



Co-financed by the European Union

Connecting Europe Facility

CONTRACT AGREEMENT

This Contract Agreement has been entered into on [•] by and between:

- (1) [•], a [•] company duly incorporated and operating under the laws of [•], registration number: [•], registered address: [•], hereinafter referred to as "**the Employer**", represented by [•] [•], acting in the capacity of [•], on the one part,
and
- (2) [•], a [•] company duly incorporated and operating under the laws of [•], registration number: [•], registered address: [•], hereinafter referred to as "**the Contractor**", represented by [•] [•], acting in the capacity of [•], on the other part,
and
- (3) [•], a [•] company duly incorporated and operating under the laws of [•], registration number: [•], registered address: [•], hereinafter referred to as "**the Engineer**", represented by [•] [•], acting in the capacity of [•], on the other part

hereinafter in the present Contract Agreement jointly referred to as "the Parties", and each individually as "the Party",

whereas the Employer requests the Contractor to carry out the Works within the framework of the Global Project, and has accepted the Tender submitted by the Contractor regarding the execution and completion of these Works and the remedying of any defects therein by the Contractor,

the Parties hereby agree as follows:

1. The words and expressions in the Contract, including this Contract Agreement, shall have the same meanings as in the Particular Conditions and the General Conditions of the Contract.
2. Any documents attached to the Contract Agreement shall be deemed to form and be read and construed as a part of this Contract, and shall be interpreted in the following order of importance (i.e., in the event of conflicting wording or interpretation, the terms and conditions of the document set out earlier shall have a priority over the terms and conditions of the document set out later, unless the Contract expressly provides otherwise):
 - 2.1. the Contract Agreement;
 - 2.2. the Particular Conditions of the Contract (and the annexes thereof, if any);
 - 2.3. the General Conditions of the Contract;
 - 2.4. the clarifications to the procurement documentation issued by the Employer;
 - 2.5. the Employer's Requirements, the Regulations of the Procurement Procedure and other annexes to the Regulations of the Procurement Procedure;
 - 2.6. the annex to the Tender;
 - 2.7. programme;
 - 2.8. the application letter;

2.9. other schedules (with the exception of the Programme);

2.10. all other documents constituting part of the Contract, with the exception of the Contractor's tender;

2.11. The Contractor's tender.

Any amendments to the terms and conditions of the Contract documentation prevail over the amended terms and conditions.

The Contractor hereby undertakes, by acting in accordance with the terms and conditions of the Contract, starting from the date of the Commencement of Works that shall be determined by the Engineer or the Employer in writing in accordance with the procedure set out in the Contract, to execute and complete the Works under the Contract, and rectify any defects in accordance with the procedure set out in the Contract and within the deadlines established by the Contract.

3. The Employer hereby undertakes to pay the Contractor, in consideration of the proper design, execution and completion of the Works and the remedying of defects therein, the Contract Price as set out in the Contract.

4. The Accepted Contract Price shall constitute EUR [•] (*amount in words* euro), VAT exclusive.

The amount of the VAT in accordance with the Applicable Law at the date of signing of the Contract: EUR [•] (*amount in words* euro).

The amount of the Retention Money: 5 % (five percent) of the Accepted Contract Price.

5. The Employer shall settle accounts by payment transfers to the following bank account of the Contractor:

Bank account holder:

Registration number:

VAT registration number:

Bank account No:

Name of Bank:

Bank address:

Bank code:

SWIFT code:

6. The Contractor hereby represents that it has properly assessed and assumes the entire risk of any unforeseen additional works required for due and proper implementation of the

Contract, as well as another risks that may possibly affect the proper fulfilment of the Contractor's obligations under the Contract.

7. The Contract shall enter into effect on the date it is duly signed by the last Party. The Contract shall remain in effect until the completion of the contractual obligations hereunder, or until the written agreement of the Parties to terminate the Contract, or until the termination of the Contract in accordance with the Applicable Law or the Contract.
8. This Contract Agreement does not restrict the Employer's rights to replace the Engineer as set out in the Particular Conditions of the Contract and the General Conditions of the Contract, and the Engineer and the Contractor hereby with this Contract Agreement agree in advance to the replacement of the Engineer if necessary in the opinion of the Employer.
9. As regards the designing works and construction works of the signalling, centralisation and locking systems required for the reconstruction of 1520 mm gauge tracks not included in the Contract Works (Paragraph 4.7.5 of the Technical Specification) (hereinafter referred to as "Signalling works") needed for the implementation of the Project (part of Rail Baltica global project which provides for the implementation of the Contract and the performance of the Works), the Parties may, at any time during the validity period of the Contract, make the following amendments at the discretion of the Employer, by accordingly increasing the amount of the Accepted Contract Price (up to a maximum of 10%):
 - 9.1. an agreement that all or part of the Signalling works is carried out by the Contractor for an individual remuneration; and/or
 - 9.2. an agreement that the Signalling works are carried out by the Contractor's sub-contractor nominated by the Employer, by determining the remuneration of the Contractor in accordance with the cost positions of the nominated sub-contractor indicated in its Financial offer.
10. The Employer is entitled to instruct a separate performer of such works to perform the Signalling works. In such a case, the Contractor shall have an obligation to cooperate with the performer of Signalling works and to comply with the instructions of the Engineer so that the implementation of Works and Project is carried out in a timely manner and in accordance with this Contract.
11. By signing of this Contract Agreement, the Parties hereby confirm that they have duly reviewed the General Conditions of the Contract and the Particular Conditions of the Contract, have understood their content and legal effects, and fully agree thereto.
12. In case of any change in the contact details, address, bank account details or VAT registration number and/or other important data of the Parties that may possibly have an impact upon implementation of the Contract, the Parties shall no later than within 3 (three) working days notify each other thereof in writing.
13. The Contract is executed in Latvian in 3 (three) counterparts, having equal legal authority, one counterpart for each Party.

14. Details of the Parties:

Employer:	Contractor:
Name: Address: Tel.: Fax: E-mail address: VAT registration number: Company registration number: Bank details: Account number: Bank code: SWIFT:	Name: Address: Tel.: Fax: E-mail address: VAT registration number: Company registration number: Bank details: Account number: Bank code: SWIFT:

For and on behalf of the Employer:

For and on behalf of the Contractor:

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Name: [•]

Name: [•]

Position: [•]

Position: [•]

Date: [•]

Date: [•]

Engineer:
Name: Address:

Tel.:
Fax:
E-mail address:
VAT registration number:
Company registration number :
Bank details:
Account number:
Bank code:
SWIFT :
Special account opened for the project:
[to be entered when signing the Contract]

For and on behalf of the Engineer:

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Name: [•]

Position: [•]

Date: [•]