 12.3 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 13.2 or to pay Damages incurred by the other Party in accordance with the provisions of Clause 13.1.
   4. Parties’ Right to Terminate Immediately. Notwithstanding anything to the contrary contained in this Agreement and/or the Assignment Order, the Company and the Contractor may terminate this Agreement and/or the Assignment Order 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:
      * 1. breach by the other Party of Clause 20.1;
        2. an event of Force Majeure has been continuing during more than 60 (sixty) days;
        3. the other Party had passed a resolution for winding-up;
        4. the other Party is unable to pay its debts and has presented a petition for voluntary bankruptcy;
        5. the other Party had a bankruptcy order issued against it;
        6. liquidation, insolvency or legal protection proceedings have been initiated with respect to the other Party or the other Party is declared insolvent;
        7. 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.
   5. Company’s Right to Terminate Immediately. The Company may terminate this Agreement and/or the Assignment Order immediately upon giving the Contractor a written notice of termination explaining, in reasonable detail, the reason for termination, if:
      * 1. CEF co-financing for further financing of the Services is not available to the Company fully or partly;
        2. the Contractor has breached Clause 6.4, Clause 6.5 or Clause 15;
        3. implementation of the Agreement is declared contrary to the national security interests by any of the national authorities of Latvia or Lithuania or Estonia in accordance with the applicable national laws, e.g., it is concluded that the Contractor, its personnel, Approved Sub-Contractors or other involved persons or the Services pose a risk to the national security of the aforementioned countries;
        4. it is not possible to or it is prohibited to continue the execution of the Agreement under the Applicable Law, including but not limited due to the application of international (including OFAC) or national sanctions, or a Member State’s of the European Union or North Atlantic Treaty Organization applied sanctions significantly affecting interests of financial or capital market of Latvia;
   6. Company’s Right to Terminate. The Company upon its sole discretion has the right to terminate the Agreement unilaterally at any time by sending a written notice of termination to the Contractor in writing at least thirty (30) days in advance.
   7. Termination According to Public Procurement Law. The Agreement and/or the Assignment Order 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 the Agreement and/or the Assignment Order up to the date of the notification of the termination of the Agreement and/or the Assignment Order, 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).
   8. Termination of Assignment Order in Case of Restriction on the Beneficial Owner. The Assignment Order 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 Assignment Order.
   9. Right to Advance. In the event the Contractor fails to fulfil any of its obligations, or fails to cure any breach in accordance with Clause 12.3 of this Agreement, and the Agreement and/or the Assignment Order is terminated by the Company, the Company may advance the respective Services to completion by employing any of the Other Contractors or other professional service supplier(s) or by other means available to the Company. The Contractor shall be liable to the Company for any and all additional costs incurred due to failure by the Contractor to perform. The rights and remedies available to the Company set forth in accordance with this Clause shall be in addition to any and all other rights and remedies available under the Applicable Laws or this Agreement.
   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:
       * 1. any obligations arising as a result of any antecedent breach of this Agreement or any accrued rights; and
         2. the provisions stipulated in accordance with Clauses 2.17, 6.2, 6.3, Section 8, Section 13, Section 15, Section 16, Section 17, Section 19 and Clause 20.1 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 12.10(b).
   11. Partial Acceptance. Notwithstanding anything in this Agreement to the contrary and in the event of termination of this Agreement and/or the Assignment Order, the Company shall have the right, in the sole discretion of the Company, to partially accept any part of the Assignment delivered to the Company under this Agreement and/or the Assignment Order. The Company shall notify the Contractor of its intention to exercise such right in the respective termination notice, specifying, in reasonable detail, the part of the Assignment which the Company would like to partially accept. In the event of receipt of such notice, the Contractor shall reasonably cooperate with the Company in order to determine the amount of Fee payable by the Company.
   12. Company’s Obligation to Pay. Except in the event of termination by the Company in accordance with Clause 12.2 or occurring as a result of the breach by the Contractor of Clause 20.1 or termination by the Company according to Clause 12.5 (except paragraph (a)) or Clause 12.6, in the event the Agreement and/or the Assignment Order is terminated for any reason prior to completion of any particular Assignment, the Parties shall in good faith agree and the Company shall have an obligation to pay the Contractor the documented costs reasonably and properly incurred by the Contractor with respect to the particular Assignment up to the date of termination. The “costs” for the purposes of this Clause shall include (but shall not exceed the Fee for the particular Assignment):
       * 1. 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),
         2. payments to the Approved Sub-Contractors with respect to actually provided Services,
         3. 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.
   13. No Prejudice to Other Rights. The right to terminate the Agreement and/or the Assignment Order 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.
4. Liability

* 1. Liability for Damages. The Parties are liable to each other with respect to any breach of its respective obligations under this Agreement and/or the Assignment Order and the liable Party shall compensate the other Party for any Damages (exceeding the amount of the applied contractual penalty, if any) incurred as a result of such breach. Notwithstanding anything to the contrary set forth in this Agreement, in no circumstances shall any Party be liable to the other Party or other relevant person for any loss of production, loss of profit, loss of revenue, loss of contract, liability incurred under other agreements or any indirect or consequential loss arising out of or in connection with this Agreement.
  2. Contractual Penalty.
     1. If the Contractor refuses or fails to duly complete the Assignment after the Assignment Order has been awarded to the Contractor and signed in accordance with this Agreement, the Company is entitled to request the Contractor to pay a contractual penalty in the amount of 10% (ten percent) of the Fee for the respective Assignment.
     2. Should the Contractor fail to meet any of the milestones or delivery dates under any of the Assignment Orders and provided that the cause of such delay is attributable to the action or inaction of the Contractor, the Company is entitled to request the Contractor to pay to the Company a contractual penalty of 0.1% (zero point one percent) of the amount of the Fee payable for the respective Assignment for each day of delay, provided that each such contractual penalty shall not exceed 10% (ten percent) of the Fee payable for the respective Assignment.
     3. Should the Company delay any payment in accordance with Clause 5.7, the Contractor is 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 13.2.3 shall not exceed 10% (ten percent) of the delayed amount.
     4. The contractual penalties shall be applied upon the sole discretion of the entitled Party under the Agreement considering the material consequences of the breach.
     5. Payment of the contractual penalty shall not release the Party from performance of any of its obligations under the Agreement.

1. Force Majeure
   1. Effects of Force Majeure Event. Subject to the requirements set forth in accordance with Clauses 14.2 and 14.3, 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.
   2. Action Upon Occurrence of Force Majeure Event. Each Party shall at all times, following the occurrence of a Force Majeure Event:
      * 1. 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
        2. 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 14.2(a).
   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 14.2(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.
   4. Notification of Resumed Performance. The affected Party shall notify the other Party as soon as practicable once the performance of its affected obligations can be resumed (performance to continue on the terms existing immediately prior to the occurrence of the Force Majeure Event).
   5. Mitigation of Effects of Force Majeure Event. As soon as practicable after the notification specified pursuant to Clause 14.3, 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.
2. Confidentiality
   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 respective Company (whether before or after the date of this Agreement) to the Contractor, either in writing, orally or in any other form and includes all analyses, compilations, notes, studies, memoranda and other documents and information which contain or otherwise reflect or are derived from such information, but excludes information which:
      * 1. the Company confirms in writing is not required to be treated as confidential;
        2. 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 under an obligation of confidence; or
        3. was developed by or for the Contractor at any time independently of this Agreement.
   2. Undertakings. The Contractor shall (i) at all times keep confidential all Confidential Information received by it and shall not disclose such Confidential Information to any other person, and (ii) 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.
   3. Permitted Disclosure. Notwithstanding anything to the contrary set forth in accordance with this Section 15, the Contractor shall, without the prior written consent of the Company, be entitled to disclose Confidential Information:
      * 1. 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, contractor, agent, officer, Sub-Contractor (of any tier) or adviser to the extent necessary to enable the Contractor to perform its obligations under this Agreement (subject to the same confidentiality undertakings by the recipients);
        2. to enable a determination to be made pursuant to Section 17;
        3. 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 (subject to the same confidentiality undertakings by the recipients);
        4. to the extent required by Applicable Law 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
        5. 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.
   4. Return of Confidential Information. Upon request of the Company, the Contractor shall:
      * 1. return to the Company all of the Confidential Information then within the possession or control of the Contractor; or
        2. destroy such Confidential Information using a secure and confidential method of destruction.
   5. No Press Release. Save as required by the Applicable Laws, the Contractor shall not issue any press release in relation to the matters contemplated under this Agreement without the prior written consent of the Company (such consent not to be unreasonably withheld or delayed) as to both the content and the timing of the issue of the press release.
   6. Remedies. The Parties acknowledge and agree that a breach of the provisions of this Section 15 may cause the Company irreparable Damages that could not be adequately remedied by an action at law. Accordingly, the Contractor agrees that the Company is 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.
3. Right to Audit
   1. Right to audit. Notwithstanding anything to the contrary set forth in this Agreement, the Company itself, a reputable outside independent body or expert engaged and authorized by the Company is entitled to inspect and/or audit the Contractor to ensure compliance with the terms of this Agreement, including inspecting and/or auditing:
      * 1. the performance of any aspect of the Services; and/or
        2. any documentation, including all payrolls, accounts of the Contractor and/or other records used in or related to the performance of the Services.
   2. Obligation to Assist. The Contractor shall provide all reasonable assistance to the Company or the independent body authorized by the Company in carrying out any inspection or audit pursuant to this Section 16. The Company shall be responsible for its own costs, or the costs incurred by the outside independent body designated by the Company, 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.
   3. Survival of Termination. The rights and obligations of the Company set forth in accordance with this Section 16 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.
4. On-the-spot Visits

* 1. Right to Perform On-the-spot Visits. By submitting a written notice 5 (five) business days in advance, but at the same time reserving the right of an unannounced on-the-spot visits without any advance notice, 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.
  2. Personnel Involved. On-the-spot visits may be carried out either directly by authorised staff or representatives of the Company or by any other outside body or third party authorised to do so on behalf of the Company. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis. The Company shall ensure that any authorised outside body or third party shall be bound by the same confidentiality obligations.
  3. Access to the Information. The Contractor shall provide to the performer of the on-the-spot visit or any other authorised outside body or third party access to all the information and documents, including information and documents in electronic format, which is requested by the authorised staff of the performer of the on-the-spot visit or any other authorised outside body or third party for the performance of an on-the-spot visit and which relates to the implementation of the Agreement, as well as shall allow the authorised staff of the performer of the on-the-spot visit or any other authorised outside body or third party the copying of the information and documents, with due respect to the confidentiality obligation.
  4. OLAF and EU Institutions and Bodies 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, Regulation (EU, Euratom) No 883/2013 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 and other legislation and documentation relating to European Union grant awarding and subsequent monitoring processes, the European Commission; the European Anti-Fraud Office; the European Climate, Infrastructure and Environment Executive Agency; the European Court of Auditors and other European Union institutions and bodies might perform checks, reviews, audits and investigations towards Contractor in case such activities are related to the use of grants awarded.

1. Personal Data
   1. General. For the purpose of execution of this Agreement, the Parties might transfer to each other certain personal data, such as data on employees of the Parties, data on suppliers, the Global Project stakeholders and their employees etc. The Parties acknowledge that for the purpose of the Agreement each of the Parties most of the time shall act as controllers. The Party shall transfer the personal data to the other Party and such other Party shall process the personal data for the purposes of execution of the Agreement and other such purposes as required by Applicable laws. The Parties agree that except where the Party has a separate legal basis for processing the personal data referred to in the Applicable Laws governing the protection of personal data, the Party shall not process the personal data for any other purpose.
   2. Specific Obligations. Besides other obligations provided for in the Agreement, each of the Parties undertakes:
      * 1. to process the personal data to the minimum extent necessary;
        2. not to infringe any rights of the data subjects;
        3. to implement and apply proper organizational and technical measures ensuring the compliance with the requirements of the law;
        4. to ensure the compliance with other requirements of the law governing the protection of personal data.
2. Governing Law and Dispute Resolution
   1. Governing Law. This Agreement shall be governed by and construed in accordance with law of the Republic of Latvia.
   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.
   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.
   4. Language. The Parties hereby represent and warrant that the English language is understandable for both Parties.
3. Miscellaneous Provisions
   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 is entitled to terminate this Agreement immediately and without any regard to the provisions of Clause 12.3, if it is shown that the Contractor is guilty of:
      * 1. 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
        2. 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.
   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.
   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.
   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.
   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.
   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.
   7. Execution. [This Agreement is executed in 2 (two) copies, one for each Party, both having the same legal effect OR This Agreement is executed as an electronic document].

|  |  |
| --- | --- |
| For and on behalf of the Company:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  [CONFIDENIAL] | For and on behalf of the Contractor:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  [CONFIDENIAL] |

[THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A QUALIFIED ELECRONIC SIGNATURE

AND CONTAINS TIME SEAL]

Annex A: 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 Assignment Order No [●], that is concluded pursuant to the Framework Agreement No. [●].

All defined terms used in this deed shall bear the same meaning as in the Assignment Order.

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

|  |  |  |
| --- | --- | --- |
| Description of the Related Services | | Amount in Euro |
| [●] | | [●] |
| VAT | 21% | [●] |
| Total: |  | [●] |

|  |  |
| --- | --- |
| For and on behalf of the Company:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  [●] | For and on behalf of the Contractor:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  [●] |

Annex B: Approved Staff and Approved Sub-Contractors

***AT THE MOMENT OF CONCLUSION OF THE AGREEMENT THERE ARE NO SUBCONTRACTORS AND/OR APPROVED STAFF***

Annex C: Assignment Order Form

ASSIGNMENT ORDER NO. [●]

Date [●]

FOR THE PROVISION OF [●]

This Assignment Order has been entered into pursuant to the Framework Agreement No [●] for the provision of [●] (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. The Assignment is covered in the following Lot: [•].
2. Description of the Assignment: [•].
3. Timeline/deadline for completing the Assingment: [•].
4. Contact person(s) for the Company: [•].
5. Contact person(s) for the Contractor: [•].
6. Fee: [•].
7. Payment terms: [•].
8. No Conflict of Interest: [•].
9. 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.
10. Other terms: [•].
11. Enclosed: [•].

On behalf of RB Rail AS: On behalf of [●]:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[●] [●]

Annex D: Contractor’s Financial Proposal

[CONFIDENIAL]

Annex E: Technical Specification-Technical specification

[CONFIDENIAL]

Annex F: Representatives

The authorised representative(s) of the Company for the Agreement fulfilment issues and procedures:

[CONFIDENIAL]

The authorised representative(s) of the Contractor for the Agreement fulfilment issues and procedures:

[CONFIDENIAL]

1. <https://www.railbaltica.org/wp-content/uploads/2021/06/APPENDIX-6_SUPPLIERS-DECLARATION_June_2021.pdf> [↑](#footnote-ref-2)