

REGULATION

OPEN COMPETITION

"WEB DEVELOPMENT AND MAINTENANCE SERVICES"

(IDENTIFICATION NO RBR 2018/21)

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1. GENERAL INFORMATION

- 1.1. The identification number of this open competition is No RBR 2018/21.
- 1.2. The applicable CPV (Common Procurement vocabulary) code IS: 72413000-8 (World wide web (www) site design services) – main code.
- 1.3. **Contracting authority**

The contracting entity is joint stock company RB Rail AS, legal address: K. Valdemara iela 8 - 7, Riga LV-1010, Latvia (hereinafter – Contracting authority).
- 1.4. **Type of procurement procedure and legal framework**

Open competition “Web development and maintenance services” (hereinafter – open competition) is organized according to Public Procurement Law of the Republic of Latvia in effect on the date of publishing the contract notice.
- 1.5. **Procurement Commission**

Open competition is organized by the procurement commission which has been established on the basis of the order issued by the Management Board of RB Rail AS, order No 33, dated: 11 June 2018.
- 1.6. **Proposal**

A package of documents submitted by Tenderer in order to participate in open competition.
- 1.7. **Supplier**

A natural person or a legal person, an association of such persons in any combination thereof, which offers on the market to perform works, supply products or provide services accordingly.
- 1.8. **Tenderer**

A Supplier, which has submitted a proposal in open competition.
- 1.9. The open competition is co-financed by the Contracting Authority and Connecting Europe Facility (CEF).
- 1.10. The estimated value of the contract is EUR 74 000,00 (seventy four thousand *euros*) (excluding VAT).
- 1.11. This open competition is carried out using E-Tenders system which is subsystem of the Electronic Procurement System (<https://www.eis.gov.lv/EKEIS/Supplier>).
- 1.12. The open competition regulation (hereinafter – Regulation) and all its annexes are **freely available in Contracting authority's profile in** the E-Tenders system at webpage <https://www.eis.gov.lv/EKEIS/Supplier> and the Internet webpage of the Contracting authority <http://railbaltica.org/tenders/>.
- 1.13. Amendments to the open competition Regulation and answers to **Suppliers'** questions shall be published on the **E-Tenders system's webpage** <https://www.eis.gov.lv/EKEIS/Supplier> and the Contracting authority's Internet webpage <http://railbaltica.org/tenders/>. It is the **Supplier's responsibility** to constantly follow the information published on the webpage and to take it into consideration in its proposal.
- 1.14. Contact persons of the Contracting authority for this open competition:

- 1.14.1.1. In administrative aspects of the open competition: Procurement specialist, **Jānis Lukševics**, telephone: +371 29188156, e-mail address: janis.luksevics@railbaltica.org;
- 1.14.1.2. In aspects concerning subject-matter of Procurement: Digital communications expert, **Madara Boša**, e-mail address: madara.bosa@railbaltica.org.
- 1.15. The Procurement Commission and the Supplier exchange information in writing in English or Latvian (accompanied by a translation in English), by sending documents electronically via e-mail or using E-Tenders system.
- 1.16. The Supplier can request additional information regarding the Regulation. Additional information can be requested in writing, by sending it to the Procurement Commission electronically via e-mail or using E-Tenders system. Additional information must be requested in a timely fashion, so that the Procurement Commission can give it a reply no later than 6 (six) days prior to the deadline for proposal submission. The Procurement Commission shall provide additional information within 5 (five) business days from the day of receipt of the request.
- 1.17. The Supplier covers all expenses, which are related to the preparation of the proposal and its submission to the Contracting authority. The submitted proposals are not returned to the Tenderer, unless specifically envisaged in the Regulations.

2. THE RIGHTS OF THE PROCUREMENT COMMISSION

- 2.1. The Procurement Commission has the right to demand at any stage of the open competition that the Tenderer submits all or part of the documents which certify **Tenderer's compliance to the requirements for the selection of Tenderers**. The Procurement Commission does not demand documents or information which is already at its disposal or is available in public data bases.
- 2.2. If the Tenderer submits document derivatives (e.g. copies), then in case of doubt about the authenticity of the submitted document derivation the procurement commission can demand that the Tenderer shows the original documents or submits certified true copy.
- 2.3. In the course of proposal assessment, the Procurement Commission has the right to demand that the included information is clarified.

3. THE OBLIGATIONS OF THE PROCUREMENT COMMISSION

- 3.1. The Procurement Commission ensures the documentation of the process of the open competition procedure.
- 3.2. The Procurement Commission ensures free and direct electronic access to the open competition procedure documents **in Contracting authority's profile at the E-Tenders system's webpage** <https://www.eis.gov.lv/EKEIS/Supplier> and at the Internet webpage of RB Rail AS <http://railbaltica.org/tenders/>.
- 3.3. If an interested Supplier has in a timely fashion in writing by post or electronically, or delivering in person, requested additional information about the requirements included in open competition procedure documents regarding the preparation and submission of the Proposal or regarding the selection of Tenderers, the

Procurement Commission provides a response electronically within 5 (five) business days, but not later than 6 (six) days before the deadline for submitting proposals. Simultaneously with sending this information to the Supplier who had asked the question, the Contracting authority publishes this information in Contracting authority's profile on the E-Tenders system's webpage <https://www.eis.gov.lv/EKEIS/Supplier> and on its Internet webpage <http://railbaltica.org/tenders/>, where open competition procedure documents are available, indicating the question asked.

- 3.4. If the Contracting authority has amended the open competition procedure documents, it publishes this information **in Contracting authority's profile** on the E-Tenders system's webpage <https://www.eis.gov.lv/EKEIS/Supplier> and on the Contracting authority's Internet webpage <http://railbaltica.org/tenders/>, where open competition procedure documents are available, no later than 1 (one) day after the notification regarding the amendments has been submitted to Procurement Monitoring Bureau for publication.
- 3.5. The exchange and storage of information is carried out in such a way that all data included in the Proposals are protected and the Contracting authority can check the content of the Proposals only after the expiration of the deadline for their submission. In time between the day of the submission of Proposals till the moment of opening thereof the Contracting authority does not disclose information regarding the existence of other Proposals. In the time period of Proposal assessment till the moment of the announcement of the results the Contracting authority does not disclose information regarding the assessment process.
- 3.6. The Procurement Commission assesses the Tenderers and their submitted Proposals based on the Public Procurement Law of the Republic of Latvia, open competition procedure documents, as well as other regulatory enactments.
- 3.7. If the Procurement Commission determines that the information about the Tenderer, its subcontractors and persons upon whose capabilities the Tenderer is relying that is included in the submitted documents is unclear or incomplete, it demands that the Tenderer or a competent institution clarifies or expands the information included in the Proposal. The deadline for submission of the necessary information is determined in proportion to the time which is required in order to prepare and submit such information. If the Procurement Commission has demanded to clarify or expand upon the submitted documents, but the Tenderer has not done this in accordance with the requirements stipulated by the Procurement Commission, the Procurement Commission is under no obligation to repeatedly demand that the information included in these documents be clarified or expanded upon.
- 3.8. The Procurement Commission prepares a report on the open competition procedure and publishes it **in Contracting authority's profile** on the E-Tenders system's webpage <https://www.eis.gov.lv/EKEIS/Supplier> and on the Contracting authority's webpage <http://railbaltica.org/tenders/> within 5 (five) business days from day when the decision about the results of the open competition is taken.

4. THE RIGHTS OF THE TENDERER

- 4.1. To submit tenderer's Electronic Procurement System registration documents (if the tenderer is not registered in Electronic Procurement System) in State Regional

Development Agency (please see information here <http://www.railbaltica.org/procurement/e-procurement-system/>).

- 4.2. The Tenderer can request and within 3 (three) business days after submitting the request receive a copy of the Proposal opening sheet, which is an Annex to the Proposal opening meeting minutes.
- 4.3. If the Contracting authority gets the necessary information about the Tenderer directly from a competent institution, through data bases or other sources, the Tenderer in question has the right to submit a statement or a different document regarding the corresponding fact, if the information obtained by the Contracting authority does not conform to the factual situation.
- 4.4. If a Tenderer believes that its rights have been violated or such violation is possible due to possible violation of the regulatory enactments of the European Union or other regulatory enactments, the Tenderer has the right to submit a complaint to the Procurement Monitoring Bureau according to the procedure stipulated in the Public Procurement Law regarding the Tenderer selection requirements, technical specifications or other requirements relating to this open competition, or relating to the activities by the Contracting authority or the Procurement Commission during the open competition procedure.

5. SUBJECT-MATTER OF THE OPEN COMPETITION

- 5.1. The procurement is organised in order to procure web development and maintenance services for Rail Baltica Global Project in accordance with the Technical Specifications (Annex No 2) (hereinafter - the Services).
- 5.2. The Services will be needed to be provided in Latvia.
- 5.3. Contract period – 36 monhs.

6. TENDERER

- 6.1. The proposal can be submitted by:
 - 6.1.1. A Supplier, who is a legal or natural person (hereinafter – Tenderer) and who complies with the selection criteria for Tenderers;
 - 6.1.2. A group of suppliers (hereinafter also – Tenderer, partnership) which complies with the selection criteria for Tenderers:
 - 6.1.2.1. A group of Suppliers who have formed a partnership for this particular open competition. In this case all the members of the **partnership shall be listed in Annex 1 “Application”**. If it will be decided to award contracting rights to such partnership, then prior to concluding the Contract the partnership shall at its discretion either enter into a partnership agreement (within the meaning of Latvian Civil Law Sections 2241-2280) and shall submit one copy of this agreement to the Contracting authority or establish a general or limited partnership (within the meaning of Latvian Commercial Law, Chapter IX and X) and notify the Contracting authority in writing.
 - 6.1.2.2. An established and registered partnership (a general partnership or a limited partnership, within the meaning of Latvian Commercial

Law, Chapter IX and X) (hereinafter also – Tenderer) which complies with the selection criteria for Tenderers.

7. SELECTION CRITERIA FOR TENDERERS

7.1. Exclusion grounds

The Contracting authority shall exclude the tenderer from further participation in the open competition in any of the following circumstances:

No	Requirement	Documents to be submitted <i>(no obligation to submit documents, unless specifically requested by the procurement commission)</i>
1.	<p>Within previous 3 (three) years before submission of the Proposal the Tenderer or a person who is the tenderer's board or council member, person with representation rights or a procura holder, or a person who is authorised to represent the Tenderer in operations in relation to a branch, has been found guilty of or has been subjected to coercive measures for committing any of the following criminal offences by such a public prosecutor's order regarding punishment or a court judgement that has entered into force and may not be challenged and appealed:</p> <p>a) establishment, management of, involvement in a criminal organisation or in an organised group included in the criminal organisation or other criminal formation, or participation in criminal offences committed by such an organisation,</p> <p>b) bribe-taking, bribery, bribe misappropriation, intermediation in bribery, unauthorised participation in property transactions, taking of prohibited benefit, commercial bribing, unlawful claiming of benefits, accepting or providing of benefits, trading influences,</p> <p>c) fraud, misappropriation or money-laundering,</p> <p>d) terrorism, terrorism funding, calling to terrorism, terrorism threats or</p>	<ul style="list-style-type: none"> - For a Tenderer and a person who is the tenderer's board or council member, person with representation rights or a procura holder, or a person who is authorised to represent the Tenderer in operations in relation to a branch, which are registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a person who is the Tenderer's board or council member, person with representation rights or a procura holder, or a person who is authorised to represent the Tenderer in operations in relation to a branch is registered or residing outside of Latvia (if the Tenderer is registered or residing in Latvia) the Tenderer shall submit an appropriate statement from the competent authority of the country of registration or residence - If a Tenderer and a person who is the tenderer's board or council member, person with representation rights or a procura holder, or a person who is authorised to represent the Tenderer in operations in relation to a branch, are registered or residing outside of Latvia the Tenderer should submit an appropriate statement from the competent authority of the

No	Requirement	Documents to be submitted <i>(no obligation to submit documents, unless specifically requested by the procurement commission)</i>
	recruiting or training a person in performance of acts of terrorism, e) human trafficking, f) evasion from payment of taxes or similar payments.	country of registration or residence.
2.	It has been detected that on the last day of Proposal submission term or on the day when a decision has been made on possible granting of rights to conclude the procurement contract, the Tenderer has tax debts in Latvia or a country where it has been incorporated or is permanently residing, including debts of mandatory state social insurance contributions exceeding 150 euro in total in any of the countries.	<ul style="list-style-type: none"> - For a Tenderer, which is registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a Tenderer is registered or residing outside of Latvia, the Tenderer should submit an appropriate statement from the competent authority of the country of registration or residence.
3.	Tenderer's insolvency proceedings have been announced, the tenderer's business activities have been suspended, the tenderer is under liquidation.	<ul style="list-style-type: none"> - If a Tenderer is registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a Tenderer is registered or residing outside of Latvia, the Tenderer should submit an appropriate statement from the competent authority of the country of registration or residence.
4.	A person who drafted the procurement procedure documents (contracting authority's official or employee) , procurement commission member or expert is related to the tenderer, or is interested in selection of some tenderer, and the Contracting authority cannot prevent this situation by measures that cause less restrictions on tenderers. A person who drafted the procurement procedure documents (contracting authority's official or employee) , procurement commission member or	No obligation to submit documents, unless specifically requested by the procurement commission.

No	Requirement	Documents to be submitted <i>(no obligation to submit documents, unless specifically requested by the procurement commission)</i>
	<p>expert is presumed to be related to the tenderer in any of the following cases:</p> <ul style="list-style-type: none"> - If he or she is a current or and ex-employee, official, shareholder, procura holder or member of a tenderer or a subcontractor which are legal persons and if such relationship with the legal person terminated within the last 24 months. - If he or she is the father, mother, grandmother, grandfather, child, grandchild, adoptee, adopter, brother, sister, half-brother, half-sister or spouse (hereinafter – relative) of a tenderer's or subcontractor's, which is a legal person, shareholder who owns at least 10% of the shares in a joint-stock company, shareholder in a limited liability company, procure holder or an official. - or if he or she is a relative of a tenderer or a subcontractor which is a natural person. <p>If the tenderer is a partnership, consisting of natural or legal persons, a relation to the tenderer is presumed also if a person who drafted the procurement procedure documents (Contracting authority's official or employee), procurement commission member or expert is related to a member of a partnership in any of the above mentioned ways.</p>	
5.	The Tenderer has an advantage that limits competition in the procurement procedure if it or its related legal person consulted the Contracting authority or otherwise was involved in preparing the open competition, and the advantage cannot be prevented	No obligation to submit documents, unless specifically requested by the procurement commission.

No	Requirement	Documents to be submitted <i>(no obligation to submit documents, unless specifically requested by the procurement commission)</i>
	by less restrictive measures, and the Tenderer cannot prove that its or its related legal person's participation in preparing the procurement procedure does not restrict competition.	
6.	Within previous 12 (twelve) months before submission of the Proposal, by such a decision of a competent authority or a court judgment which has entered into force and may not be challenged and appealed, the tenderer has been found guilty of violating competition laws manifested as a horizontal cartel agreement, except for the case when the relevant authority, upon detecting violation of competition laws, has released the tenderer from a fine or has decreased the fine for cooperation within a leniency program.	<ul style="list-style-type: none"> - For a Tenderer, which is registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a Tenderer is registered or residing outside of Latvia, the Tenderer should submit an appropriate statement from the competent authority of the country of registration or residence.
7.	Within previous 3 (three) years before submission of the Proposal, by such a decision of a competent authority or a court judgment which has entered into force and may not be challenged and appealed, the tenderer has been found guilty of a violation manifested as employment of one or more persons which do not possess the required employment permit or if it is illegal for such persons to reside in a Member State of the European Union.	<ul style="list-style-type: none"> - For a Tenderer, which is registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a Tenderer is registered or residing outside of Latvia, the Tenderer should submit an appropriate statement from the competent authority of the country of registration or residence.
8.	Within previous 12 (twelve) months before submission of the Proposal, by such a decision of a competent authority or a court judgment which has entered into force and may not be challenged and appealed, the tenderer has been found guilty of a violation manifested as employment of a person without a written employment contract, by failing within the term specified in regulatory enactments to submit an informative	<ul style="list-style-type: none"> - For a Tenderer, which is registered or residing in Latvia, the Contracting authority shall verify the information itself in publicly available databases. - If a Tenderer is registered or residing outside of Latvia, the Tenderer should submit an appropriate statement from the competent authority of the

No	Requirement	Documents to be submitted (<i>no obligation to submit documents, unless specifically requested by the procurement commission</i>)
	employee declaration regarding this person, which must be submitted about persons, who start working.	country of registration or residence.
9.	The Tenderer has provided false information to prove its compliance with provisions of this Section 7.1, or qualification criteria, or has not provided the required information at all.	- No obligation to submit documents, unless specifically requested by the procurement commission.
10.	The Tenderer is a registered offshore ¹ company (legal person) or offshore association of persons.	<ul style="list-style-type: none"> - For a Tenderer which is registered in Latvia the Contracting Authority shall verify the information itself in publicly available databases. - For the Tenderer and each member of the partnership (if Tenderer is a unregistered partnership) which is a legal person registered abroad – a copy of a valid registration certificate or a similar document issued by a foreign authority in charge of the registration of legal persons in the country of their residence wherefrom at least the fact of registration
11.	The owner or shareholder (with more than 25% of share capital) of the Tenderer which is registered in Republic of Latvia, is a registered offshore company (legal person) or offshore association of persons.	<ul style="list-style-type: none"> - For a Tenderer which is registered in Latvia: <ul style="list-style-type: none"> <input type="checkbox"/> the Contracting Authority shall verify the information itself in publicly available databases; <input type="checkbox"/> if the Tenderer is a joint stock company, Tenderer additionally shall submit self – declaration which approves fact that there are no registered owners or share

¹ **Offshore:** low tax or tax-free country or territory in accordance with Corporate income tax law of the Republic of Latvia except Member States of EEA (European Economic Area) or its territories, Member States of the World Trade Organization Agreement on State Treaties or territories and such countries and territories with which European Union and Republic of Latvia has international agreements for open market in public procurement area.

No	Requirement	Documents to be submitted <i>(no obligation to submit documents, unless specifically requested by the procurement commission)</i>
		holders of the Tenderer (with more than 25% of share capital) which are registered offshore.
12.	Anyone of subcontractors indicated by the Tenderer or person on whose capabilities Tenderer is relying, is a registered offshore company (legal person) or offshore association of persons.	<ul style="list-style-type: none"> - For a subcontractor or person, on whose capabilities Tenderer is relying, which is registered in Latvia, the Contracting Authority shall verify the information itself in publicly available databases. - For a subcontractor or person on whose capabilities Tenderer is relying, which is a legal person registered abroad (with its permanent place of residence abroad) – a copy of a valid registration certificate or a similar document issued by a foreign authority in charge of the registration of legal persons in the country of their residence wherefrom at least the fact of registration.

7.2. Legal standing and suitability to pursue the professional activity

No	Requirement	Documents to be submitted
1.	The Tenderer or all members of the partnership (if the Tenderer is a partnership) must be registered in the Registry of Enterprises or Registry of Inhabitants, or an equivalent register in their country of residence, if the legislation of the respective country requires registration of natural or legal persons.	<ul style="list-style-type: none"> - For a Tenderer which is a legal person (or a member of a partnership, a person on whose abilities a Tenderer relies, a subcontractor registered in Latvia the Contracting authority shall verify the information itself in publicly available databases. - For a Tenderer which is a natural person (or a member of a partnership, a person on whose abilities a Tenderer relies, a subcontractor – a copy of an identification card or passport. - For a Tenderer (or a member of a partnership, a person on whose abilities a Tenderer relies, a

No	Requirement	Documents to be submitted
		<p>subcontractor which is a legal person registered abroad (with its permanent place of residence abroad) – a copy of a valid registration certificate or a similar document issued by a foreign authority in charge of the registration of legal persons in the country of their residence wherefrom at least the fact of registration, shareholders, officials and procura holders (if any) can be determined.</p> <ul style="list-style-type: none"> - If a proposals is submitted by a partnership, the Proposal shall include an agreement (or letter of intention to enter into agreement) signed by all members on the participation in the procurement, which lists responsibilities of each and every partnership members and a joint commitment to fulfil the procurement contract, and which authorises one key member to sign the proposal and other documents, to receive and issue orders on behalf of the partnership members, and with whom all payments will be made. - If the Proposal or any other document, including any agreement, is not signed by the legal representative of the Tenderer, members of the partnership, person on whose capabilities the Tenderer relies or sub-contractors, then a document certifying the rights of the persons who have signed the Proposal or any other documents, to represent the Tenderer, a member of the partnership, a person on whose capabilities the Tenderer is relying, or a sub-contractor (powers of attorney,

No	Requirement	Documents to be submitted
		authorization agreements etc.) must be included.
2.	The representative of the Tenderer, or a member of a partnership, or a person on whose abilities a Tenderer relies, who has signed documents contained in the proposal, has the right of signature, i.e., it is an official having the right of signature or a person authorized by the Tenderer.	<ul style="list-style-type: none"> - A document confirming the right of signature (representation) of the representative of the Tenderer, or a member of a partnership, or a person on whose abilities a Tenderer relies, who signs the proposal. For a Tenderer which is a legal person (or a member of a partnership, a person on whose abilities a Tenderer relies, registered in Latvia the Contracting authority shall verify the information itself in publicly available databases. - If the Tenderer, or a member of a partnership, or a person on whose abilities a Tenderer relies, submits a power of attorney (original or a copy certified by the Tenderer) there shall be additionally submitted documents confirming that the issuer of the power of attorney has the right of signature (representation) of the Tenderer.

7.3. Economic and financial standing

No	Requirement	Documents to be submitted
1.	<p>The Tenderer's or all members' of the partnership together (if the Tenderer is a partnership), average annual financial turnover within last 3 (three) years (2015, 2016, 2017) is not less than 100 000,00 EUR (one hundred thousand euros).</p> <p>In the event the average annual financial turnover of a limited liability member of a limited partnership (within the meaning of Latvian Commercial Law, Chapter X) exceeds its investment in the limited partnership, the average annual financial turnover shall be recognised in</p>	<ul style="list-style-type: none"> - Filled in Annex No 5 accompanied with, - Audited or self-approved by a Tenderer (only in case when the audited yearly report is not required by the law of the country of residence of the Tenderer) yearly reports for financial years 2015, 2016, 2017 showing the turnover of the Tenderer and each member of the partnership on whose abilities the Tenderer is relying

No	Requirement	Documents to be submitted
	<p>the amount of the investment in the limited partnership.</p> <p>In the event the Tenderer or a member of a partnership (if the Tenderer is a partnership) has operated in the market for less than 3 (three) years, the requirement shall be met during the Tenderer's actual operation period.</p>	<p>to certify its financial and economic performance and who will be financially responsible for the fulfilment of the procurement contract (if the Tenderer is a partnership) and a entity on whose abilities the Tenderer is relying to certify its financial and economic performance and who will be financially responsible for the fulfilment of the procurement contract.</p>
2.	<p>The Tenderer or each member of the partnership (if the Tenderer is a partnership) on whose abilities the Tenderer is relying to certify its financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract and entity on whose abilities the Tenderer is relying to certify its financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract, shall have stable financial and economic performance, namely, in the last financial year (2017) liquidity ratio (current assets divided by short-term liabilities) shall be equal to or exceed 1 and shall have positive equity.</p>	<p>If yearly report for financial year 2017 is not available yet, Tenderer has to submit other documents showing the annual financial turnover and values for calculating liquidity ratio and equity ratio of the Tenderer for the financial year 2017.</p> <ul style="list-style-type: none"> - For a limited partnership (within the meaning of Latvian Commercial Law, Chapter X) an additional document evidencing the amount of the investment by the limited liability partner (the partnership agreement or a document with a similarly binding legal effect). - If an application is submitted by a partnership, the Tenderer shall indicate the member of the partnership on whose abilities the Tenderer is relying to certify its financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract including this information in the agreement of cooperation (or letter of intention to enter into agreement) stipulated in Section 7.2.

7.4. Technical and professional ability

No	Requirement	Documents to be submitted
1.	<p>The Tenderer within the previous 3 (three) years (2015, 2016, 2017 including 2018 until the date of submission of the Proposal) has provided web maintenance and development services for at least 3 (three) different clients, where:</p> <p>a) total value of each of services provided is 24 000,00 (twenty four thousand <i>eur</i>) without VAT) EUR for each client;</p> <p>b) development and maintenance services were provided for web pages with at least 3 languages.</p>	- Filled in and signed Annex 6

7.5. Team of key experts

No	Requirement	Documents to be submitted
1.	The Tenderer should propose a team consisting of the following key experts meeting the following criteria:	
1.1.	<p>Account manager who complies with the following requirements:</p> <p>1) At least bachelor's degree (or equivalent²) in arts (BA);</p> <p>2) At least 3 (three) years relevant experience in web development, maintenance and project management field.</p>	<ul style="list-style-type: none"> - Filled in and signed Annex 7. - A copy of a diploma proving relevant level of education.
1.2.	<p>Web developer who complies with the following requirements:</p> <p>1) At least bachelor's degree (or equivalent²) in information</p>	<ul style="list-style-type: none"> - Filled in and signed Annex 7. - A copy of a diploma proving relevant level of education.

² With the assignment of **Bachelor's** degree there is understood: at least Level 6 of European Qualifications Framework (please see here: <https://ec.europa.eu/ploteus/en/content/descriptors-page>)

No	Requirement	Documents to be submitted
	<p>technology related educational program;</p> <p>2) At least 3 (three) years' experience as a web developer;</p> <p>3) Sound knowledge and experience in Wordpress and OctoberCMS platforms.</p>	
1.3.	<p>Web designer who complies with the following requirements:</p> <p>1) At least 3 (three) years' experience as a web designer in the advertising or marketing field.</p>	- Filled in and signed Annex 7.
1.4.	<p>Common qualification requirements for all key experts (mentioned above):</p> <p>1) Every key expert within the previous 3 (three) years (2015, 2016, 2017 including 2018 until the date of submission of the Proposal) have participated in completion of at least 2 (two) multi-level page web development projects where web development and maintenance was provided for web pages with at least 3 languages;</p> <p>2) Every key expert within the previous 5 years (2013, 2014, 2015, 2016, 2017 including 2018 until the date of submission of the Proposal) has experience working with WordPress platform for at least 3 projects and OctoberCMS for at least 2 projects;</p> <p>3) Every key expert is expected to have a very good (at least B2 Level) verbal and presentation and excellent (at least C1 Level) written English language skills – (based on Common European Framework of</p>	<p>- Filled in and signed Annex 7.</p> <p>- self-declared information about each key experts' language skills in Annex 7.</p>

No	Requirement	Documents to be submitted
	Reference for Languages ³) in communication, presentation, negotiation and report writing, particularly in the specific areas of their expertise.	

- 7.6. Notices and other documents, which are issued by Latvian competent institutions, are accepted and recognized by the Procurement Commission, if they are issued no earlier than 1 (one) month prior to the date of submission of particular notices and documents. Notices and other documents, which are issued by foreign competent institutions, are accepted and recognized by the Procurement Commission, if they are issued no earlier than 6 (six) month prior to the date of submission of particular notices and documents, if the issuer of the notice or document has not set shorter period of validity.
- 7.7. If the documents, with which a Tenderer registered or permanently residing abroad can certify its compliance with the requirements of Section 7.1, are not issued or these documents are insufficient, such documents can be replaced with an oath or, if the regulatory enactments of the country in question do not allow for an oath, - with a certification by the Tenderer or by another person mentioned in Section 7.1(1) before a competent executive governmental or judicial institution, a sworn notary or a competent organization of a corresponding industry in their country of registration (permanent residence).
- 7.8. If the Tenderer complies with any of the exclusion grounds mentioned in Section 7.1 (except Section 7.1 (2), 7.1(10) – 7.1(12)), the Tenderer indicates this fact in Annex No 1.
- 7.9. The Tenderer, in order to certify that it complies with the selection criteria for Tenderers, may submit the European single procurement document as initial proof. This document must be submitted for each person upon whose capabilities the Tenderer relies, and for each of their indicated subcontractors, the share of whose work is equal to or exceeds 10 % (ten per cent) of the value of the Contract, but if the Tenderer is a partnership – for each member thereof. In order to fill in the European single procedure document the Tenderer uses the "ESPD.xml" file at the Internet webpage <https://ec.europa.eu/tools/espd/filter?lang=en>. In any case, prior to making the final decision about assigning rights to conclude the contract, procurement commission shall ask the Tenderer to whom the possible rights to conclude the contract will be awarded, to submit all documents specified in Section 7.2. – 7.5. within a specified term.

8. RELIANCE ON THE CAPABILITIES OF OTHER PERSONS

- 8.1. For the fulfilment of the specific contract, in order to comply with the selection requirements for the Tenderers relating to the economic and financial standing and technical and professional ability (including regarding the team of key experts), the

³ See <http://europass.cedefop.europa.eu/resources/european-language-levels-cefr>

Tenderer may rely upon the capabilities of other persons, regardless of the legal nature of their mutual relationship. In this case:

- 8.1.1. The Tenderer indicates in the Proposal all persons upon whose capabilities it relies by filling in the table which is attached as Annex No 3 and proves to the Contracting authority that the Tenderer shall have available all the necessary resources for the fulfilment of the contract, by submitting a signed confirmation or agreement on cooperation and/or passing of resources to the Tenderer between such persons and the Tenderer. The confirmations and agreements on cooperation and passing of resources can be replaced by the Tenderer with any other type of documents with which the Tenderer is able to prove that the necessary resources will be available to the Tenderer and will be used during the term of fulfilment of the contract.
 - 8.1.2. Documents on cooperation and passing of resources have to be sufficient to prove to the Contracting authority that the Tenderer will have the ability to fulfil the contract, as well as that during the validity of the contract the Tenderer will in fact use the resources of such person upon whose capabilities the Tenderer relies.
 - 8.1.3. The Contracting authority shall require joint and several liability for the execution of the Contract between the:
 - 8.1.3.1. Tenderer and a person on whose capabilities the Tenderer is relying to certify its financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract;
 - 8.1.3.2. each member of the partnership (if the Tenderer is a partnership) on whose capabilities partnership is relying and who will be financially and economically responsible for fulfilment of the procurement contract.
- 8.2. The Contracting authority shall evaluate the person, on whose capabilities the Tenderer to whom the rights to conclude the Contract should be assigned is relying according to Section 7.1(1) to 7.1(8) and 7.1(12). In case such person will comply with any of the exclusion grounds which are mentioned in Section 7.1(1) to 7.1(8), the Contracting authority shall request the Tenderer to change such person. If the Tenderer shall not submit documents about another person which complies with the selection criteria within 10 (ten) business days from the date when the request was issued or sent to the Tenderer, the Contracting authority shall exclude such Tenderer from further participation in the open competition. In case such person will comply with the exclusion ground which is mentioned in Section 7.1(12), the Contracting authority shall exclude such Tenderer from further participation in the open competition with no rights to change such person.

9. SUBCONTRACTING

- 9.1. The Tenderer shall indicate in the Proposal all subcontractors of the Tenderer by providing information in E-Tenders system and filling in the table which is attached as Annex No 4.

9.2. The Contracting authority shall evaluate the subcontractor of the Tenderer to whom the rights to conclude the Contract should be assigned according to Sections 7.1(2) to 7.1(8) and 7.1(12) . In case such subcontractor, whose share of work is equal to or exceeds 10% of the Contract price, will comply with any of the exclusion grounds which are mentioned in Section 7.1(2) to 7.1(8), the Contracting authority shall request the Tenderer to change such subcontractor. If the Tenderer shall not submit documents about another subcontractor which complies with the selection criteria within 10 (ten) business days from the date when the request was issued or sent to the Tender, the Contracting authority shall exclude such Tenderer from further participation in the open competition. In case such person will comply with the exclusion ground which is mentioned in Section 7.1(12), the Contracting authority shall exclude such Tenderer from further participation in the open competition with no rights to change such person.

10. FINANCIAL PROPOSAL

- 10.1. The Financial proposal shall be submitted as part of Annex No 1.
- 10.2. The proposed prices shall be determined in *euro* without value added tax (hereinafter – VAT).
- 10.3. The proposed prices have to be calculated and indicated with an accuracy of 2 (two) decimal places after comma. If more than 2 (two) decimal places after comma are indicated, then only the first two decimal places will be taken into account.
- 10.4. The proposed prices shall include all taxes, fees and payments, and all costs related to the fulfilment of the obligations specified in the Contract.
- 10.5. The prices are fixed for all the term of the fulfilment of the Contract and are not recalculated, except in cases stipulated in the Contract (if any).

11. TECHNICAL PROPOSAL

11.1. Tenderers should prepare and submit a concept (Technical proposal) in accordance with the requirements set out in the Technical specification (Annex No 2) for the new section in the main webpage www.railbaltica.org devoted to the infographics, using the visual guidelines of Rail Baltica (<http://railbaltica.org/about-rail-baltica/visual-guidelines/>):

11.1.1. Deliverables:

- 1) the concept which includes the visualization of the idea and technical solution submitted in the written form;
- 2) the visual sketch of the provided concept should be comprehensive and easily comprehensible for average user.

Format and size of the infographics that should be included:

FORMAT	SIZE	AMOUNT

PDF or JPG/PNG	1920x1080	7
PDF or JPG	593x299	1
PDF or PNG	1079x617	1
PDF or JPG/PNG	2560x1440	1
MOV file	1920x1080	1

Most of the infographics are available here: <http://www.railbaltica.org/about-rail-baltica/documentation/>

12. CONTENTS AND FORM OF THE PROPOSAL

12.1. Proposal must be submitted electronically in E-Tenders subsystem of the Electronic Procurement System, in accordance with the following options for the Tenderer:

- 12.1.1. by using the available tools of E-Tender subsystem, filling the attached forms of the E-Tender subsystem for this procurement procedure;
- 12.1.2. by preparing and filling the necessary electronic documents outside the E-Tenders subsystem and attaching them to relevant requirements (in this situation, the tenderer takes responsibility for the correctness and compliance of the forms to requirements of documentation and form samples);
- 12.1.3. by encrypting electronically prepared proposal outside subsystem of E-Tenders with data protection tools, provided by third parties, and protection with electronic key and password (in this situation, the tenderer takes responsibility for the correctness and compliance of the forms to requirements of documentation and form samples as well as ensuring capability to open and read the document);

12.2. During preparation of the proposal, the tenderer respects:

- 12.2.1. Upon submission, the tenderer signs the proposal with secure electronic signature and time-stamp or with electronic signature provided by Electronic Procurement System. The tenderer can use secure electronic signature and time-stamp and sign Application form, Technical proposal and Financial proposal separately. Proposal (its parts, if signed separately) are signed by authorized person, including authorization document (e.g. power of attorney).

12.3. Such documents shall be included in the proposal (hereinafter – **Proposal**):

- 12.3.1. Application (financial proposal) in accordance with Annex No 1.
- 12.3.2. Information and documents (including documents, but not limited to, according to Section 7.2. – 7.5.), confirming compliance of the Tenderer with the selection criteria for the Tenderers (including selection criteria for the

Tenderer's proposed team of key experts), or the corresponding European single procurement documents.

- 12.3.3. Information and documents relating to entities on whose capabilities the Tenderer is relying (according to Section 8), or the corresponding European single procurement documents.
- 12.3.4. Information and documents (according to Section 9) relating to subcontractors and/or or the corresponding European single procurement documents.
- 12.3.5. Technical proposal prepared in accordance with Section 11.
- 12.4. The Tenderer is not permitted to submit variants of the Proposal. If variants of the Proposal shall be submitted, the Proposal will not be reviewed.
- 12.5. The Tenderer may submit a Proposal only for the whole subject matter of the open competition in total.
- 12.6. The Proposal may contain original documents or their derivatives (e.g. copies). In the proposal or in reply to a request of the procurement commission the Tenderer shall submit only such original documents which have legal force. In order for the document to gain legal force it has to be issued and formatted in accordance with the Law on Legal Force of Documents, but public documents issued abroad shall be formatted and legalized in accordance with the requirements of the Document Legalization Law. When submitting the Proposal, the Tenderer has the right to **certify the correctness of all submitted documents' derivatives and translations with one certification.**
- 12.7. The Proposal must be signed by a person who is legally representing the Tenderer or is authorized to represent the Tenderer in this open competition procedure.
- 12.8. The Tenderer shall prepare Proposal in electronic form using the E-Tenders system available at <https://www.eis.gov.lv/EKEIS/Supplier>.

13. ENCRYPTION OF THE PROPOSAL INFORMATION

- 13.1. E-Tender system which is subsystem of the Electronic Procurement System ensures first level encryption of the information provided in the proposal documents.
- 13.2. If the Tenderer applied additional encryption to the information in the proposal (according to Section 13.1.), Tender has to provide Procurement Commission with electronic key with the password to unlock the information not later than in 15 (fifteen) minutes after deadline of the proposal submission.

14. SUBMISSION OF A PROPOSAL

- 14.1. Proposal (documents referred to in the Section 12) shall be submitted electronically using the tools offered by the E-Tenders system available at <https://www.eis.gov.lv/EKEIS/Supplier> by 2 July 2018 till 15:00 o'clock.
- 14.2. The Tenderer may recall or amend its submitted Proposal before the expiry of the deadline for the submission of Proposals by using the tools offered by E-Tenders system.

14.3. Only Proposals submitted to the E-Tenders system will be accepted and evaluated for participation in the procurement procedure. Any Proposal submitted outside the E-Tenders system will be declared as submitted in a non-compliant manner and will not participate in the procurement procedure.

15. OPENING OF PROPOSALS

15.1. The Proposals will be opened in the E-Tenders system 2 July, 2018 **15:00 o'clock** during the open meeting. It is possible to follow the opening of submitted proposals online in the E-Tenders system.

15.2. The Proposals are opened by using the tools offered by E-Tenders system, the proposed price and other information that characterizes the Proposal shall be published in E-Tenders system, as well as notice of the presence of documents proving the Security.

15.3. The information regarding the Tenderer, the time of Proposal submission, the proposed price and other information that characterizes the Proposal is generated at the opening of the proposals by E-Tenders system and written down in the Proposal opening sheet, which shall be published in E-Tenders system and Contracting authorities web page.

16. VERIFICATION OF PROPOSAL

16.1. Procurement Commission verifies whether the submitted Proposals comply with the requirements stipulated in in The Regulation (Section 12) and whether all required information and documents is submitted and selects for further evaluation the compliant Proposals.

17. SELECTION OF TENDERERS

17.1. Procurement Commission verifies whether the tenderers comply with the selection criteria mentioned in Section 7.2., 7.3., 7.4., 7.5. and selects conformable Tenderers.

18. VERIFICATION OF TECHNICAL PROPOSALS

18.1. The procurement commission verifies whether the submitted technical proposals comply with the requirements stipulated in Section 11 and selects for further evaluation the compliant technical proposals.

19. VERIFICATION OF FINANCIAL PROPOSALS

19.1. The Procurement Commission verifies whether Tenderers have completed Annex No 1 **"Application" in accordance with the requirements.**

19.2. The Procurement Commission verifies whether there are any arithmetical errors, whether an abnormally low Proposal has been received, as well as assesses and compares the contract prices proposed.

19.3. The Procurement Commission informs the Tenderer whose mathematical errors have been corrected about the correction of mathematical errors and the corrected financial proposal.

19.4. When evaluating the financial proposal, the Procurement Commission takes corrections into account.

19.5. The Procurement Commission has the right to demand that the Tenderer explains the calculation upon which the financial proposal is based and other related aspects in order to ascertain the objectivity of the financial proposal and whether an abnormally low Proposal has been submitted.

19.6. The Procurement Commission further evaluates the compliant Proposals which have not been declared as abnormally low proposals.

20. CONTRACT AWARD CRITERIA

20.1. The Proposal selection criterion is the most economically advantageous proposal, according to the evaluation methodology described in this Section below.

20.2. The economically most advantageous proposal shall be the Proposal which will receive the highest sum of scores for the following criteria:

Evaluation criteria:		Point:	Documents to be submitted:
20.2.1.	Financial proposal , which will be evaluated in accordance with Section 20.5.	50	A Financial proposal in the form, attached as Annex No 1
20.2.2.	Quality of the Technical proposal , which will be evaluated in accordance with Section 20.6.	50	A concept in accordance with the requirements set out in Section 11 for the new section in the main webpage www.railbaltica.org devoted to the infographics
Total:		100	

20.3. The procurement commission shall sum up the points obtained by each Tenderer and the Contract shall be awarded to the Tenderer whose Proposal obtains the highest score.

20.4. In case several Tenderers will obtain equal number of points, the procurement commission shall award the right to conclude the contract to the Tenderer which will obtain higher score for its financial proposal. If also this score will be equal then the procurement commission will invite representatives of those particular tenderers and organize a draw. In situation, when representatives of tenderers choose to not be present at the draw, procurement commission will carry out the draw without representatives of tenderers present.

20.5. Evaluation of the Financial proposal

20.5.1. The procurement commission shall evaluate the following sub-criteria of the financial proposal:

- 20.5.1.1. Proposed hourly rate for all key experts in total in accordance with Section 2(a) of the Financial proposal. The maximum amount of points for this sub-criterion is 20 points. The procurement commission shall evaluate the proposed hourly rate for all key experts together.
- 20.5.1.2. Proposed total cost for website banners in accordance with Section 2(b) of the Financial proposal. The maximum amount of points for this sub-criterion is 10 points. The procurement commission shall evaluate the total of the proposed prices for web banners design.
- 20.5.1.3. Proposed cost per hour for web maintenance in accordance with Section 2(c) of the Financial proposal. The maximum amount of points for this sub-criterion is 10 points. The procurement commission shall evaluate the total of the proposed prices per hour for web maintenance.
- 20.5.1.4. Proposed price per hour for web site visual and functionality development in accordance with Section 2(d) of the Financial proposal. The maximum amount of points for this sub-criterion is 10 points. The procurement commission shall evaluate the total of the proposed prices per hour for web design and web development.

20.5.2. The procurement commission shall award the maximum available points for each sub-criterion to the financial proposal with the lowest proposed rate/cost/price in each sub-criterion. Other financial proposals shall receive score in each sub-criterion in accordance with the following formula:

$$\text{points} = \frac{\text{lowest proposed rate/cost/price}}{\text{Tenderer's proposed rate/cost/price}} \times \text{maximum points for sub – criterion}$$

20.6. Evaluation of the quality of the Technical proposal

20.6.1. Quality of the Technical proposal will be evaluated by comparing the Technical proposals on a scale of 5-50 according to the following criteria:

Criteria	Points
Incomplete and incomprehensible concept of the new section for infographics which does not comply with Rail Baltica visual guidelines and material specification noted in the Annex 2 "Technical specification".	Awarded with 5 points

Criteria	Points
<p>The Technical proposal does not include all information required to be included in accordance with Annex 2 “Technical specification”, it does not comply with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification” and visualization of the section is difficult to comprehend and navigate by an average visitor.</p>	
<p>Incomplete and incomprehensible concept of the new section for infographics which complies with Rail Baltica visual guidelines.</p> <p>The Technical proposal does not include all information required to be included in accordance with Annex 2 “Technical specification”, the visual concept of the section is difficult to comprehend and navigate by an average visitor, but it complies with the visibility requirements of the Rail Baltica visual guidelines referred to in Annex 2 “Technical specification”.</p>	<p>Awarded with 10 points</p>
<p>Complete but incomprehensible concept of the new section for infographics which does not comply with Rail Baltica visual guidelines.</p> <p>The Technical proposal includes all information required to be included in accordance with Annex 2 “Technical specification”, it does not comply with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification” and the visual concept of the section is difficult to comprehend and navigate by an average visitor.</p>	<p>Awarded with 15 points</p>
<p>Incomplete but comprehensible concept of the new section for infographics which does not comply with Rail Baltica visual guidelines.</p> <p>The Technical proposal does not include all information required to be included in accordance with Annex 2 “Technical specification”, it does not comply with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification”, but the visual concept of the section is easy to comprehend and navigate by an average visitor.</p>	<p>Awarded with 20 points</p>
<p>Complete but incomprehensible concept of the new section for infographics which complies with Rail Baltica visual guidelines.</p> <p>The Technical proposal includes all information required to be included in accordance with Annex 2 “Technical specification” and it complies with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification”, but the visual concept of the section is difficult to comprehend and navigate by an average visitor.</p>	<p>Awarded with 25 points</p>

Criteria	Points
<p>Incomplete but comprehensible concept of the new section for infographics which complies with Rail Baltica visual guidelines.</p> <p>The Technical proposal does not include all information required to be included in accordance with Annex 2 “Technical specification”, but the visual concept of the section is easy to comprehend and navigate by an average visitor, and it complies with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification”.</p>	Awarded with 30 points
<p>Complete and comprehensible concept of the new section for infographics which does not comply with Rail Baltica visual guidelines.</p> <p>The Technical proposal includes all information required to be included in accordance with Annex 2 “Technical specification” and the visual concept of the section is easy to comprehend and navigate by an average visitor, but it does not comply with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification”.</p>	Awarded with 40 points
<p>Complete and comprehensible concept of the new section for infographics which complies with EU visibility requirements and Rail Baltica visual guidelines.</p> <p>The Technical proposal includes all information required to be included in accordance with Annex 2 “Technical specification”, it complies with the visibility requirements of Rail Baltica visual guidelines referred to in Annex 2 “Technical specification” and the visual concept of the section is easy to comprehend and navigate by an average visitor.</p>	Awarded with 50 points

- 20.6.2. **The quality of the Tenderer’s proposed** concept for the new section in the main webpage www.railbaltica.org devoted to the infographics shall be evaluated on the basis of the information contained in the document in accordance with Section 11, by awarding points.
- 20.6.3. The maximum number of points which document can receive are 50 points.
- 20.6.4. The procurement commission shall obtain the final score for each Technical proposal in this criterion by summing up all points obtained by the particular Technical proposal in this criterion and dividing the sum with the number of members of the procurement commission which participated in the evaluation of the Technical proposals. The result shall be used as the points for the particular Technical proposal for the purposes of Section 20.3.

21. TENDERER CHECK PRIOR TO MAKING THE DECISION REGARDING THE CONCLUSION OF THE CONTRACT

- 21.1. Prior to making the decision about assigning rights to conclude the Contract, the Procurement Commission performs a check regarding the existence of grounds for exclusion of tenderers for Tenderers, members of a partnership (if the Tenderer is a partnership), persons on whose capabilities the Tenderer is relying and subcontractors.
- 21.2. If, in accordance with the information published on the day of the last data update in a public database, on the last day of Proposal submission or on the day when the decision regarding the possible assignment of rights to conclude a Contract is made, the Tenderer, member of a partnership (if the Tenderer is a partnership), a subcontractor whose share of work is equal to or exceeds 10% of the Contract price or a person on whose capabilities the Tenderer is relying have tax debts, including state mandatory insurance contributions debts, the total sum of which exceeds 150 euro, the procurement commission informs the Tenderer and sets a deadline – 10 days from the day of issuing or receiving information – for the submission of a certificate evidencing absence of tax debt or decision to prolong the deadline or postpone payment of the tax or other objective evidence proving absence of a tax debt.
- 21.3. If the Tenderer fails to submit required evidence about itself before the deadline, the procurement commission excludes the Tenderer from participation in the open competition.
- 21.4. Change of persons upon whose capabilities the Tenderer is relying or subcontractors whose share of work is equal to or exceeds 10% of the Contract price is performed in accordance with Sections 8.2 and 9.2 respectively.
- 21.5. In the event the Tenderer or partnership member (if the Tenderer is a partnership) fails to comply with requirements stipulated in Section 7.1 and has indicated this in the Proposal, upon request by the Procurement Commission it submits an explanation about the implemented measures in order to restore reliability and prevent occurrences of the same or similar violations in future, as well as attaches evidence which proves the implemented measures, such as but not limited to evidence about compensating damages, on cooperation with investigating authorities, implemented technical, organisational or personnel measures, an assessment of a competent authority regarding the sufficiency of the implemented measures etc. The Procurement Commission assesses such information. If the Procurement Commission deems the measures taken to be sufficient for the restoration of reliability and the prevention of similar cases in the future, it makes the decision not to exclude the Tenderer from participation in the open competition. If the measures taken are insufficient, the Procurement Commission makes the decision to exclude the Tenderer from further participation in the open competition procedure. If the Tenderer, within the indicated time, does not submit the requested information, the Procurement Commission excludes the Tenderer from participation in the open competition.

22. DECISION MAKING, ANNOUNCEMENT OF RESULTS AND ENTERING INTO A CONTRACT

- 22.1. The Procurement Commission selects the Tenderers in accordance with the set selection criteria for Tenderers, verifies the compliance of the Proposals with the

- requirements stipulated in the Regulation and chooses the Proposal in accordance with the contract award criteria as described in Section 20. The Tenderer whose Proposal shall receive the best score shall be selected.
- 22.2. Within 3 (three) business days from the date of decision about the open competition results the Procurement Commission informs all the Tenderers about the decision made by sending the information by post or electronically and keeping the evidence of the date and mode of sending the information. The Procurement Commission announces the name of the chosen Tenderer, indicating:
- 22.2.1. to the refused Tenderer the reasons for refusing its Proposal;
 - 22.2.2. to the Tenderer who has submitted an eligible Proposal, the characterization of the chosen proposal and the relative advantages;
 - 22.2.3. the deadline by which the Tenderer may submit a complaint to the Procurement Monitoring Bureau regarding violations of the public procurement procedure.
- 22.3. If only 1 (one) Tenderer complies with all the Tenderer selection requirements, the Procurement Commission prepares and includes in the open competition procedure report a justification of the fact that the set requirements for tenderer selection are objective and commensurate. If the Procurement Commission cannot justify that the set requirements for Tenderer selection are objective and commensurate, it makes the decision to terminate the public procurement procedure.
- 22.4. If the public procurement procedure is terminated, the Procurement Commission within 3 (three) business days simultaneously informs all Tenderers about all the reasons because of which the open competition procedure is terminated, and informs about the deadline within which a Tenderer may submit an application regarding the violations of the public procurement procedure to the Procurement Monitoring Bureau.
- 22.5. The Procurement Commission, when informing of the results, has the right not to disclose specific information, if it may infringe upon public interests or if the **Tenderer's legal commercial interests or the conditions of competition would be violated.**
- 22.6. As soon as possible, but not later than within 5 (five) business days from day when the decision about the results of the open competition is taken, the Procurement Commission prepares a report on the open competition procedure and publishes it on the E-procurement system's webpage <https://www.eis.gov.lv/EKEIS/Supplier> and on Contracting Authority's webpage <http://railbaltica.org/en/procurements>.
- 22.7. The selected Tenderer upon receiving the notification about the open competition results must:
- 22.7.1. within 5 (five) business days submit cooperation or partnership agreement if required pursuant to requirements under Section 6.1.2;
 - 22.7.2. within 10 (ten) days from receiving the invitation, to sign the Contract.
- 22.8. The Contract is concluded on the basis of the Tenderer's Proposal and in accordance with Annex No 8.
- 22.9. The Procurement Commission has the right to choose the next most economically advantageous Proposal, if the Tenderer in the time stipulated by the Regulation:

- 22.9.1. refuses to conclude a partnership contract in the cases and deadlines defined by the Regulation, or in the cases and deadlines defined by the Regulation does not submit a copy of the partnership contract or does not inform of the founding of a partnership company;
 - 22.9.2. refuses to conclude the Contract or does not submit a signed Contract.
- 22.10. In such a case the Procurement Commission is entitled to terminate this open competition without selecting any Proposal, or to select the Proposal with the next best score. For either of these decisions a written decision must be made.
- 22.11. Prior to making the decision regarding the conclusion of the contract with the next Tenderer, the Procurement Commission assesses whether the next Tenderer is one market participant together with the initially selected Tenderer. If the next selected Tenderer is found to be one market participant together with the initially selected Tenderer, the Procurement Commission makes a decision to terminate the open competition without selecting any Proposal. If the next chosen Tenderer also refuses to conclude the contract or does not submit a signed public procurement contract within the deadline set by the procurement commission, the procurement commission makes the decision to terminate the open competition without selecting any Proposal.

Procurement commission chairman

J. Lukševics

ANNEX NO 1: APPLICATION

[form of the Tenderer's company]

2018.____._____

No _____

APPLICATION FOR PARTICIPATION IN THE OPEN COMPETITION "WEB DEVELOPMENT AND MAINTENANCE SERVICES", NO RBR 2018/21

Tenderer [*name of the Tenderer or members of the partnership*], reg. No. [*registration No of the Tenderer or members of the partnership*], represented by [*name, last name and position of the representative of the Tenderer*], by submitting this application:

1. Confirms participation in the open competition "Web development and maintenance services" **No RBR 2018/21**.
2. Proposes to deliver services in accordance with the Technical specification, according the total contract price – 74000,00 (seventy four thousand *euros*) *excluding VAT* set by Contracting authority and this Proposal for the following prices (excluding VAT):

(a) Hourly rates of key experts:

Item:	Account Manager (EUR, excluding VAT)	Web developer (EUR, excluding VAT)	Web designer (EUR, excluding VAT)	Total (EUR, excluding VAT)
Rate per hour				

(b) Price of website banners design:

Item:	Total (EUR, excluding VAT)
Website first page banner for desktop (1190x300) and mobile version (564x678) in 4 languages (translation provided) – format: HTML	
Website first page banner for desktop (1160x240) in 4 languages (translation provided) – format: picture	
Total (EUR, excluding VAT):	

(c) Web maintenance costs:

Item	Cost (EUR, excluding VAT)
Maintenance (please see the technical specification) cost per hour:	

(d) Web design and development costs:

Item	Cost (EUR, excluding VAT)
Web site Wordpress platform visual and functionality development (price per hour):	
- Web design	
- Web development	
Total:	
Web site OctoberCMS platform visual and functionality development (price per hour):	
- Web design	
- Web development	
Total (EUR, excluding VAT):	

3. (If applicable): Informs that the following persons comply with the following exclusion grounds:

Name of the entity (person)	Exclusion ground and brief description of the violation
[•]	
[•]	

4. Confirms that the Regulation is clear and understandable, that it does not have any objections and complaints and that in the case of granting the right to enter into a contract it shall fulfil all conditions of the Regulation as well as enter into a procurement contract in accordance with the draft contract enclosed with the Regulation.
5. Guarantees that all information and documents provided are true.

We meet the criteria of (*please mark*):

- a small medium other

sized enterprise⁴ as defined in the Article 2 of the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprise;⁵

Date: [*date of signing*]

Name: [*name of the representative of the Tenderer*]

Position: [*position of the representative of the Tenderer*]

⁴ The information on the size of the Tenderer is used solely for statistical purposes and are not in any way whatsoever used in the evaluation of the Tenderers and their Requests to participate.

⁵ Available here - http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2003.124.01.0036.01.ENG&toc=OJ:L:2003:124:TOC

ANNEX NO 2: TECHNICAL SPECIFICATIONS

Company:

RB Rail AS is a Joint Venture of Estonia, Latvia and Lithuania national Holding Companies and acts as a main coordinator for the project Rail Baltica. It is registered in Riga according to Commercial law of Latvia. Main business of the company is design, construction and marketing (including branding) of the new railway line – Rail Baltica.

Project:

Following the regain of independence of the Baltic States in the 90s of the past century, an idea about connecting the Baltic States to **“the heart of Europe”** was born. **The idea intended** to renew direct connection to the railway network of Europe by building a new European standard 1435 mm gauge railway in the Baltic States and connecting such metropolises as Tallinn – Riga – Kaunas – Vilnius – Warsaw – Berlin and prolonging the route to other European cities up to Venice in the future. Indirectly this route includes also Finland, since the planning incorporates an idea to build an underwater tunnel, which could connect Tallinn and Helsinki by train.

Procurement aim:

Rail Baltica is decade’s most important infrastructure construction project for Baltic countries and EU with enormous potential impact on people and businesses in Baltics and Europe. It is also extremely complicated project involving many shareholders and numerous stakeholders with conflicting interests. Thus, one visual look and voice for this project is paramount for strengthening the One Baltic Voice communication.

The main aim of this tender is to find the vendor being ready to develop and maintain the Rail Baltica Global Project websites in order to strengthen Rail Baltica brand in line with its visual guidelines.

Procurement subject: web development and maintenance services

1. Maintenance of two web sites – monitoring of new update availability and installation of the updates for operation system, web server, database including updates for WordPress and OctoberCMS platforms;
2. Creation of the digital apps and video graphics for the web sites according to customer needs;
3. Works of design and technical layout design for banners and other materials necessary for the web page development.
4. Web site visual and functionality development according to customer needs.
5. Contract period – 36 months.

ANNEX NO 3: ENTITIES ON WHOSE CAPABILITIES THE TENDERER RELIES

No	Name	Description of the capabilities
1		
2		
n+1		

Date: *[date of signing]*

Name: *[name of the representative of the Tenderer]*

Position: *[position of the representative of the Tenderer]*

ANNEX NO 4: SUBCONTRACTORS

No	Name of the sub-contractor	Sub-contracted tasks		
		Description of the sub-contracted task	Amount, EUR (without VAT)	% from the proposed price
I	Total amount of the sub-contracted tasks is equal to or exceeds 10% from the proposed contract price			
1				
2				
n+1				
				Total:
II	Total amount of the sub-contracted tasks is smaller than 10% from the proposed contract price			
1				
2				
n+1				
				Total:
				Total (I+II)

 Date: [date of signing]
 Name: [name of the representative of the Tenderer]
 Position: [position of the representative of the Tenderer]

ANNEX NO 5: CONFIRMATION OF TENDERERS' FINANCIAL STANDING*

1. (Section 7.3.1 of Regulation)

"The Tenderer's or all members' of the partnership together (if the Tenderer is a partnership), average annual financial turnover within last 3 (three) years (2015, 2016, 2017) is not less than 100 000,00 EUR (one hundred thousand euros)".

No	Year	Total Turnover in EUR	Notes
The Tenderer or each member of the partnership (if the Tenderer is a partnership) on whose abilities the Tenderer is relying to certify it's financial and economic performance (Section 7.3 of Regulations) and who will be financially and economically responsible for fulfilment of the contract and entity on whose abilities the Tenderer is relying to certify it's financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract: <hr/> Name of the Tenderer/member of a partnership/entity			
1.	2017		
2.	2016		
3.	2015		
Average within last three financial years			

2. (Section 7.3.2 of Regulation)

The Tenderer or each member of the partnership (if the Tenderer is a partnership) on whose abilities the Tenderer is relying to certify it's financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract and entity on whose abilities the Tenderer is relying to certify it's financial and economic performance and who will be financially and economically responsible for fulfilment of the procurement contract, shall have stable financial and economic performance, namely, in the last financial year (2017) liquidity ratio (current assets divided by short-term liabilities) shall be equal to or exceed 1 and shall have positive equity.

Name of the Tenderer/member of partnership/entity

$$\text{liquidity ratio} = \frac{\text{current assets}}{\text{short - term liabilities}} = \underline{\hspace{2cm}}$$

$$\text{equity ratio} = \text{total assets} - \text{total liabilities} = \underline{\hspace{2cm}}$$

**Please provide information regarding each member of partnership (if the Tenderer is a partnership) and entity to which this requirement applies.*

Date: [date of signing]

Name: [name of the representative of the Tenderer/ member of the partnership/ entity]

Position: [position of the representative of the Tenderer/member of the partnership/ entity]

ANNEX NO 6: EXPERIENCE OF TENDERER

No	Description of the services which characterize the required experience in accordance with Section 7.4.	Date of completion of the services	Contract price / value of services provided (thousand EUR*, excl. VAT)	Contracting authority	Contact information for references
1.					
2.					
n+1					

Date: [*date of signing*]

Name: [*name of the representative of the Tenderer*]

Position: [*position of the representative of the Tenderer*]

* If the value of the contract is in another currency than euro, for the purposes of this proposal it should be recalculated in euro in accordance with the currency exchange rate published by the European Central Bank on the date of signing of this document.

ANNEX NO 7: EXPERIENCE OF THE KEY EXPERTS OF THE TENDERER

No	_____		_____		
	Key expert's role in team (according Section 7.5. of Regulation)		Name, Surname		
Education:					
1.	Education (Educational institution)	Period of studies (month/year - month/year)		Obtained degree (-s)	
1.1.					
...					
Professional experience:					
1.	Employer, Project, Contracting authority	Period of employment or participation in the project (month/year - month/year)	Description of the responsibilities and experience gained in the project to comply with respective criteria in Section 7.5. for respective key expert	Reference to the respective selection criteria (1.1. - 1.4.) mentioned in Section 7.5. an expert complies with	Description of project (implementation for references
1.1.					
1.2.					
n+1					

* If the value of the contract is in another currency than euro, for the purposes of this proposal it should be recalculated in euro in accordance with the currency exchange rate published by the European Central Bank on the date of signing of this document

English language skills⁶:

Understanding		Speaking		Writing
Listening	Reading	Spoken interaction	Spoken production	
<i>Enter level</i>	<i>Enter level</i>	<i>Enter level</i>	<i>Enter level</i>	<i>Enter level</i>

Levels: A1/A2 - Basic user; B1/B2 - Independent user; C1/C2 - Proficient user.

I confirm that I have consented that my candidature is proposed in the open **competition** "Web development and maintenance services", **No RBR** 2018/21. I confirm that in case the Tenderer [*name of the tenderer or members of the partnership*] will conclude the contract as the result of the open competition, I will participate in the execution of the contract.

Date: [*date of signing*]

Name: [*name of the expert*]

⁶ Language skill level is based on Common European Framework of Reference for Languages (see <http://europass.cedefop.europa.eu/resources/european-language-levels-cefr>)

ANNEX NO 8: DRAFT CONTRACT

PROFESSIONAL CONSULTANT SERVICE
AGREEMENT

between

RB Rail AS

and

[•]

Agreement registration number

CEF⁷ Contract No INEA/CEF/TRAN/M2016/1360716

C11

Dated [•] [•]2018

⁷ Grant Agreement under the Connecting Europe Facility (CEF) -Transport Sector Agreement No INEA/CEF/TRAN/M2016/1360716

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PROFESSIONAL CONSULTANT SERVICE AGREEMENT

This PROFESSIONAL CONSULTANT SERVICE AGREEMENT (hereinafter, the "Agreement"), together with all Annexes hereto, is entered into in Riga, on [•] [•] of the year 2018 (hereinafter, the "Effective Date") by and between:

(1) **RB Rail AS**, a joint stock company registered in the Latvian Register registration No 40103845025, having its registered address at **K. Valdemāra iela 8-7**, Riga, LV 1010, Latvia (hereinafter, the "Principal"), represented by its Chairperson of the Management Board **Ms Baiba Anda Rubesa**, Management Board Member [•], Management Board Member [•] and Management Board Member [•] acting on the basis of the Principal's Statutes, on the one side,

and

(2) [•], a [•] company organized and existing under [•] law registered with [•] under the registration number [•], having its registered address at [•] (hereinafter, the "Service Provider"), represented by [•][•][•] acting on the basis of [•],

WHEREAS:

(A) This Agreement is entered into under the Global Project which includes all activities undertaken by the respective beneficiaries and implementing bodies of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania in order to build, render operational and commercialise the Rail Baltic / Rail Baltica railway – a new fast conventional double track electrified railway line according to TSI INF P2-F1 criteria and European standard gauge (1435mm) on the route from Tallinn through Pärnu-Riga-Panevėžys-Kaunas to Lithuanian-Polish border, with the connection of Kaunas – Vilnius, and related railway infrastructure in accordance with the agreed route, technical parameters and time schedule;

(B) The Principal has organised procurement procedure "WEB DEVELOPMENT AND MAINTENANCE SERVICES" (identification No RBR 2018/21) (hereinafter, the "Procurement Procedure") whereby the tender proposal submitted by the Service Provider (hereinafter, the "Service Provider's Proposal") was selected as the winning bid;

(C) This Agreement is co-financed from the Connecting Europe Facility (CEF), CEF Contract No INEA/CEF/TRAN/M2016/1360716, Action No 11,

GENERAL CONDITIONS

Section I. DEFINITIONS AND INTERPRETATION

- 1.1. *Defined Terms.* In this Agreement, unless the context requires otherwise, all defined terms shall have the meanings ascribed to such terms in accordance with Annex A (*Definitions and Common Terms*) entered into between the Parties on the Effective Date.
- 1.2. *Interpretation.*
 - (a) The headings contained in the Agreement shall not be used in its interpretation.
 - (b) References to the singular shall include references in the plural and vice versa, words denoting a gender shall include any other gender where the context requires, and words denoting natural persons shall include any other persons.
 - (c) References to a treaty, directive, regulation, law or legislative provision shall be construed, at any particular time, as including a reference to any modification, extension or re-enactment

of the respective treaty, directive, regulation, law or legislative provision at any time then in force and to all subordinate legislation enacted from time to time.

- (d) In the event there arises a conflict between provisions of the Agreement, the last provision to have been written chronologically shall have precedence.
- (e) Any reference in this Agreement to a person acting under the direction of another person shall not include any action that is taken in contravention of any Applicable Law or Standards, unless the relevant person can demonstrate that an explicit instruction or direction was given to take the relevant action.
- (f) 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. The Parties agree and acknowledge as follows:
 - (i) neither Party shall be required to seek or apply for any consent, approval or agreement by any Person which would place the respective Party in breach of any Applicable Law, Standards or Good Industry Practice; and
 - (ii) nothing in this Agreement shall require the Principal to give or procure the giving of any consent or approval which would be contrary to the protection, safety and efficient operation of the Railway and the Project.
- (g) **A reference to "writing" shall include an e-mail transmission and any means of reproducing words in a tangible and permanently visible form.**
- (h) **The words "include" and "including" are to be construed without limitation.**
- (i) **Unless indicated otherwise, all references to "days" shall mean calendar days.**
- (j) The words in this Agreement shall bear their natural meaning.

1.3. *Order of Precedence.* In the event of any discrepancy or inconsistency arising between the documents forming part of this Agreement, the following order of precedence shall apply:

- (a) this Agreement document;
- (b) Explanations (clarifications) of the procurement documentation;
- (c) Technical specifications (Scope of Service);
- (d) Clarifications of the Tender of the Service Provider;
- (e) Tender of the Service Provider;
- (f) Procurement documents with the annexes;
- (g) all other Annexes of the Agreement.

Section II. ENGAGEMENT, OBJECTIVE AND SCOPE OF SERVICE

- 2.1. *Engagement.* The Principal hereby engages the Service Provider to provide the Service for the purposes of the Project with the objective of ensuring provision and performance of all Works more fully identified in Annex C (*Scope of Service*) attached to this Agreement (hereinafter, the "Scope of Service") **subject to the terms of** this Agreement, and the Service Provider accepts such engagement.
- 2.2. *Objective.* The Service shall result in the performance of all Works identified in Annex C (*Scope of Service*) according to the terms of this Agreement and delivery to the Principal of the Deliverables according to the Service Schedule specified in Annex D (*Service Schedule and Rates*). For every assignment, a separate assignment order (hereinafter – *Assignment Order*) shall be issued by the Principal and confirmed by the Service provider. The Service provider shall provide services according

to only confirmed Assignment Order, the conditions thereof become binding to both parties: the Service Provider and the Principal.

2.3. *Alteration Requests by Principal.* Notwithstanding any provisions in this Agreement to the contrary, whenever the Principal reasonably considers that an Alteration is necessary:

- (a) to address, alleviate or comply with (as appropriate) a Mandatory Alteration; or
- (b) to address the results of Survey Works, to the extent necessary to attain the purposes of the Project; or
- (c) to address changes to the underlying assumptions set out in the Scope of Service,

the Principal shall send to the Service Provider a written notice requesting an Alteration to the Scope of Service and/or **Service Schedule (hereinafter, the "Alteration Request") to the extent that the Alteration is reasonable in the circumstances.** For the avoidance of any doubt, no Alteration shall be effective unless and until agreed in writing by both Parties.

2.4. *Alteration Requests by Service Provider.* Where the Service Provider reasonably considers that an Alteration is necessary:

- (a) to address, alleviate or comply with (as appropriate) a Mandatory Alteration; or
- (b) to address the results of Survey Works, to the extent necessary to attain the purposes of the Project; or
- (c) to address changes to the underlying assumptions set out in the Scope of Service,

the Service Provider shall be entitled to request the Principal to implement an Alteration in accordance with the applicable Laws of the Republic of Latvia.

2.5. *Certain Representations and Warranties by Parties.* Each Party represents and warrants to the other Party, as of the Effective Date, as follows:

- (a) 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;
- (b) it has entered into this Agreement without having any intention or goal whatsoever to violate the Applicable Law, its own Articles of Association, other constitutional documents or agreements of any kind to which it is a party;
- (c) 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 Republic of Latvia; and
- (d) it has entered into this Agreement of its own volition and in good faith.

2.6. *Certain Representations and Warranties by Service Provider.* The Service Provider represents and warrants to the Principal, as of the Effective Date, as follows:

- (a) it has all requisite qualification, skills and competence to provide the Service to the Principal on the terms and conditions of this Agreement which are no less favourable than the terms and conditions of service identified by the Service Provider in any document submitted by the Service Provider to the Principal as part of the Procurement Procedure and on the terms **of the Service Provider's Proposal identified in accordance** with Annex H (*Tender of the Service Provider*);
- (c) it has all requisite ability to ensure the highest quality of the Service;

- (d) it will assign competent and duly qualified personnel to carry out the Works set out in this Agreement according to the highest professional standard and Good Industry Practice;
- (e) it is not deemed to be a person associated with the Principal for the purposes of Applicable Law;
- (f) it has not been registered as a VAT payer in the Republic of Latvia [IF APPLICABLE]; and
- (g) **it is compliant with all of the requirements of the Service Provider's Declaration contained in Annex I (*Declaration of Service Provider*)** and will continue to be compliant with all such requirements during the term of this Agreement;
- (h) the income mentioned in this Agreement will not derive through permanent establishment or fixed base maintained by the Contractor in the Republic of Latvia. The Consultant agrees to submit to the Principal four (4) copies of "**Residence Certificate**–Application for Reduction of or Exemption from Latvian anticipatory taxes withheld at source from payments (management and consultancy fees, leasing fees and certain other types of income), paid to **residents of the [COUNTRY]" (the "Residence Certificate")** confirmed by Competent Authority of the [COUNTRY] and the Latvian State Revenue Service. The Residence Certificate shall be submitted to the Principal prior the Principal will due to make a payment of the fee or other payments to the Contractor. Otherwise the Principal will withhold withholding tax at the rate of 20% from the fee and payments made to the Contractor. [IF APPLICABLE].

Section III. OBLIGATIONS OF SERVICE PROVIDER

- 3.1. *General Obligations.* The Service Provider shall, at all times during the term of this Agreement, act in good faith towards the Principal in respect of all matters under the Agreement. The Service Provider undertakes to perform or procure the performance of the Service in its entirety. The Service Provider shall develop and supplement the Scope of Service in consultation with the Principal with a view to achieving the objectives of the Project set out in Annex B (*Project Objectives*), including with respect to identifying the Service Milestones and other key dates, Deliverables, the underlying assumptions and any Necessary Consents. The Service Provider agrees with the Principal that it shall use all relevant knowledge obtained by the Service Provider in designing, building and maintaining public infrastructure networks having characteristics similar to the characteristics of the Project in the performance of its obligations under this Agreement. Specifically, the Service Provider undertakes to perform the Service in accordance with all of the following:
- (a) requirements of Applicable Law;
 - (b) Good Industry Practice;
 - (c) Legal Requirements and Standards as may be applicable from time to time;
 - (d) Necessary Consents; and
 - (e) the terms of this Agreement.
- 3.2. *Duty of Care and Exercise of Authority.* The Service Provider shall:
- (a) in performing its obligations under this Agreement, 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;
 - (b) ensure that all personnel engaged toward the Service are competent in accordance with relevant Standards and are qualified to perform their duties efficiently;
 - (c) ensure that all maps, drawings, plans, specifications, estimates, studies, computer files and other documents required to be prepared or submitted by the Service Provider under this

Agreement conform to Good Industry Practice generally acceptable at the time of submission of such maps, drawings, plans, specifications, estimates, studies, computer files and documents;

- (d) at all times during the term of this Agreement and in performing the Service, ascertain and comply with all Applicable Laws, Good Industry Practice and, to the extent applicable, conditions of any Necessary Consents;
- (e) comply, where applicable, with any reasonable requirements of the Principal not otherwise provided for in this Agreement;
- (f) ensure that all designs are performed, and that the design process is documented, in accordance with Good Industry Practice, and using standard industry quality control methodology;
- (g) notify the Principal of any Defects in accordance with Clause 7.3 of this Agreement as soon as such Defects are identified by the Service Provider;
- (h) whenever the Service includes the exercise of powers or performance of duties authorized or required pursuant to the terms of any contract entered into between the Principal and any third party, the Service Provider shall:
 - (i) act in accordance with the terms and conditions of the agreement entered into between the Principal and the relevant third party; provided, however, that the details of such powers and duties, to the extent not described pursuant to Annex C (*Scope of Service*) are acceptable to the Service Provider;
 - (ii) if authorized to certify, decide or exercise discretion, do so fairly between the Principal and third party not as an arbitrator but as an independent professional exercising its best skill and judgment; and
 - (iii) to the extent so authorized, cause the obligations of any third party to be adjusted or modified, subject to obtaining the prior approval of the Principal to any adjustment or modification which can have a material effect on Costs, quality or time (except in any emergency when the Service Provider shall inform the Principal as soon as practicable).

3.3. *Maintenance of Records.* During the term of the Service and during ten (10) years from expiration or termination of this Agreement for any reason whatsoever, the Service Provider shall keep and maintain clear, adequate and accurate records and documentation evidencing, to the reasonable satisfaction of the Principal, each of the following:

- (a) the amount of time (rounded up to 30 minutes) actually spent by personnel of the Service Provider and personnel of each Approved Sub-Contractor toward performance of any of the Works forming part of the Service; and
- (b) the fact that the Service has been and is being carried out in accordance with Applicable Law and Good Industry Practice and, to the extent applicable, conditions of any Necessary Consents.

3.4. *Property of Principal.* Anything supplied by or paid for by the Principal for the use by the Service Provider toward provision of the Service under this Agreement shall constitute the property of the Principal and, to the extent practicable, shall be marked by the Service Provider as property of the Principal. To the extent the Service is completed or terminated, the Service Provider shall furnish inventories of whatever has not been consumed in the performance of the Service to the Principal and shall deliver such inventories in such manner and to such location(s) as designated by the Principal. For the avoidance of any doubt, such delivery shall not be forming part of the Scope of Service and the terms of the delivery shall be agreed between the Principal and the Service Provider separately.

- 3.5. *Reservation of Certain Approval Rights.* Nothing in this Agreement shall require the Principal to give or procure the giving of any consent or approval which would be contrary to or inconsistent with the interests of protection, safety and efficient operation of the Railway or the Project and the safety of persons or property.
- 3.6. *Acceptance Not a Waiver.* **The Principal's review, approval, acceptance,** or payment with respect to any part of the Service provided by the Service Provider shall not be interpreted or construed to **operate as a waiver of any rights or cause for action arising out of the Service Provider's performance** of the Service under this Agreement. The Service Provider shall remain liable to the Principal as allowed under this Agreement and under Applicable Law for any and all Costs and/or Damages **caused by the Service Provider's negligent performance of any part of the Service** furnished under this Agreement.
- 3.7. *Sub-Contracting and Staff.* In performing the Service in accordance with the Scope of Service and subject to the provisions of Clause 3.12, the Service Provider may only rely on the services of those Approved Sub-Contractors and Staff listed in Annex E (*List of Approved Sub-Contractors and Staff*), as such list may, from time to time, be modified or supplemented in agreement with the Principal and in accordance with the terms and subject to the criteria contained in the applicable public procurement laws of the Republic of Latvia. Annex E shall specify the name, contact details and legal representative(s) of each Approved Sub-Contractor and specify the name of each Staff member as of the Effective Date. The Service Provider shall have an obligation to notify the Principal in writing of any changes to Sub-Contractor and/or Staff data specified in Annex E occurring during the term of this Agreement and of the required information for any new sub-contractors and/or Staff member which it may subsequently engage toward provision of the Service.
- Pursuant to the Public Procurement law of Latvia applicable at the date of entry into effect of this Agreement, the Service Provider shall obtain prior written consent of the Principal for the replacement of each Sub-contractor and/or each Staff member indicated in Annex E and involvement of additional sub-contractors and/or Staff members.
- Review and evaluation of the replacement Sub-contractors and/or Staff shall be carried out, and the consent or refusal to give consent shall be rendered by the Principal in accordance with the Section 62 of the Public Procurement Law of the Republic of Latvia.
- 3.8. *Responsibility for Performance by Sub-Contractors.* The Service Provider 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 its Approved Sub-Contractors shall, for the purposes of this Agreement, be deemed to be the act, failure to act, breach or negligence of the Service Provider.
- The Service Provider shall replace the Sub-contractor and/or Staff member which, during the effectiveness of this Agreement, meets any of the compulsory grounds for exclusion of tenderers (or sub-contractors) that were verified during the Procurement Procedure.
- 3.9. *Obligations of Service Provider on Termination.* In the event of issue or receipt of a notice of termination of the Agreement under Clause 8.1, the Service Provider shall:
- (a) take immediate steps to bring an end to the performance of the Service in an orderly manner;
 - (b) make arrangements to minimize the expenditure under this Agreement as rapidly as possible; and
 - (c) pass to the Principal a complete set of any documents, manuals or other information that the Principal may require in connection with the Project and the Railway and which, at the time of termination, are in the possession or under the control of the Service Provider.
- 3.10. *Attendance of Meetings.* To the extent necessary to ensure smooth and efficient provision of the Service, the Service Provider shall according to the Annex C (Scope of Service) or **at the Principal's** request, hold and/or attend meetings with any Persons.

- 3.11. *No Material Interference.* The Service Provider agrees that non-Principal activities undertaken by the **Service Provider will be managed so as not to materially interfere with the Service Provider's** obligations to the Principal under this Agreement.
- 3.12. *No Conflicting Activity.* **Except with the Principal's knowledge and express written permission, the** Service Provider shall not engage in any activity, or accept any employment, other agreement, interest, or contribution that would reasonably appear to compromise the **Service Provider's** professional judgment and performance with respect to the Service and/or the Project. In performing the Service, the Service Provider shall take all necessary measures to prevent any situation where the impartial and objective implementation of the Service is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest.
- 3.13. *Certain Negative Covenants.* In carrying out the Service, the Service Provider undertakes not to procure goods or services of any kind from any Person meeting any of the following criteria:
- (a) the Person who is a member of the Management Board or Supervisory Board of an Approved Sub-Service Provider or procurator of an Approved Sub-Contractor, or is authorized 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:
 - (i) 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;
 - (ii) fraud, misappropriation of funds or money laundering;
 - (iii) tax evasion or evasion of payments equivalent to tax;
 - (iv) 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;
 - (b) 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:
 - (i) 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;
 - (ii) 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;
 - (c) 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;

- (d) 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 Service Provider shall evaluate the possibility of participation by such Person in performing the Service), 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;
- (e) the Person has unpaid tax indebtedness in the country where the Procurement Procedure 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 Service Provider can, within its sole discretion, prompt the Approved Sub-Contractor to pay or discharge all outstanding tax indebtedness within 10 (ten) Working Days and, upon such payment or discharge, allow the Person to continue performance of the Service; and
- (f) any of the above-mentioned criteria shall apply to all members of a group of persons if the Person is a group of persons.

3.14. *Visibility Requirements.* At all times during provision of the Service, the Service Provider undertakes to comply with each of the following requirements:

- (a) any report, brochure, document or information related to the Service provided by the Service Provider to the Principal or any other Person, or which the Service Provider makes publicly available shall include each of the following:
 - (i) a funding statement which indicates that the Service is financed from CEF funds **substantially in the following form: “Rail Baltica is co-financed by the European Union’s Connecting Europe Facility”;**
 - (ii) with respect to printed materials, a disclaimer releasing the European Union from liability with respect to any contents of any distributed materials substantially in the **form as follows: “The 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://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>; and**
 - (iii) the flag of the Council of Europe and the European Union.
- (b) the requirements set forth in Clauses 3.14(a)(i) and 3.14(a)(iii) of this Agreement can be complied with by means of utilizing the following logo:



in the event the Service Provider decides to utilize the above logo, the Service Provider shall ensure that the individual elements forming part of the logo are not separated (the logo shall be utilized as a single unit) and sufficient free space is ensured around the logo; and

- (c) in order to comply with the latest applicable visibility requirements established by the European Union, the Service Provider shall regularly monitor changes to visibility requirements; as of the Effective Date, the visibility requirements are available for review on the webpage <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>.

Section IV. OBLIGATIONS OF PRINCIPAL

- 4.1. *Acting in Good Faith and Supply of Information.* At all times during the term of this Agreement, the Principal undertakes to act in good faith toward the Service Provider in respect of all matters under this Agreement. The Principal shall, so as not to delay the Service and within a reasonable time, supply to the Service Provider free of cost all information in the power of the Principal to obtain which pertains to the Service, the Project and the Railway. The Principal shall, free of any Costs to the Service Provider, to the extent not explicitly stated otherwise in this Agreement, comply with all of its obligations under this Agreement, including with respect to carrying out any action or providing any information identified and specifically requested by the Service Provider, as reasonably necessary to enable the Service Provider to progress the Service. Information or instructions provided to the Service Provider by or on behalf of the Principal in connection with the Railway or the Project shall be prepared and given in such a diligent and professional manner and with such clarity, in such detail and in as timely manner as is necessary to enable the Service Provider to comply with its obligations under this Agreement.
- 4.2. *Decisions by Principal.* On all matters properly referred to it by the Service Provider in writing the Principal shall give its decision in writing so as not to delay the Service and within a reasonable time.
- 4.3. *Assistance and Cooperation by Principal.* In each country of the Railway and in respect of the Service Provider, its personnel and dependents, as the case may be, the Principal shall have an obligation to do all in its power to reasonably assist the Service Provider and reasonably cooperate with the Service Provider with respect to each of the following matters:
- (a) providing unobstructed access wherever access is required for purposes of enabling, establishing or providing the Service;
- and
- (b) providing access to other organizations to enable collection of information which is to be obtained by the Service Provider.
- 4.4. *No Material Interference.* The Principal agrees that non-Service Provider activities undertaken by the **Principal will be managed so as not to materially interfere with the Principal's obligations to the Service Provider** under this Agreement.

Section V. PERSONNEL AND REPRESENTATIVES

- 5.1. *Supply of Personnel.* The personnel who are designated by the Service Provider shall be fit for their respective assignments, and their qualifications shall be acceptable to the Principal.
- 5.2. *Representatives.* Each Party shall appoint an officer, employee or individual to serve as its representative toward supply or receipt of the Service with full authority to act on its behalf in **connection with this Agreement (hereinafter, the "Representative")**, the initial Representatives having been identified in accordance with Annex G (*Representatives*). **Any restriction placed by either Party on its Representative's authority shall be notified to the other Party in writing in order to be effective.** The Representatives may delegate their authority by notice in writing specifying the identity of the delegate and specifying the scope of authority so delegated. In addition to the appointment of a Representative in accordance with this Clause 5.2, to the extent required by the Principal, the Service Provider shall designate an individual to liaise with the Representative of the Principal in each country where the Project is implemented.
- 5.3. *Supplemental Personnel.* To the extent necessity arises to supplement the personnel of the Service Provider engaged toward provision of the Service with additional personnel, the Service Provider shall immediately arrange for engagement of such supplemental personnel. The costs of such

engagement shall be borne by the Service Provider. For the avoidance of any doubt, the engagement of supplemental personnel under this Clause 5.3 shall not require approval by the Principal.

Section VI. SERVICE MEETINGS, REPORTING AND RISK REDUCTION

- 6.1. *Service Meetings.* The Service Provider shall arrange project's communication's planning meetings on weekly, monthly and quarterly bases (or more frequently, to the extent mutually agreed by the Parties) as described in Annex C (Scope of Service), at which appropriate personnel of the Service Provider and the Principal and the Representatives of each Party shall be present. Service Provider shall record all meetings (also online meetings) between Parties and prepare meeting reports within 5 working days after each meeting. All meeting reports shall be agreed with Principal.
- 6.2. *Reporting.* The Service Provider shall, in a format and at intervals to be agreed with the Principal:
- (a) provide the Principal with regular reports and status updates on the progress of the Works.
 - (b) report on any changes to the Scope of Service, Service Schedule and Estimated Costs, which the Service Provider considers may be needed in order to fulfil the objectives set out in the Scope of Service and Service Schedule; and
 - (c) use reasonable endeavours to provide any other information and status updates as may be reasonably requested by the Principal at any time.
- 6.3. *Early Warnings.* Each Party undertakes to give an early warning by notifying the other Party as soon as such Party becomes aware of any matter that is capable of producing any of the following effects:
- (c) delay any Service Milestone or date of supply of any Deliverable specified in accordance with Annex C (Scope of Service) or
 - (d) impair the usefulness of the Service to the Service Provider.
- Notwithstanding the above, the Service Provider may give an early warning by notifying the Principal of any other matter which the Service Provider deems to be necessary. The Principal shall enter each early warning into the Risk Register.
- 6.4. *Risk Reduction Meetings.* Either Party may instruct the other Party to attend a risk reduction meeting at which appropriate personnel of each Party and, to the extent practicable, the Representatives of each Party, shall be present, in order for those who attend to co-operate with respect to any of following matters:
- (a) making and considering proposals for how the effect of the risks registered with the Risk Register can be avoided or reduced;
 - (b) deciding on the course of action which will be taken and which Party, in accordance with this Agreement, will take the relevant course of action; and
 - (c) deciding which risks have now been avoided or have passed and can be removed from the Risk Register.
- 6.5. *Risk Register Revisions.* The Principal shall be responsible for revising the Risk Register to record the decisions made at each risk reduction meeting and issuing the revised Risk Register to the Service Provider. In the event a decision requires a modification to be made to the Scope of Service specified in accordance with Annex C (*Scope of Service*), the Principal shall request an Alteration to the Scope of Service to be made in accordance with Clause 2.6 at the same time as the Principal issues the revised Risk Register.
- 6.6. *Obligation to Act Pursuant to Principal's Comments.* The Service Provider shall have due regard to any comments expressed by the Principal in connection with any report or at any meeting, and shall

provide reasons to the Principal where it does not take into account any such comments or representations.

- 6.7. *Ambiguities and Inconsistencies.* Either Party shall notify the other Party as soon as it becomes aware of any ambiguity or inconsistency in or between the documents forming part of this Agreement or inconsistency in such documents and comments made by the Principal under Clause 6.5. The Principal shall have the absolute and exclusive discretion in resolving any such ambiguity or inconsistency.

Section VII. COMMENCEMENT OF SERVICE, REMEDY OF DEFECTS AND ACCEPTANCE

- 7.1. *Service Commencement.* The Service Provider shall not commence provision of the Service until receiving the confirmation of the Assignment Order and shall perform the Works within the deadlines and in the volumes approved by the Parties and each Deliverable is supplied to the Principal, at such location and such manner as designated by the Principal.
- 7.2. *Impediments and Delays.* In the event the Service, or any part thereof, is impeded or delayed by the Principal or any third party engaged by the Principal so as to increase the duration of the Service or any of the applicable Service Milestones:
- (a) the Service Provider shall inform the Principal of the circumstances and probable effects of such impediment or delay upon the Service Schedule; and
 - (b) the duration of the Service shall be increased and any Service Milestone(s) affected by the impediment or delay shall be extended accordingly.
- 7.3. *Defects and Defects Date.* Until the Defects Date specified in accordance with Annex D (*Service Schedule and Rates*) the Principal shall notify the Service Provider of any Defects of any kind as soon as Defects are identified by the Principal and the Service Provider shall have an obligation to notify the Principal of any Defects of any kind as soon as Defects are identified by the Service Provider. Upon discovery of any Defects, or upon receipt by the Service Provider of a notification of Defects from the Principal, the Service Provider shall have two (2) days to remedy the Defects, irrespective of the nature of such Defects (hereinafter, the "Cure Period"). **In the event of inability or failure by the Service Provider to remedy the Defects within the Cure Period, the Principal shall be entitled, in the sole and exclusive discretion of the Principal, to do any of the following:**
- (a) allow the Service Provider an additional time period for remedying the Defects, such time period to be determined in the sole discretion of the Principal;
 - (b) remedy the Defects, irrespective of the extent or nature of the Defects, at own cost of the Principal (including by means of relying on the services of a third Person) and demand reimbursement by the Service Provider of Costs incurred by the Principal as a result of having to pay other Persons toward carrying out any work or action;
 - (c) terminate the Agreement according to Clause 8.1; or
 - (d) remedy the Defects, irrespective of the extent or nature of the Defects, in accordance with Clause 7.3(b) and terminate the Agreement pursuant to Clause 8.1.

For the avoidance of any doubt, the application of the Cure Period under this Clause 7.3 shall be without prejudice to and shall not relieve the Service Provider from the obligation to pay any contractual penalty in accordance with the provisions of Clause 16.2 or to pay Damages in accordance with the provisions Clause 16.3 of this Agreement.

- 7.4. *Completion of Service and Delivery Acceptance Note.* Meeting of a Service Milestone or supply of a Deliverable occurs whenever the Service Provider has completed all of the Works which the Service Provider has undertaken to perform according to the Scope of Service, Assignment Order (as defined in Clause 2.2) and Service Schedule by the relevant Service Milestone. The Delivery Acceptance Note

shall include the Deliverable and adequate supporting documentation or information relevant to the Service Milestone attained and/or Deliverable completed. In the event no reasons for objection to the Delivery Acceptance Note exist, the Principal shall approve and sign it within reasonable time following receipt of the Delivery Acceptance Note. The Principal shall not unreasonably withhold or delay approval of a Delivery Acceptance Note.

- 7.5. *Objection Notice* In the event the Principal objects to approve and sign Deliverable Acceptance Note, it shall give notice to the Service Provider setting out in reasonable detail Defects or reasons for the objection (hereinafter, **the “Objection Notice”**) **within reasonable time following receipt of the Delivery Acceptance Note.**
- 7.6. *Completion of Service Following Receipt of Objection Notice.* In the event of receipt by the Service Provider of an Objection Notice in accordance with Clause 7.5, the Service Provider shall:
- (a) take due account of all Defects, irrespective of their extent or nature, and other matters raised in the Objection Notice;
 - (b) as soon as reasonably practicable, correct such Defects and deficiencies, irrespective of their extent or nature, and complete the Works indicated in the Objection Notice so as to comply in all material respects with the requirements of this Agreement; and
 - (c) issue to the Principal a second Delivery Acceptance Note.

The second Delivery Acceptance Note issued in accordance with Clause 7.5(c) shall include the Deliverable and adequate supporting documentation relevant to the Service Milestone attained and/or Deliverable completed. In the event no reasons for objection to the second Delivery Acceptance Note exist, the Principal shall, within reasonable time following receipt of the second Delivery Acceptance Note, approve and sign Delivery Acceptance Note., the date of the signing the Delivery Acceptance Note by the Principal **shall constitute “Completion Date” with respect to the relevant Service Milestone and/or Deliverable.** In the event the Principal objects to accept and sign the Delivery Acceptance Note, it shall give second Objection Notice to the Service Provider setting out in reasonable detail Defects or reasons for the objection within reasonable time following receipt of the second Delivery Acceptance Note. For the avoidance of any doubt, the giving by the Principal of any Objection Notice under Clause 7.5 or second Objection Notice under this Clause 7.6 shall be without prejudice to and shall not relieve the Service Provider from the obligation to pay any contractual penalty in accordance with the provisions of Clause 16.2 or to pay Damages in accordance with the provisions Clause 16.3 of this Agreement.

Section VIII. TERMINATION

- 8.1. *Termination for Material Breach.* Subject to the provisions of Clause 8.2, either Party shall be entitled to terminate this Agreement upon giving a written notice of termination to the other Party in the event of material breach by the other Party of any of its obligations under this Agreement. The written notice of termination shall contain an itemized description of the breach. For the purposes of this Clause 8.1 an event of material breach shall include any of the following:
- (a) commitment by a Party of any persistent or material breach of this Agreement (which shall include failure to pay an amount of at least EUR 5,000 due to the other Party or perform any part of the Service valued at least EUR 5,000) and, in the event of a breach which is capable of remedy, failure to remedy that breach within fourteen (14) Working Days (or such longer period as the terminating Party may specify) following receipt of a written notice describing the breach in reasonable detail and requiring the breach to be remedied;
 - (b) failure by the Service Provider to duly address any of the matters raised in the second Objection Notice given by the Principal in accordance with Clause 7.5;

- (c) failure by any Deliverable to conform to any of the material requirements to such Deliverable contained in Annex C (*Scope of Services*), Assignment Order and/or Annex D (Service Schedule and Rates), provided that such failure is not capable of being remedied during the Cure Period; or
 - (d) failure by the Principal to make any payment to the Service Provider in accordance with this Agreement within at least fourteen (14) Working Days from the date of payment falling due;
 - (e) any of the representations or warranties given by either Party under Clause 2.8 or any of the representations or warranties given by the Service Provider under Clause 2.9 proving to be untrue; or
 - (f) breach by the Service Provider of any of the representations or warranties contained in Clause 9.6 or breach by the Service Provider of the undertaking contained in Clause 9.10.
- 8.2. *Corrective Period.* In the event of breach by either Party of its obligations under this Agreement, the non-breaching Party shall allow the breaching Party no longer than two (2) days for corrective action or submission of a corrective action plan (hereinafter, the **"Corrective Period"**). The Corrective Period shall be counted from the date of receipt by the breaching Party of a written notice of breach. Should no satisfactory corrective action be taken or acceptable corrective action plan provided by the breaching Party, the non-breaching Party shall have the right to terminate the Agreement. It is acknowledged and agreed by the Parties that the provisions of this Clause 8.2. shall not apply with respect to any of the events enumerated in accordance with Clause 8.5. In addition and for the avoidance of any doubt, the application of the Corrective Period under this Clause 8.2 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 17.2 or to pay Damages incurred by the other Party in accordance with the provisions of Clause 17.3. of this Agreement.
- 8.3. *Alteration Not Material Breach.* It is agreed and acknowledged by the Parties that, for the purposes of Clause 8.1, **no Alteration agreed by the Parties shall constitute a "material breach", provided that such Alteration is objectively justified and indispensable to attain objectives of the Project, is carried out in accordance with applicable public procurement Laws of the Republic of Latvia and relates to any of the following matters:**
- (a) modification of the terms and conditions of this Agreement in a manner altering the terms and conditions set forth in documents forming part of the Procurement Procedure, provided that necessity of such modification is due to no fault of the Service Provider;
- or
- (b) substitution of a supplier or Approved Sub-Contractor selected during the Procurement Procedure with another supplier or Sub-Contractor in accordance with applicable public procurement Laws of the Republic of Latvia.
- 8.4. *Right to Terminate Immediately.*
- 8.4.1. Notwithstanding anything to the contrary contained in this Agreement, a Party may terminate this Agreement immediately upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the following:
- (a) breach by the other Party of Clause 15.7;
 - (c) an event of Force Majeure has been continuing during more than sixty (60) days;
 - (d) the other Party had passed a resolution for winding-up or liquidation (other than in order to amalgamate or reconstruct);
 - (e) the Service Provider breaches any of the confidentiality undertakings contained in Section X;
 - (f) the other Party is unable to pay its debts and has presented a petition for voluntary bankruptcy;
 - (g) the other Party had a bankruptcy order issued against it;

- (h) the other Party has a provisional receiver or administrative receiver appointed over the whole or a substantial part of its undertaking or assets;
 - (i) liquidation, insolvency or legal protection proceedings have been initiated with respect to the other Party or the other Party is declared insolvent;
 - (j) the making by the other Party of a proposal for a voluntary arrangement with creditors; or
 - (k) the occurrence of any event analogous to the events enumerated under Clauses 8.4 (g) – (j) under the law of any **jurisdiction to which the other Party's assets and undertaking are** subject.
- 8.4.2. ***Principal's Right to Terminate Immediately.*** The Principal may terminate this Agreement immediately upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination, if CEF Co-financing for further financing of the Service are not available to the Principal. In such a case, the Principal shall pay the Service Provider the fees in respect of the Services provided under this Agreement up to the date of the notification of the termination of this Agreement and the Principal is not obliged to pay contractual or any other penalty or damages to the Service Provider.
- 8.4.3. ***Termination according to Public Procurement Law.*** The Agreement can be immediately terminate upon giving the other Party 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. In such a case, the Principal shall pay the Service Provider the fees in respect of the Works provided under this Agreement up to the date of the notification of the termination of this Agreement and the Principal is not obliged to pay contractual or any other penalty or damages to the Service Provider.
- 8.5. ***Right to Advance to Completion.*** In the event the Service Provider fails to fulfil any of its obligations, or fails to cure any breach in accordance with Clause 8.2., and the Agreement is terminated by the Principal, the Principal may advance the Service to completion by employing the services of other professional service supplier(s) or by other means available to the Principal. The Service Provider shall be liable to the Principal for any and all additional costs incurred due to failure by the Service Provider to perform. The rights and remedies available to the Principal set forth in accordance with this Clause 8.5 shall be in addition to any and all other rights and remedies available under Applicable Law.
- 8.6. ***Consequences of Termination.*** Upon expiration or termination of this Agreement, the obligations of the Parties set forth in this Agreement shall cease, except with respect to the following:
- (a) any obligations arising as a result of any antecedent breach of this Agreement or any accrued rights; and
 - (b) the provisions stipulated in accordance with Clauses 3.3, 7.3, 8.7, 9.6, 9.7, 9.8, 9.9, 9.11, 9.12, 15.5, 15.7, 15.8, 15.9, 17.1, 17.3, 17.5, 17.6, 17.7, and Sections X, XII, XIV and XIX 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 8.6(b).
- 8.7. ***Partial Acceptance.*** Notwithstanding anything in this Agreement to the contrary including, without limitation, the provisions of Clauses 7.5, 7.6 and in the event of termination of this Agreement, the Principal shall have the right, in the sole discretion of the Principal, to partially accept any Works, **part of Works or part of the Service delivered to the Principal under this Agreement (hereinafter, the "Right of Partial Acceptance")**. **The Principal shall notify the Service Provider of its intention to exercise the Right of Partial Acceptance in the termination notice given in accordance with Clause 8.1 or Clause 8.4 of this Agreement, specifying, in reasonable detail, the Works, part of Works or part of the Service which the Principal would like to partially accept.** In the event of receipt of such notice, the Service Provider shall reasonably cooperate with the Principal in order to ascertain transfer to the Principal of ownership in the result(s) of such Works, part of Works or part of the Service and determination of the amount of consideration payable by the Principal.
- 8.8. ***Principal's Obligation to Pay.*** Subject to the provisions of Clause 8.7 and except in the event of termination by the Principal occurring as a result of violation by the Service Provider of Clause 15.7, in

the event this Agreement is terminated for any reason prior to completion of the Service, the Principal shall have an obligation to pay the Service Provider the following:

- (a) the Costs incurred by the Service Provider up to the date of termination; and
 - (b) except where termination is due to negligence of the Service Provider, breach by the Service Provider, insolvency of the Service Provider or a Force Majeure Event under Section XI:
 - (i) an amount equal to the costs reasonably and properly incurred by the Service Provider as a result of or in connection with such termination; and
 - (ii) such additional amount as is required to put the Service Provider in the same after tax position (taking into account the amount of any relief, allowance, deduction, set-off or credit relating to tax available to the Service Provider in respect of the payment received) as it would have been in if the payment had not been a taxable receipt in the hands of the Service Provider.
- 8.9. *No Obligation to Pay Costs Incurred Prior to Acceptance.* Notwithstanding anything set forth in this Agreement to the contrary including, without limitation, in accordance with Clause 8.7, the Principal shall have no obligation to pay any of the Costs incurred by the Service Provider with respect to any Works or the Service (or part of any Works or the Service) not deemed as having been accepted by the Principal in accordance with Clauses 7.5, 7.6 of this Agreement.
- 8.10. *No Prejudice to Other Rights.* The right to terminate this Agreement shall be without prejudice to any other right of either Party which has accrued prior to or as a result of such termination or to any remedy available to either Party under the terms of this Agreement or in accordance with Applicable Law.

Section IX. INTELLECTUAL PROPERTY RIGHTS

- 9.1. *Principal as Sole Proprietor.* All Documentation forming part of the Deliverables developed under this Agreement is and shall become the property of the Principal regardless of whether the Service or Deliverable is produced or finally accepted. It is acknowledged and agreed by the Parties that the Principal is permitted to reproduce the drawings and distribute the prints in connection with the use or disposition of the Documentation without incurring obligation to pay any royalties or additional compensation whatsoever to the Service Provider.
- 9.2. *Intellectual Property in Documentation.* The Service Provider represents and warrants that it owns all Intellectual Property in all Documentation deliverable by or on behalf of the Service Provider under this Agreement and that, to the extent any Intellectual Property in any Documentation is not owned by the Service Provider, it has obtained all requisite consents from owner(s) of all Intellectual Property in the Documentation to fulfil all of the obligations undertaken by the Service Provider under this Agreement and has fully discharged all obligations with respect to payment of any royalties or fees.
- 9.3. *Transfer of Ownership to Principal.* The Principal shall acquire legal title to and ownership in the Intellectual Property in all Documentation deliverable to the Principal under this Agreement as of the moment of delivery by the Service Provider to the Principal of the Delivery Acceptance Note, together with the Deliverable and Documentation forming part of the Deliverable, in accordance with Clause 7.4 of this Agreement; provided, however, that the Principal has paid the Service Fee or other consideration payable under the terms of this Agreement with respect to the relevant part of the Service or Deliverable. For the avoidance of any doubt, such title and ownership shall confer upon the Principal, without limitation, each of the following:
- (a) the right to reproduce the Documentation, or any part thereof, and distribute copies of the Documentation or any part thereof;
 - (b) the right to modify, amend and supplement the Documentation, or any part thereof;
 - (c) the right to licence the Documentation, or any part thereof, for use by others; and

(d) the right to transfer ownership in the Documentation, or any part thereof, to others.

9.4. *Grant of Limited License to Service Provider.* Upon acceptance by the Principal of any Deliverable and Documentation forming part of any Deliverable in accordance with Clause 7.4, the Principal shall be deemed to have granted the Service Provider an irrevocable and exclusive licence to reproduce, modify and distribute copies of any Documentation forming part of any Deliverable for the purposes of the Service and the Project, subject to the following restrictions:

- (a) the license shall apply during the term of this Agreement only;
- (b) the permitted use shall only cover the right to reproduce, modify and distribute the Documentation, or any part thereof, for the purposes of performing, implementing or modifying the Service; and
- (c) the Documentation, or any part thereof, shall not, without the prior consent by the Principal, be distributed or communicated to any third party for purposes other than those permitted in accordance with this Clause 9.4.

The license in accordance with this Clause 9.4 shall be deemed to have been granted to the Service Provider as of the Completion Date.

9.5. *No Additional Royalty.* It is acknowledged and agreed by the Parties that consideration for the transfer of ownership in the Intellectual Property shall be forming part of Service Fee and no additional royalty, fee or other consideration of any kind shall be payable by the Principal to the Service Provider or any third party in consideration of the transfer of ownership in the Intellectual Property in any Documentation.

9.6. *No Infringement.* The Service Provider represents and warrants to the Principal that no Documentation deliverable to the Principal under the terms of this Agreement will infringe any existing Intellectual Property of any third party. In the event any of the representations or warranties contained in this Section IX prove to be untrue or inaccurate, the Service Provider undertakes, at its own cost and expense, to defend and settle any claim raised by any third party alleging infringement of Intellectual Property in the Documentation. The foregoing undertaking by the Service Provider shall apply subject to the following conditions:

- (a) the Principal shall notify the Service Provider, without undue delay, of any third party claim alleging infringement of any Intellectual Property in any Documentation;
- (b) the Principal refrains from admitting liability under any third party claim or acting on the account of such claim without prior approval by the Service Provider; and
- (c) the exclusive control over any legal proceeding or settlement related any third party claim shall be exercised by the Service Provider; provided, however, that the Principal shall render the Service Provider all reasonable assistance toward such proceeding or settlement, at the cost and expense of the Service Provider.

9.7. *Infringement Proceedings.* In the event the Principal is a party to legal proceedings involving allegations of infringement of any Intellectual Property in the Documentation of any third party, the Service Provider shall keep the Principal fully informed of all aspects relevant to the legal proceedings and the Principal shall have the right, at its own cost, to be represented in the legal proceedings by separate counsel. In the event the Service Provider fails to act against claims alleging infringement of any Intellectual Property in the Documentation of any third party within reasonable time but, in any event, within twenty (20) days of having been notified of such claims, the Principal shall have the right to assume legal defence against claims alleging infringement of Intellectual Property and shall be entitled to reimbursement by the Service Provider of reasonable costs and expenses incurred toward such defence.

9.8. *Continued Use.* In the event a court of competent jurisdiction resolves in a binding judgment that the Documentation, or any part thereof, infringe Intellectual Property of any third party, the Service

Provider shall, at its own cost and expense, procure for the Principal the right of continued use of the Documentation, or part thereof infringing Intellectual Property of a third party.

- 9.9. *License in Intellectual Property of Service Provider.* The Service Provider hereby grants the Principal an irrevocable and non-exclusive license to use, reproduce, modify and/or enhance any Intellectual Property of the Service Provider, provided and to the extent Intellectual Property of the Service Provider is used by the Principal for the purposes of the Railway and/or the Project. It is agreed and acknowledged by the Parties that the license fee for the grant of license in accordance with this Clause 9.9 forms part of Service Fee and such license shall continue to be valid irrespective of expiration of this Agreement following completion of the Service or termination of this Agreement for any reason.
- 9.10. *Obligation to Procure Intellectual Property Rights.* Where the Service Provider is not the legal owner of any relevant Intellectual Property of the Service Provider, the Service Provider shall use reasonable endeavours to procure for the Principal the rights specified in accordance with Clause 9.9.
- 9.11. *Obligation to Indemnify with Respect to Uses Other Than for the Purpose.* The Principal shall defend and indemnify the Service Provider from and against any and all Damages arising from the use by the Principal of any Intellectual Property of the Service Provider other than for the purposes of the Railway and/or the Project.
- 9.12. *Indemnification by the Service Provider.* The Service Provider shall defend and indemnify the Principal from and against any and all Damages arising from the use by the Principal of any Intellectual Property of the Service Provider, to the extent use by the Principal is within the scope of the license granted to the Principal in accordance with Clause 9.9.

Section X. CONFIDENTIALITY

- 10.1. *Confidential Information.* "**Confidential Information**" means in relation to the Principal all information of a confidential nature relating to the Principal and its Affiliates which is supplied by the Principal (whether before or after the Effective Date) to the Service Provider, either in writing, orally or in any other form and includes all analyses, compilations, notes, studies, computer files, memoranda and other documents which contain or otherwise reflect or are derived from such information, but excludes information which:
- (a) the Principal confirms in writing is not required to be treated as confidential; or
 - (b) the Service Provider 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 Principal and was not previously acquired by the Service Provider from the Principal under an obligation of confidence; or
 - (c) was developed by or for the Service Provider at any time independently of this Agreement.
- 10.2. *Undertakings with Respect to Confidential Information.* Subject to the provisions of Clauses 10.1 and 10.3, the Service Provider shall:
- (a) at all times keep confidential all Confidential Information received by it and shall not disclose such Confidential Information to any other Person; and
 - (b) procure that its Affiliates and the respective officers of the Service Provider and its Affiliates as well as their employees and agents shall keep confidential and not disclose to any Person any Confidential Information, except with the prior written consent of the Party to which such Confidential Information relates.
- 10.3. *Permitted Disclosures.* Notwithstanding anything to the contrary set forth in accordance with Clauses 10.1 and 10.2, the Service Provider shall, without the prior written consent of the Principal, be entitled to disclose Confidential Information:

- (a) that is reasonably required by the Service Provider 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 Service Provider to perform its obligations under this Agreement;
 - (b) to enable a determination to be made pursuant to Section XIX;
 - (c) to its lenders or their professional advisers, any rating agencies, or its insurance advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;
 - (d) to the extent required by 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;
 - (e) to register or record any Necessary Consents and to effect any property registration that may be required;
 - (f) in order to fulfil its license obligations or assist in the planning or execution of other maintenance, renewal or enhancement projects; or
 - (g) 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.
- 10.4. *Obligation of Confidentiality Pertinent to Recipients of Confidential Information.* Whenever disclosure is permitted to be made pursuant to Clause 10.3, the Service Provider shall require that the recipient of Confidential Information be subject to the same obligation of confidentiality as that contained in this Agreement.
- 10.5. *Certain Obligations on Termination of Agreement.* If this Agreement is terminated for whatsoever reason, the Service Provider shall have an obligation to do all of the following:
- (a) return to the Principal all of the Confidential Information then within the possession or control of the Service Provider; or
 - (b) destroy such Confidential Information using a secure and confidential method of destruction.
- 10.6. *No Press Release by Service Provider.* Save as required by Applicable Law, the Service Provider shall not issue any press release in relation to the matters contemplated under this Agreement without the prior written consent of the Principal (such consent not to be unreasonably withheld or delayed) as to both the content and the timing of the issue of the press release
- 10.7. *Right to Publish.* For the avoidance of doubt, the Principal and any of the Beneficiaries and Implementing Bodies shall have the right to publish any of the documents, information or data provided by the Service Provider to the Principal during provision of the Service.
- 10.8. *Remedies.* The Parties acknowledge and agree that a breach of the provisions of this Section X may cause the owner of Confidential Information to suffer irreparable damage that could not be adequately remedied by an action at law. Accordingly, the Service Provider agrees that the owner of Confidential Information that is disclosed in breach of Clauses 10.2, 10.4 or 10.6 may be entitled to specific performance of those provisions to enjoin a breach or attempted breach thereof and to any other remedy, including, inter alia, damages and injunctive relief, awarded by a court of competent jurisdiction.

Section XI. FORCE MAJEURE

- 11.1. *Effects of Force Majeure.* Subject to the requirements set forth in accordance with Clauses 11.2 and 11.3, each Party shall be relieved from liability for nonperformance 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.

- 11.2. *Action Upon Becoming Aware of Force Majeure.* Each Party shall at all times, following the occurrence of a Force Majeure Event:
- (a) take reasonable steps to prevent and mitigate the consequences of such an event upon the performance of its obligations under this Agreement;
 - (b) 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
 - (c) 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 11.1.
- 11.3. *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 three (3) Working Days of it becoming aware of the relevant Force Majeure Event. Such notification shall give sufficient details to identify the particular event claimed to be a Force Majeure Event and shall contain detailed information relating to the failure to perform (or delay in performing), including the date of occurrence of the Force Majeure Event, the effect of the Force Majeure Event on the ability of the affected Party to perform, the action being taken in accordance with Clause 11.2 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.
- 11.4. *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).
- 11.5. *Mitigation of Effects of Force Majeure.* As soon as practicable after the notification specified pursuant to Clause 11.3, the Parties shall use reasonable endeavours to agree appropriate terms or modifications to the Scope of Service and Service Schedule to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.

Section XII. RIGHT TO AUDIT

- 12.1. *Right to Audit.* Notwithstanding anything to the contrary set forth in this Agreement including, without limitation, the rights and obligations of the Parties stipulated in accordance with Section VI, the Principal itself, a reputable outside independent body or expert engaged and authorized by the Principal shall be entitled to inspect and/or audit the Service Provider to ensure compliance with the terms of this Agreement, including inspecting and/or auditing:
- (a) the performance of any aspect of the Service; and/or
 - (b) any documentation, including all payrolls, accounts of the Service Provider and/or other records used in or related to the performance of the Services.
- 12.2. *Obligation to Assist.* The Service Provider shall provide all reasonable assistance to the Principal or the independent body authorized by the Principal in carrying out any inspection or audit pursuant to this Section XII. The Principal shall be responsible for its own costs, or the costs incurred by the outside independent body designated by the Principal, incurred toward carrying out such inspection or audit, unless, in the case of any such audit, that audit reveals that the Service Provider is not compliant with the terms of this Agreement, in which case the Service Provider shall reimburse the Principal for all of its additional reasonable costs incurred, provided such non-compliance is material.

12.3. *Survival of Termination.* The rights and obligations of the Parties set forth in accordance with this Section XII shall survive expiration or termination of this Agreement for any reason and shall continue to apply during ten (10) years following expiration or termination of this Agreement.

SECTION XIII. ON-THE-SPOT VISITS

- 13.1. *Right to perform On-the-Spot visits.* By submitting a written notice five (5) Working Days in advance, but at the same time reserving the right of an unannounced on-the-spot visit without an advance notice, the Principal may carry out on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out.
- 13.2. *Personnel involved.* On-the-spot visits may be carried out either directly by authorised staff or representatives of the Principal or by any other outside body or third party authorised to do so on behalf of the Principal. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis. The Principal shall ensure that any authorised outside body or third party shall be bound by the same confidentiality obligations.
- 13.3. *Access to the information.* Service Provider 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.
- 13.4. *OLAF checks and inspections.* By virtue of Council Regulation (Euratom, EC) No 2185/961 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities and Regulation (EU) No 883/20132 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by European Union law for the protection of the financial interests of the European Union against fraud and other irregularities. Where appropriate, OLAF findings may lead to criminal prosecution under national law.

Section XIV. NOTICES AND COMMUNICATION

- 14.1. *Notices.* All notices and other communications made or required to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or by facsimile transmission (if receipt is confirmed by the facsimile operator of the recipient), or delivered by overnight courier service, or mailed by registered or certified mail (return receipt requested), postage prepaid, to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice):
 - (a) to the Principal:
 -
 -
 - (b) to the Service Provider:
 -
 -
 -
- 14.2. *Changes in Address.* Either Party shall be entitled to change its address for purposes of this Section XIV by notice to the other Party. A notice of a change of address shall be effective only upon receipt thereof.

Section XV. MISCELLANEOUS PROVISIONS

- 15.1. *Capacity.* Each Party warrants to the other Party that it has full power and authority 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. Each Party further acknowledges that it has read this Agreement, understands it and agrees to be bound by it.
- 15.2. *Changes in Legislation.* If, after the Effective Date, the Costs or duration of the Service is altered as a result of changes in or additions to the regulations in any country in which the Service is to be performed, the agreed Service Fee and time for completion shall be adjusted accordingly.
- 15.3. *Independent Contractors.* Nothing in this Agreement shall create a partnership, association or joint venture or establish a relationship of principal and agent between the Parties. Neither Party shall have any authority (unless expressly conferred in writing by virtue of this Agreement or otherwise and not revoked) to bind the other Party as its agent or otherwise.
- 15.4. *Assignability.* The Service Provider shall not without the prior written consent of the Principal assign any of the rights or benefits from the Agreement, provided that the consent by the Principal shall not be unreasonably withheld or delayed. Neither Party shall assign any of the obligations under the Agreement without the prior written consent of the other Party; provided, however, that the Principal shall be entitled, at any time, to assign any of the rights under this Agreement to any of the Beneficiaries or Implementing Bodies without consent of the Service Provider.
- 15.5. *Severability.* If any provision of this Agreement shall be held to be illegal, invalid, void or unenforceable under Applicable Laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Agreement shall not be affected in any other jurisdiction.
- 15.6. *Waivers.* No waiver by either Party of any default by the other Party in the performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default, irrespective of the character of such default. No failure or delay by either Party in exercising any of its rights, power or privileges under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by that Party of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege.
- 15.7. *Conflict of Interest, Corruption and Fraud.* Notwithstanding any penalties that may be enforced against the Service Provider under Applicable Law of the country of the project, or of other jurisdictions, the Principal will be entitled to terminate the Agreement in accordance with Clause 8.4 and the Service Provider shall be deemed to have breached Clause 3.13 of the Agreement, if it is shown that the Service Provider is guilty of:
- (a) offering, giving, receiving or soliciting anything of value with a view to influencing the behavior or action of anyone, whether a public official or otherwise, directly or indirectly in the selection process or in the conduct of the Agreement; or
 - (b) misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Principal, including the use of collusive practices intended to stifle or reduce the benefits of free and open competition.
- 15.8. *Entire Agreement.* This Agreement, and all of the Annexes A to I hereto, constitute the entire agreement between the Parties relating to the subject matter hereof and supersedes and extinguishes all and any prior and contemporaneous drafts, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to such subject matter. Each Party acknowledges that it has not been induced to enter into this Agreement by any representation, warranty or undertaking not expressly incorporated herein.

15.9. *Amendments and Variations.* No amendment to or variation of this Agreement shall be effective unless made in writing and signed by duly authorized representatives of both Parties. The Agreement can be amended in compliance with the provisions of Article 61 of the Public Procurement Law including but not limited to the provisions of point 5 of Section 2 of Article 61.

15.10. *Execution.* This Agreement may be executed in two counterparts which, taken together, shall constitute one and the same instrument.

SPECIAL CONDITIONS

Section XVI. PAYMENT

- 16.1. *Service Fee.* In consideration of the Service performed pursuant to this Agreement, the Principal shall pay the Service Provider a remuneration for all Services provided within previous month according confirmed Assignment Orders between both Parties and which is calculated according to rates as set in Annex D (*Service Schedule and Rates*) (hereinafter, "Service Fee") **which shall be paid once a month after** all Deliverables provided within previous month are confirmed by the Principal and the Service Provider by signing the Delivery Acceptance Note. It is acknowledged and agreed by the Parties that Service Fee shall include all Costs and expenses, incurred by the Service Provider and Approved Sub-Contractors toward carrying out the Service. For the avoidance of any doubt, Service Fee specified in accordance with this Clause 16.1 shall exclude value added tax that will be charged at the rate applicable in accordance with Applicable Law at the time of invoicing.
- 16.2. *Invoicing.* Until the end of each month the Service Provider shall deliver to the Principal an invoice containing a reasonably detailed breakdown and any supporting information in respect of Costs incurred by the Service Provider during the respective period of the Service. In the event the Principal objects to payment of any amount claimed by the Service Provider in the invoice, notice to this effect shall be given by the Principal to the Service Provider not later than seven (7) Working Days before the due date for payment under this Clause 16.2. The notice of objection shall state the amount to be withheld, the grounds for withholding the payment and the basis on which that amount is calculated. Unless such notice of objection has to been made by the Principal, the amount to be paid is that stated in the invoice which shall become due and payable in accordance with this Clause 16.2. For the avoidance of any doubt, the Principal shall not be required to pay any amount under this Agreement with respect to any part of the Service that has not been accepted by the Principal in accordance with Clauses 7.4, 7.5 or 7.6 of this Agreement.
- 16.3. *Payment.* Subject to the provisions of Clauses 16.1, the Principal reserves the right to make the payments to the Service Provider with set-off, retention, counterclaim, abatement or other deduction of any kind if the nature of such set-off, retention, counterclaim, abatement or other deduction arises from this Agreement and the obligations of the Service Provider provided herein (i.e. in cases of accrued contractual penalty amounts etc.). If the Principal uses the right to make the payments to the Service Provider with set-off, retention, counterclaim, abatement or other deduction of any kind, then the Principal so notifies to the Service Provider no later than on the date of the respective payment stating the amount, the grounds and the basis on the Principal uses its right to set-off, retention, counterclaim, abatement or other deduction. Invoices shall be paid within 30 (thirty) Days after the date of issue of the invoice. For the avoidance of any doubt, the Principal shall not be required to pay any amount with respect to any invoice in the absence of a Delivery Acceptance Note duly signed by the Principal.
- 16.4. *Costs and Commissions.* 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.
- 16.5. *Compliance with Tax Obligations in [COUNTRY].* It is acknowledged and agreed by the Parties that the amount of the Service Fee shall include all taxes and duties payable by the Service Provider in the consequence of provision of the Service. The Service Provider shall, at the sole cost and expense of the Service Provider, comply with the obligation to pay all taxes and duties relevant to provision of the Service in [COUNTRY] and in accordance with Applicable Law. In addition, the Service Provider shall assume all risks associated with the payment or obligation to pay such taxes and duties, if any. The Service Provider assumes all risks associated with the possible increase in the amount of the Service Fee arising as a result of the obligation of having to pay any such taxes or duties.
- 16.6. *Invoice.* The Service Provider's invoices shall contain the following The Service Provider's details and details about the Agreement:

Service Provider		
Registration No		
VAT payer's No or and indication that The Service provider is not a VAT payer		
Address (street, house, area, country, postcode)		
Name of Bank (legal name)		
Bank SWIFT Code		
Bank IBAN Account No		
Subject:	For providing services according to the Agreement on Wev development and maintenance services, No 8/2018-20 (CEF Contract No INEA/CEF/TRAN/M2016/1360716 Activity C11), Activity Manager: Communications and Government Affairs Manager Ilze Rassa	

- 16.7. The Service provider shall send the invoice to the Principal electronically to the following e-mail address: invoices@railbaltica.org. The Principal shall review the invoice to verify whether it contains all necessary requisites.

Section XVII. LIABILITY

- 17.1. *Liability of the Parties.* The Service Provider shall be liable to compensate Damages incurred by the Principal arising out of or in connection with this Agreement and pay contractual penalty set forth in accordance with Clause 17.2 if a breach of any of the obligations of the Service Provider under this Agreement is established against the Service Provider. The Principal shall be liable to pay the contractual penalty set forth in accordance with Clause 17.2 if a breach of payment obligations of the Principal under this Agreement is established against the Principal.
- 17.2. *Contractual Penalty.* In the event of failure by the Service Provider to meet any Service Milestone and/or supply any Deliverable, the Service Provider shall be liable to pay to the Principal a penalty of zero point five percent (0.5%) of the amount of Service Fee payable under this Agreement with respect to the relevant Service period for each day of delay with meeting any of the Service Milestones and/or supplying any of the Deliverables set forth in accordance with Annex D (*Service Schedule and Rates*) and Assignment Order; provided, however, that the total amount of penalty payable by the Service Provider under this Clause 17.2 for the relevant Works, as specified according to Annex D (*Service Schedule and Rates*) shall not exceed ten percent (10%) of the total amount of Service Fee payable in consideration of such Works. In the event of failure by the Principal to pay any amount in accordance with Clause 16.5., the Principal shall be liable to pay to the Service Provider a penalty of zero point five percent (0.5%) of the amount of the amount invoiced for each day of delay with meeting the payment obligation; provided, however, that the total amount of penalty payable by the Principal under this Clause 17.2 shall not exceed ten percent (10%) of the total amount remaining unpaid under the relevant invoice.
- 17.3. *Compensation for Damages.* Notwithstanding of and without prejudice to any contractual penalty payable in accordance with Clause 17.2 and subject to the provisions of Clause 17.5, in the event it is established that either Party is liable to the other Party with respect to any breach of its respective

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

- (a) the amount of compensation shall be limited to the amount of reasonably foreseeable Damages suffered as a result of the breach(es), but not otherwise;
- (b) in any event, the amount of compensation shall be limited to the amount specified in accordance with Clause 17.6;
- (c) if either Party is considered to be liable jointly with third parties to the other, the proportion of compensation payable by the liable Party shall be limited to that proportion of liability which is attributable to the breach by the liable Party.

17.4. *Attribution of Damages.* Any Damages suffered by either Party shall, for the purposes of Clause 17.3, **be reduced to the extent that the Damages are caused by or contributed to by the other Party's own negligence or breach of its obligations under this Agreement.**

17.5. *Limitation of Liability.* Notwithstanding anything to the contrary set forth in this Agreement, in no circumstances shall the Service Provider or the Principal be liable to one another for any loss of production, loss of profit, loss of revenue, loss of contract, liability incurred under other agreements (with the exception of costs paid by the Principal to contractors appointed by the Principal in relation to the Service or the Project) or any indirect or consequential loss arising out of or in connection with this Agreement.

17.6. *Liability Cap.* Subject to the provisions of Clause 17.7, the maximum aggregate liability of each Party to the other Party for any reason arising under, or in connection with, this Agreement or the Project including but not limited to breach of agreement, or for breach of Applicable Law shall not exceed an amount equal to EUR 200 000,00 Notwithstanding the above limitation, where, in respect of the same event, a Party recovers any amount of money under an insurance policy, it shall pay such amounts to the other Party. Each Party shall use reasonable endeavours to make such recovery under any insurance policy (which shall include an obligation to make and diligently pursue a claim but shall not include an obligation upon the Party to take legal action).

17.7. *Non-Applicability of Liability Cap.* The provisions of Clause 17.6 shall not apply to Damages incurred by either Party as a result of:

- (a) any liability in respect of death or personal injury resulting from a negligent act or omission or breach of statutory duty by the liable Party or any employee of the liable Party;
- (b) the fraud, fraudulent misrepresentation, reckless misconduct or gross negligence of the liable Party or, in the case of the Service Provider, any Approved Sub-Contractor of the Service Provider; and/or
- (c) infringement of any Intellectual Property of a third party.

Section XIX. GOVERNING LAW AND RESOLUTION OF DISPUTES

19.1. *Governing Law.* This Agreement shall be governed by and construed in accordance with the law of the Republic of Latvia.

19.2. *Resolution by Amicable Means.* The Parties shall first attempt to settle any dispute, controversy or claim arising out of or relating to this Agreement by way of amicable negotiations.

19.3. *Venue for Resolution of Disputes.* Should the Parties fail to agree by means of amicable negotiations within the time period of thirty (30) days from the date of serving of the respective written complaint to the other Party, the Parties shall submit all their disputes arising out of or in connection with this Agreement to the exclusive jurisdiction of the courts of the Republic of Latvia. The Parties hereby represent and warrant that the English language is understandable for both Parties in accordance with

Article 8(1)(a) of the Regulation (EC) No 1393/2007 of the European Parliament and of the Council of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (service of documents), and repealing Council Regulation (EC) No 1348/2000.

Signed by:

For and on behalf of the Principal:

Signature:

Name, title:

Bank account details of the Principal:

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For and on behalf of the Service Provider:

Signature:

Name, title:

Bank account details of the Service Provider:

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Annex A: DEFINITIONS AND COMMON TERMS

The following capitalized terms shall be ascribed the following meaning for the purposes of the Agreement:

- (a) **"Affiliate", in relation to any company:**
 - (i) a company which is either a holding company or a subsidiary of such company; or
 - (ii) a company which is a subsidiary of a holding company of which such company is also a subsidiary.
- (b) **"Agreement", this Agreement between the Parties, together** with all Annexes thereto.
- (c) **"Alteration", any material change to the Scope of Service, Service Schedule or Service Milestone** which is not the result of the ordinary process of developing the scope and detail of the Project.
- (d) **"Alteration Request", as defined** in accordance with Clause 2.3 of the Agreement.
- (e) **"Applicable Law" or "Law", any legislative act, regulation, decree, order, ordinance, statute, treaty, directive, judgment, or other legislative measure.** For the avoidance of any doubt, the term **"Applicable Law" shall include any legislative act or directive relevant to public procurement.**
- (f) **"Approved Staff", any person listed pursuant to Annex E (List of Approved Sub-Contractors and Staff)**, which is in a contractual relationship with the Contractor to provide a part of the Study.
- (g) **"Approved Sub-Contractor", any person or organisation listed pursuant to Annex E (List of Approved Sub-Contractors and Staff)**, which is in a contractual relationship with the Contractor to provide a part of the Study.
- (h) **Assignment Order**, a document or information issued by Principal and confirmed by Service Provider, which defines tasks, Deliverables, amount of remuneration and Schedule of reaching respective Milestones and Deliverables according to the Annex C (*Scope of Services*) and Annex D (*Service Schedule and Rates*).
- (i) **"Beneficiary/Beneficiaries", any of the following bodies:**
 - (i) the Ministry of Economic Affairs and Communications of the Republic of Estonia;
 - (ii) the Ministry of Transport of the Republic of Latvia; and
 - (iii) The Ministry of Transport and Communications of the Republic of Lithuania.
- (j) **"Change in Standards", the coming into effect of a CEF Standard and Grant Agreement Standard or of any amendment thereto, or of a Service Provider Standard or of any amendment thereto, with which the Service Provider is obliged to comply.**
- (k) **"Completion Date", as defined in accordance with Clause 7.5 or 7.6, as appropriate. "Confidential Information", as defined in accordance with Clause 10.1 of the Agreement.**
- (l) **"Costs", direct costs reasonably incurred in relation to the Project or any act or series of acts required under the Agreement.** Specifically, Costs shall include any of the following:
 - (i) costs of all materials and supplies forming part of the Service, including transportation and storage expenses (discounts for cash or prompt payments will not reduce these costs);

- (ii) salaries for personnel in the direct employ of the Service Provider in the performance of the Service or relating to the Service;
 - (iii) **salaries of the Service Provider's employees for the time that they spend in connection with the Service;**
 - (iv) payments to Sub-Contractors for work relating to the Service;
 - (v) costs of all employee benefits and taxes for items such as social security and other benefits for the labor and employees;
 - (vi) costs, including transportation and maintenance, of equipment and hand tools not owned by workmen employed by the Service Provider which are employed or consumed toward the Service;
 - (vii) payments for rental charges for machinery, equipment, facilities and tools used in connection with the Service, and payments for installations, repairs, replacements, dismantling, removal, lubrication, transportation and delivery of those rental items;
 - (viii) other transportation costs incurred in connection with the Service;
 - (ix) that portion attributable to this Agreement of premiums for insurance that is required by this Agreement or by law to be obtained or maintained by the Service Provider;
 - (x) sales, use, gross receipts or other taxes related to the Service, imposed by any governmental authority, to the extent that the Service Provider is responsible for such taxes;
 - (xi) fees payable with respect to any Necessary Consents, permit fees, licenses or tests that the Service Provider is required to obtain or reasonably obtains to carry out the Service;
 - (xii) costs of long-distance telephone calls, telephone service at the site and postage relating to the Service;
 - (xiii) costs associated with any Alteration as to which the Service Provider is entitled to payment hereunder;
 - (xiv) costs of any data processing services used in connection with the performance of the work required under this Agreement; and
 - (xv) losses and expenses, not compensated by insurance, sustained by the Service Provider in connection with the work under this Agreement, provided they resulted from causes other than the fault or neglect of the Service Provider.
- (m) **"Cure Period", as defined in accordance with Clause 7.3.**
 - (n) **"Corrective Period", as defined in accordance with Clause 8.2**
 - (o) **"Damages", any claim, damage, demand, loss, expense or liability incurred by the relevant Party or Person.**
 - (p) **"Deficiency", is a part of the Service which is not in accordance with the Scope of Service, Applicable Law or Good Industry Practice.**
 - (q) **"Defects Date", a date specified in accordance with Annex D (Service Schedule and Rates) by which date the Principal and the Service Provider is obliged to notify each Deficiency in the Service.**
 - (r) **"Deliverables", any information, notes, material, drawings (including drawings in 3D model), records, computer files, documents and/or other items which the Service Provider is**

required to deliver to the Principal as part of the Service, as further specified pursuant to Annex D (*Service Schedule and Rates*) and Assignment Order.

- (s) **"Delivery Acceptance Note", as defined in accordance with Clause 7.4.**
- (t) **"Documentation", all records, correspondence, and computer files of the Service Provider, its employees, engineers, and consultants pertaining to the Project.**
- (u) **"Effective Date", as first above specified in the Preamble to this Agreement.**
- (v) **"Estimated Costs", the estimate of the Services Part I as set out in Annex C (*Scope of Service*), updated from time to time in accordance with this Agreement.**
- (w) **"EUR" and "euro", the official currency of the eurozone, officially known as the Eurozone.**
- (x) **"Force Majeure Event", any of the following events:**
 - (i)) an act of the public enemy or war (declared or undeclared), threat of war, revolution, riot, insurrection, civil commotion, demonstration or sabotage;
 - (ii) an act of vandalism or accidental damage or destruction of machinery, equipment, track or other infrastructure;
 - (iii) 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);
 - (iv) nuclear, chemical or biological contamination;
 - (v) pressure waves caused by devices travelling at supersonic speeds; and/or
 - (vi) strike, lockout or other industrial action other than involving the Service Provider or the Principal.
- (cc) **"Good Industry Practice", 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 works or services of a similar size, nature, scope, type and complexity, complying with Applicable Law, applicable Standards and published codes of practice.**
- (dd) **"Implementing Body/Implementing Bodies", any of the following bodies:**
 - (i) **"Rail Baltic Estonia" OU, a company organized and existing under Estonian law;**
 - (ii) **SIA "Eiropas dzelzceļa līnijas", a company organized and existing under Latvian law;**
 - (iii) **UAB „Rail Baltica statyba”, a company organized and existing under Lithuanian law.**
- (ee) **"Intellectual Property", all intellectual property rights in any part of the world in respect of any documentation, data, material or information provided by the Service Provider to the Principal, including any patent, patent application, registered design, registered design application, utility model, discovery, invention, process, formula, specification, copyright (including all neighbouring rights, rights in computer software and database and topography rights), know-how or unregistered design right.**
- (ff) **"Intellectual Property of Service Provider", all Intellectual Property owned or licensed to the Service Provider with a right to sub-license.**
- (gg) **"Legal Requirements", any of the following:**
 - (i) enactment to the extent that it applies to a Party; and

- (ii) any interpretation of law, or finding, contained in any judgement given by a court or tribunal of competent jurisdiction with respect to which the period for making an appeal has expired which requires any legal requirement falling within subparagraphs (i) or (ii) above to have effect in a way which is different to that in which it previously had effect.
- (hh) **“Mandatory Alteration”, any Alteration necessitated by:**
 - (i)) any Specific Change in Law; and/or
 - (ii) any Change in Standards for safety reasons.
- (ii) **“Necessary Consents”, all approvals, permissions, consents, licenses, certificates, registrations and authorizations (whether statutory or otherwise), which may be required from time to time for the purposes of carrying out the Project.**
- (jj) **“Objection Notice”, as defined in accordance with Clause 7.5. “Party” and “Parties”, the Principal and the Service Provider and include the respective successors in title, permitted assigns and permitted transferees of the Parties.**
- (kk) **“Person” shall include any natural person, company, body corporate, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing.**
- (ll) **“Procurement Procedure”, as defined in accordance with Recital (B) of the Agreement.**
- (mm) **“Project”, development of a 1,435 mm standard gauge railway line in the Rail Baltica (RB) corridor through Estonia, Latvia and Lithuania aimed at eliminating the technical bottleneck due to the gauge differences (1,520 mm vs. the EU standard of 1,435 mm).**
- (nn) **“Principal”, the company RB Rail AS, as further specified in the Preamble of this Agreement, which employs the services of the Service Provider, and legal successors to the Service Provider and permitted assignees of the Service Provider.**
- (oo) **“Railway”, new fast conventional double track electrified railway line with the maximum design speed of 240 km/h and European standard gauge (1,435 mm) on the Route**
- (pp) **“Representative”, the person appointed by each Party in accordance with Clause 5.2 to manage the performance of any work or delivery of any service under this Agreement.**
- (qq) **“Right of Partial Acceptance”, as defined in accordance with Clause 8.7.**
- (rr) **“Risk Register”, a ledger of risks which the Principal or the Service Provider has notified as an early warning matter; it includes a description of the risk and a description of the actions which need to be taken in order to avoid or reduce the risk.**
- (ss) **“Service”, the entirety of Works to be performed by the Service Provider in accordance with the Agreement;**
- (tt) **“Service Milestone”, the date for delivery of one or more Deliverables, as set out in accordance with Annex D (Service Schedule and Rates);**
- (uu) **“Service Provider”, the company [•], as further specified in the Preamble of this Agreement, which is employed by the Principal as an independent professional contractor to perform the Service, and legal successors to the Principal and permitted assignees of the Principal.**
- (vv) **“Service Provider’s Proposal”, as defined in accordance with Recital (B) of the Agreement.**
- (ww) **“Service Start Date”, as specified in accordance with Annex D (*Service Schedule and Rates*).**
- (xx) **“Standards”, CEF Standards and Grant Agreement Standards.**

- (yy) “Survey Works”, **any in-the-field/on-the-spot survey** (intrusive or non-intrusive), inspection, examination or testing necessary to ensure any part of the Service.
- (zz) “Working Day”, **any day (other than Saturday or Sunday) on which Latvijas Banka (Central Bank of Latvia) is open** for conduct of business.
- (aaa) “Works”, **all works, activities, steps and actions, in any form**, performed by the Service Provider under this Agreement for the attainment of the objectives of the Service and/or the Project.

Annex B: PROJECT OBJECTIVES

The Project is a part of the pre-identified, cross-border "Rail Baltica" project connecting the three Baltic States with Central Europe along the North Sea - Baltic Corridor. The aim of the Project is to develop a new, EU gauge double-track electrified railway line to eliminate the technical bottleneck due to the gauge differences (1520 mm vs. EU 1435 mm) matching the requirements of the TSI INF traffic codes P2/F1, as of 2015.

The Project includes technical designs, assessments and studies, land acquisition, project implementation support measures, preliminary construction works, supervision, communication and PR tasks.

The aim of the Project is to implement all the necessary preparatory activities including, without limitations, technical designs, building permits, land acquisition, to commence construction works of the Railway and to prepare for the main construction phases of the Railway line. The activities of the Project are envisaged to be performed on multiple sites in Estonia, Latvia and Lithuania.

The main objectives of the phase of the Project contemplated under the Agreement are the following:

- preparation of the technical design of the track and railway related structures in full compliance with agreed TSI INF traffic codes P2/F1 (design speed of up to 240 km/h for passenger traffic and up to 120 km/h for freight traffic, axle load 22,5 t and length of freight train from 740 m to 1050 m) and the relevant EU and domestic legislations;
- technical consultancy for designs vis-à-vis the technical requirements;
- completion of the Railway route related studies to ensure a successful implementation of the project;
- planning of the land acquisition activities alongside the planned Railway route and land acquisition;
- construction of a new Railway line on Tallinn - EE/LV border, Phase I - embankment and grade-level crossings, to complete the preliminary works for the Railway superstructure;
- construction of Ülemiste and Pärnu passenger terminals, Riga Central Railway junction and related civil structures and Riga International Airport RB passenger station civil structures and junction to complete the preliminary works for the Railway superstructure;
- construction of a Railway connection between Riga Central Station and Riga International Airport;
- construction of a section of the new railway line Kaunas (RRT)- Panevezys - Lithuania/Latvia state border (Phase I, approximately 3 km single track);
- implementation of a communication plan in order to keep stakeholders and the public informed of the progress of the project;
- supervision of works to ensure that the construction is in compliance with technical design; and
- contribution to the implementation of the North Sea-Baltic Core Network Corridor and the development of the EU internal market.

In addition, it is a prerequisite that all compulsory assessments be duly completed and approved by the competent authorities according to Applicable Law and in line with requirements of relevant EU legislation prior to commencement of the physical intervention.

Annex D: SERVICE SCHEDULE AND RATES

(1) Total fee:

EUR 74000,00 (seventy four thousand euro and 00 cents) and

Value added tax (hereafter, the VAT) which on the date of conclusion of this Agreement is 21%, i.e., EUR _____ (___ euro and ___ cents).

The fee includes payment for any and all expenses incurred by the Service Provider in the course of provision of the Services and due performance of the Agreement. The Agreement is on-demand based and this does not bind the Principal to purchase Services through the Agreement for the whole amount.

(2) Service Rates:

(According to Financial proposal submitted by Tenderer)

(3) **Service Start Date, Service Schedule:** As agreed by the Principal and Service Provider all conditions regarding Service start date and Service Schedule and Deliverables provided shall be set in each Assignment Order.

(4) **Defects date:** As agreed by the Principal and Service Provider all conditions regarding defects date of respective Deliverable shall be set in each Assignment Order but no more than 7 (seven) days.

Annex E: LIST OF APPROVED SUB-CONTRACTORS AND STAFF

[A list of all sub-contractors and/or suppliers and staff the Contractor anticipates to engage toward provision of the Service. Please indicate name, contact details of each sub-contractor and each member of the staff and legal representative(s) of each sub-contractor.]

Annex F: DELIVERY ACCEPTANCE NOTE NO.

Date: insert date in the form 1 January 2018

Location:

For:

[•]

(hereinafter, **Principal**)

This Delivery Acceptance Note (hereinafter, **Delivery Acceptance Note**) is issued to the Principal by , registration number , legal address (hereinafter, the **Service Provider**), represented by on the basis of.

In this Delivery Acceptance Note, unless the context requires otherwise, all defined terms shall have the meaning ascribed to such terms in accordance with the insert agreement date in the form of 1 January 2018 Professional Consultant Services Agreement No. (hereinafter, the **Agreement**) and Annex A (*Definitions and Common Terms*) of the Agreement.

Whereas:

- (A) the Principal and the Service Provider have entered into the Agreement;
- (B) the following Service Milestone(s) has/have been met and the following Deliverable(s) has/have been supplied to the Principal:
 - (i) [PLEASE IDENTIFY MILESTONE]
 - (ii) [PLEASE IDENTIFY DELIVERABLE]
- (C) any and all Defects have been averted or no Objection Notices have been issued;

The following Service Milestone(s) has/have been met on insert date in the form of 1 January 2018, as specified in accordance with Assignment Order.

As stipulated in Clause 7.5 of the Agreement, in the event the Principal objects to approve the Delivery Acceptance Note, the Principal shall give a written notice to the Service Provider setting out in reasonable detail Defects or reasons for the objection (**hereinafter, the "Objection Notice"**) within seven (seven) Days following receipt of the Delivery Acceptance Note.

In the event of conflict between the text in this Delivery Acceptance Note and the Agreement, the Agreement shall take precedence.

Signatures:

RB Rail AS
Principal

Service Provider

Annex G: REPRESENTATIVES

Annex I: DECLARATION OF SERVICE PROVIDER

Date: insert date in the form of 1 January 2018

Location: insert location

I, the undersigned duly authorised representative, on behalf of [name of the service provider] undertake (hereinafter, **Declaration of Service Provider**):

- (a) To respect the freely-exercised right of workers, without distinction, to organize, further and defend their interests and to bargain collectively, as well as to protect those workers from any action or other form of discrimination related to the exercise of their right to organize, to carry out trade union activities and to bargain collectively;
- (b) Not to use forced or compulsory labour in all its forms, including but not limited to not **employ people against their own free will, nor to require people to lodge 'deposits' or identity papers** upon commencing employment;
- (c) Not to employ: (a) children below 14 years of age or, if higher than that age, the minimum age of employment permitted by the law of the country or countries where the performance, in whole or in part, of a contract takes place, or the age of the end of compulsory schooling in that country or countries, whichever is higher; and (b) persons under the age of 18 for work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of such persons;
- (d) To ensure equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, colour, sex, religion, political opinion, national extraction or social origin and such other ground as may be recognized under the national law of the country or countries where the performance, in whole or in part, of a contract takes place;
- (e) To ensure the payment of wages in legal fashion, at regular intervals no longer than one month, in full and directly to the workers concerned; to keep an appropriate record of such payments. Deductions from wages will be conducted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreement, and the workers concerned shall be informed of such deductions at the time of each payment. The wages, hours of work and other conditions of work shall be not less favourable than the best conditions prevailing locally (i.e., as contained in: (i) collective agreements covering a substantial proportion of employers and workers; (ii) arbitration awards; or (iii) applicable laws or regulations), for work of the same character performed in the trade or industry concerned in the area where work is carried out;
- (f) To ensure, so far as is reasonably practicable, that: (a) the workplaces, machinery, equipment and processes under their control are safe and without risk to health; (b) the chemical, physical and biological substances and agents under their control are without risk to health when the appropriate measures of protection are taken; and (c) where necessary, adequate protective clothing and protective equipment are provided to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects to health;
- (g) To support and respect the protection of internationally proclaimed human rights and not to become complicit in human rights abuses;
- (h) To create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment;

- (i) To have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment; wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices;
- (j) To identify and manage chemical and other materials posing a hazard if released to the environment to ensure their safe handling, movement, storage, recycling or reuse and disposal;
- (k) To monitor, control and treat as required prior to discharge or disposal wastewater and solid waste generated from operations, industrial processes and sanitation facilities;
- (l) To characterize, monitor, control and treat as required prior to discharge or disposal air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations;
- (m) To reduce or eliminate at the source or by practices, such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials, waste of all types, including water and energy;
- (n) To adhere to the highest standards of moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including but not limited to extortion, fraud, or bribery;
- (o) To disclose (a) any situation that may appear as a conflict of interest, such as but not limited to: where a service provider or an undertaking related to the service provider has advised the Principal or has otherwise been involved in the preparation of the procurement procedure; **and (b) if the Principal's, professional under contract with the Principal or Sub-Contractor may have a direct or indirect interest of any kind in the service provider's business or any kind of economic ties with the service provider;**
- (p) Not to offer any benefit such as free goods or services, employment or sales opportunity to a **Principal's staff member in order to facilitate the service provider's business with the Principal;**
- (q) Within a period set in the applicable national legislation following separation from service or **award of a contract, as the case may be, to refrain from offering employment to any Principal's staff in service and former Principal's staff members who participated in the procurement process and to whom a legal restriction to receive material benefits from or be employed by a service provider which participated in a procurement procedure or restrictions with similar effect applies;**
- (r) To promote the adoption of the principles set forth in this Declaration of Service Provider by my potential business partners and promote the implementation of the principles set forth in this document towards own service providers;
- (s) To maintain and create accurate records, annual reports and accounts, and not to alter or forge any of the mentioned in an effort to conceal, misrepresent or the actual information. All of our records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. All of our records and reports will be retained in accordance with applicable laws and regulations and will be fully auditable;
- (t) Not procure goods, works and services from other service provider:

- (i) who, or its member of the Management Board or the Supervisory Board or procurator of such service provider, or a person having the right to represent such service provider in activities related to a subsidiary, has been found guilty in any of the following criminal offences by a such punishment prescription of prosecutor or a judgement of a court that has entered into effect and is non-disputable and not subject to appeal:
 - i. bribetaking, bribery, bribe misappropriation, intermediation in bribery, taking of prohibited benefit or commercial bribing;
 - ii. fraud, misappropriation or laundering;
 - iii. evading payment of taxes and payments equivalent thereto;
 - iv. terrorism, financing of terrorism, invitation to terrorism, terrorism threats or recruiting and training of a person for performance of terror acts;
- (ii) who, by such a decision of a competent authority or a judgment of a court which has entered into effect and has become non-disputable and not subject to appeal, has been found guilty of an infringement of employment rights which means:
 - i. employment of such one or more citizens or nationals of countries, which are not citizens or nationals of the European Union Member States, if they reside in the territory of the European Union Member States illegally;
 - ii. employment of one person without entering into a written employment contract, not submitting an informative declaration regarding employees in respect of such person within a time period laid down in the laws and regulations, which is to be submitted regarding persons who commence work;
- (iii) who, by such a decision of a competent authority or a judgment of a court which has entered into effect and has become non-disputable and not subject to appeal, has been found guilty of infringement of competition rights manifested as a vertical agreement aimed at restricting the opportunity of a purchaser to determine the resale price, or horizontal cartel agreement, except for the case when the relevant authority, upon determining infringement of competition rights, has released the candidate or tenderer from a fine or reduced fine within the framework of the co-operation leniency programme;
- (iv) whose insolvency proceedings have been announced (except the case where a bailout or similar set of measures is applied within insolvency proceedings oriented towards prevention of possible bankruptcy and restoration of solvency of the debtor, in which case I shall evaluate the possibility of such service provider to participate in the tender), economic activity of such service provider has been suspended or discontinued, proceedings regarding bankruptcy of such service provider have been initiated or such service provider will be liquidated;
- (v) who has tax debts in the country where the procurement is organised or a country where such service provider is registered or permanently residing, including debts of State social insurance contributions, in total exceeding an amount which is common threshold in public procurements in the respective country.

Signature:

[insert name, surname and position]