

CONTRACT Conditions

Contract Conditions pursuant to Client/Consultant Model Services Agreement (White Book) 4th Ed, 2006, issued by the International Federation of Consulting Engineers (Federation internationale des Ingenieurs-Conseils) (“White Book”, translation into Latvian of 2006), incl. the following Particular Contract Conditions, which include Amendments and Annexes to the General Contract Conditions.

PARTICULAR CONTRACT CONDITIONS

Particular Contract Conditions amend (incl. supplement, replace) the General Contract Conditions as follows:

<i>A reference to clauses of the General Contract Conditions</i>	<i>Text</i>
1. General Conditions	
1.1.1 Contract	Reword Sub-Clause 1.1.1 as follows: “A Contract” means Contract Agreement, Particular Contract Conditions (incl. any annexes thereto), General Contract Conditions, as well as any annexes to Contract Agreement, which include documents of the Procurement Regulations (incl., any annexes, explanations and amendments thereof, if any), the Employer’s requirements along with annexes (Technical Specifications), the Consultant’s tender and other documents (if any) that are listed in the Contract Agreement and form a part of the entirety of the Contract.
1.1.2 Project	Reword Sub-Clause 1.1.2 as follows: “The Project” means the part of the Rail Baltica global project, within which the performance of the Works Contract and of the Works is envisaged.
1.1.3 Services	Reword Sub-Clause 1.1.3 as follows: “Services” means the services provided by the Consultant pursuant to the Contract, as specified in Annex 1 [Scope of Services] (Technical Specifications). The Services imply all designing and construction works, which are performed for Project implementation — Project Works within the framework of the contract entered into by the Employer with Performers of Individual Work and Project Works within the framework of the Works Contract until the Performance Certificate of the Works Contract is issued pursuant to Sub-Clause 11.9 of the Works Contract. The Consultant performs Services relating to Works Contract Section of Works No.3 and/or Section of Works No.4 if the Employer has issued an instruction to the Contractor of the Works Contract on the performance of the Works Contract Section of Works No.3 and/or Section of Works No.4 and the Employer has issued an instruction to the Consultant on the performance of the Services relating to Works Contract Work Stage No.3 and/or Work Stage No.4. The Performer of Individual Works performs the part of Works they are in charge of parallel to the Contractor’s Works, and the Works of the Performer of Individual Works are related to the Contractor’s Works,

	<p>therefore, the Services both as regards Works performed by the Contractor and as regards Works performed by the Performer of Individual Works shall be performed within the time specified in Annex 4 [Service Schedule] of the Contract, respecting the deadlines of Works Contract and the Consultant's / Engineer's duties with regard to the Works.</p> <p>The Consultant has the duty to monitor and coordinate the Performers of Individual Works and Contractor's Work performance so that the Project implementation transpired without delay and in as short a time as possible.</p> <p>The Services shall not apply to the Extended Defects Notification Period established in the Works Contract.</p>
1.1.4 Works	<p>Reword Sub-Clause 1.1.4 as follows: "Works" shall mean the building design works, author supervision, construction works and other activities with regard to the complex construction of the Rail Baltica Riga railway bridge, embankment and Riga Central Passenger Station, performed by:</p> <ol style="list-style-type: none"> (1) the Contractor within the framework of the Works Contract; (2) the Performer of Individual Works, <p>in order to complete the Project.</p> <p>The description of the Works is included in the Technical Specifications of Works attached in Annex 11 to the Contract.</p>
1.1.5 Country	<p>Reword Sub-Clause 1.1.5 as follows: "Country" means the Republic of Latvia.</p>
1.1.8 Consultant	<p>Reword Sub-Clause 1.1.8 as follows: "Consultant" means the professional referred to in the Contract, hired by the Employer to provide Services and to perform Engineer's duties as per Works Contract, as well as to perform duties of the Employer's representative or of the Engineer pursuant to the Employer's contract with the Performer of Individual Works.</p>
1.1.12	<p>Reword Sub-Clause 1.1.12 as follows: "A day" means a calendar day; "a month" means a calendar month; and "a year" means 365 days.</p>
1.1.15	<p>Delete Sub-Clause 1.1.15.</p>
1.1.16	<p>Add a Sub-Clause 1.1.16 worded as follows: "The Global Project" or "the Rail Baltica global project" means the European railroad transportation project, the purpose of which is to integrate the Baltic States into the European railroad network.</p>
1.1.17	<p>Add a Sub-Clause 1.1.17 worded as follows: "Works Contract" means a contract entered into between the Employer, the Contractor and the Engineer on the performance of Works.</p>
1.1.18	<p>Add a Sub-Clause 1.1.18 worded as follows: "Contractor" – Contractor referred to in the Works Contract – [...], reg. No. [...]</p>
1.1.19	<p>Add a Sub-Clause 1.1.19 worded as follows: "Procurement" means a procurement procedure organised by the Employer in compliance with the Applicable Law "Engineering consultant, construction supervision and detailed technical design expert-examination services in the project "Rail Baltica Riga railway bridge, embankment and Riga central passenger station complex construction" (procurement</p>

	identification No.: EDZL 2018/4 CEF), which results in concluding a Contract on the Provision of Services.
1.1.20	Add a Sub-Clause 1.1.20 worded as follows: “Subcontractor” — the Consultant’s hired person or a person hired by such person, who performs works or provides services for the performance of the present Contract.
1.1.21	Add a Sub-Clause 1.1.21 worded as follows: “A Section” — a part of the Works, which is specified as a Section of Works in the Employer’s requirements of the Works Contract and in Sub-Clause 10.1 [Taking-Over of Works and Sections] of the Works Contract.
1.1.22	Add a Sub-Clause 1.1.22 worded as follows: “Performer of Individual Works” — the contractor or contractors, with which the Employer has entered into a contract/-s on the performance of designing and construction works, which are necessary to complete the Project and which are not included in the Works Contract.
1.1.23	Add a Sub-Clause 1.1.23 worded as follows: “Defects Notification Period” — the Defects Notification Period specified in Sub-Clause 11.3 of the Works Contract.
1.2.3	Reword Sub-Clause 1.2.3 as follows: Documents included in the body of the Contract mutually complement one another. For purposes of interpretation, documents shall be ordered by priority in the following sequence as established by Clause 5 and 6 of the Contract Agreement.
1.3 Communications	Reword Sub-Clause 1.3 as follows: Whenever prescribed in the regulations that a person may submit or issue any notifications, instructions or other type of information, unless otherwise provided, such information must be put in writing in a language as prescribed in Sub-Clause 1.4.
1.4 Applicable law and language	Reword Sub-Clause 1.4 as follows: The Contract is subject to regulatory enactments effective in the Country, incl. European Union regulations, directives and other regulatory enactments of the European Union and documents of the European Union institutions, which apply to the Global Project. The Contract is drafted in the Latvian. The operative communication language is Latvian or English, the official communication language is Latvian and English, the Consultant drafts the documents in Latvian and English. Contract documents may envisage exceptions with regard to the communication language.
1.5 Amendments in legislation	Delete Sub-Clause 1.5.
1.7 Copyright	Reword Sub-Clause 1.7 as follows: By means of the Contract and without additional remuneration, the Employer is granted the Consultant’s as the author’s existing and future material rights, pursuant to Article 15 of the Copyright Law, as regards the Consultant’s documents originated pursuant to the Contract and other Project documents and objects subject to other copyrights that the Consultant has developed or which have been developed on the Consultant’s instructions or for the Project’s needs. The Employer is entitled to freely, at their own discretion, alienate said rights to the benefit of other persons.

	<p>The Consultant guarantees that the author's personal rights prescribed in Part one of Article 14 of the Copyright Law shall not be exercised, namely, to decide whether or not the work will be announced and when (Clause 2 of part one of Article 14), recalled (Clause 3 of part one of Article 14), inviolability of work (Clause 5 of part one of Article 14) and counteraction (Clause 6 of part one of Article 14).</p> <p>The Employer shall gain all the rights to detail, change, transform, amend and supplement the Consultant's documents and other Project documents, and objects subject to other copyrights, developed by the Consultant (or developed on the instructions of the latter or for the Project needs) or parts thereof, use them to create new works, adapt them to own needs or those of others, use them to build another object, and no separate consent by the Consultant is required in any case for any such activities.</p> <p>The Consultant shall ensure that all such authorisations and rights are received from other persons involved in the development that are required in order to transfer the Consultant's documents and other Project documents and objects subject to other copyrights developed by the Consultant (or developed on the instructions of the latter or for the Project needs) to the Employer.</p> <p>In developing the Consultant's documents and other Project documents, and objects subject to other copyrights, the Consultant must prevent the violation of personal or material rights of other copyright holders or the use of illegally obtained objects subject to copyright. The Consultant shall be fully liable for copyright violations by third parties. The Consultant shall ensure that they receive all the required authorisations and rights from authors of the Consultant's documents and of other Project documents and of objects subject to other copyrights and from any other persons involved in the development of the Consultant's documents and other Project documents and objects subject to other copyrights, in order to transfer to the Employer the rights prescribed in the Contract and to maintain them valid for an indefinite period.</p> <p>The Consultant shall, at their own expense, defend the Employer in any claim against the latter alleging that the use of Consultant's documents and/or other Project documents and/or objects subject to other copyrights, developed pursuant to the Contract by the Consultant (or developed on the instructions of the latter or for the Project needs) violates third party copyright. Without exception, the Consultant shall cover the costs of defence against such claim, the costs of a settlement negotiated by the Consultant, damages and compensation adjudicated by the court, as well as legal costs. The Employer shall provide reasonable assistance to the Consultant, at the Consultant's expense, with regard to such litigation or settlement. If, within a reasonable time period from the moment, when the Employer has notified the Consultant about it in writing, the Consultant fails to take action against such claims or activities, the Employer shall be entitled to take relevant legal action and they shall be reimbursed, compensated for any and all costs related thereto directly or indirectly.</p>
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	<p>If, as a result of a ruling by a competent institution or a court, it is believed that the Consultant's documents or other Project documents or objects subject to other copyrights, developed by the Consultant (or developed on their instructions or for the Project needs) violate any third party rights and the use of the Consultant's documents or other Project documents or other objects subject to other copyrights, developed by the Consultant (or developed on their instructions or for the Project needs) is prohibited, or if the Consultant justifiably finds that any of the Consultant's documents or other Project documents or objects subject to other copyrights, developed by the Consultant (or developed on their instructions or for the Project needs) can become a subject of an infringement claim, the Consultant shall, at his cost, ensure the rights to the Employer to continue their use.</p> <p>The Consultant shall undertake to ensure that the Consultant's documents and other Project documents or objects subject to other copyrights, developed by the Consultant (or developed on their instructions or for the Project needs) shall not, without the Employer's consent be used or copied for purposes other than those prescribed in the Contract, and the Consultant (or on their instructions) shall not hand them over to third party and shall not use them for the benefit of third parties.</p> <p>The payment that the Employer pays to the Consultant under the Contract shall include royalties and any compensation also for the fulfilment of the Consultant's obligations prescribed hereunder, and the Consultant may not request additional compensation, incl. royalties/fees, licence fees or any other type of payments with regard to the matters stipulated hereunder, incl. for copyright as regards the Consultant's documents and other Project documents and objects subject to other copyrights, developed by the Consultant (or developed on their instructions or for the Project needs).</p>
<p>1.8 Announcements</p>	<p>Reword Sub-Clause 1.8.1 as follows: Announcements made with regard to the Contract shall be put in writing and shall take effect at the time of receipt at the addresses specified in the Contract Agreement. Announcements may be sent via mail in a registered letter, via e-mail or delivered in person to the addresses specified in the Contract Agreement, in return for a written confirmation of receipt thereof.</p>
<p>1.9 Publishing</p>	<p>Reword Sub-Clause 1.9 as follows: The Consultant ensures that no information about the implemented project will be published without the prior written consent of the Employer, and the Consultant undertakes not to engage in any activities related to the disclosure of any information about the implemented project in the media without the prior written consent of the Employer.</p>
<p>1.11</p>	<p>Add a Sub-Clause 1.11 worded as follows: The Consultant has the duty to disclose and provide the Contractor with all such information at the disposal of the Consultant (incl. the Consultant's</p>

	<p>staff), which the Consultant must provide to the Employer pursuant to the Works Contract to ensure the fulfilment of the Works Contract.</p> <p>The Consultant shall treat all data, documents, information (irrespective of who has given it and whether it has been given orally, in writing or otherwise) in relation to the Contract and its fulfilment as confidential, and shall disclose it to other persons or shall otherwise make it available to other persons only upon receiving a prior written consent from the Employer.</p> <p>It is the Consultant's duty to safeguard the received confidential information and not to disclose it to other persons, and to ensure that the Consultant's subcontractors, officials, employees and representatives do not disclose confidential information to other persons, excluding cases when (and only to such extent as) the Employer gives a prior written permission.</p> <p>Without receiving a prior written consent from the Employer, the Consultant may disclose confidential information only in the following cases:</p> <ul style="list-style-type: none">(a) information that the Consultant reasonably needs in performing their obligations under the Contract, including the disclosure of confidential information to the Consultant's employees, subcontractors, representatives and officials to an extent as to ensure the fulfilment of the Consultant's obligations as per Contract, however only upon each of such persons has undertaken to observe equivalent regulations of keeping and withholding confidential information arising from the present sub-clause;(b) to disclose confidential information to lenders or insurance consultants, however only to such an extent as is reasonably necessary to make a decision on an offer;(c) to disclose confidential information to competent State institutions, who have been granted such rights in the Applicable Law, if they justifiably request such information;(d) if confidential information has become known to wider public and it has not happened as a result of a confidentiality breach. <p>Irrespective of reasons of termination of the Contract, the Consultant shall:</p> <ul style="list-style-type: none">(a) return to the Employer all such confidential information (originals), which are (should have been) in use by or at the disposal of the Consultant;(b) destroy such confidential information (incl. all copies thereof), using a secure and confidential information destruction method, if so requested in writing by the Employer, as well as must submit, without delay, to the Employer a Consultant's statement in writing confirming the fulfilment of obligations prescribed hereunder. <p>Except for cases stipulated in the present sub-clause of this Contract, in the imperative provision of the Applicable Law (or in the imperative provision of a regulatory enactment of another country governing the Consultant's activity), the Consultant may not breach the stipulations of the present sub-clause or issue press releases on matters covered under the Contract without receiving a prior written consent from the Employer (the Employer may not unduly delay or put off such a press notice, if it is relating to the fulfilment of the Consultant's legal duties).</p>
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	<p>The Employer is entitled to publish any deliverables, documents, information or data that the Consultant has submitted to the Employer during the Contract performance.</p> <p>Failure to comply with the confidentiality regulations is a breach of Contract, which gives the Employer the rights to request compensation for damages occurring as a result of failure to observe the Consultant’s confidentiality regulations.</p> <p>The confidentiality regulations are not time-barred, and they are not subject to the Contract validity term, and the confidentiality obligations shall remain valid after the Contract validity term or termination of the Contract.</p>
1.12 Joint and several liability	<p>Add a Sub-Clause 1.12 “Joint and several liability” worded as follows:</p> <p>If the Consultant has formed (pursuant to the Applicable Law) a joint undertaking, consortium or another partnership of two or more persons,</p> <ul style="list-style-type: none"> (a) these persons shall be jointly and severally liable before the Employer for the Contract fulfilment, and in relation to that, the realisation of any claims can be made both against all members together and against each member individually, at the discretion of the Employer; (b) these persons have the duty to notify the Employer of the name of their manager and of every person, who may impose requirements for the Consultant and any of such persons, as well as (c) the Consultant shall not change their structure or legal status without a prior written consent of the Employer, except if such change is permissible under the Applicable Laws of the Country in the public procurement field.
2.2 Determinations	<p>Reword Sub-Clause 2.2.1 as follows:</p> <p>In response to all Consultant’s correctly expressed written questions, the Employer shall issue written decisions within a reasonable time not to delay the provision of Services. Unless the Works Contract establishes other deadlines, the Consultant shall ensure that the Customer has at least 5 working days to review the question and information and to give a response.</p>
2.3 Assistance	Delete Sub-Clause 2.3
2.4. Employer’s financial agreements	Delete Sub-Clause 2.4.
2.6 Employer’s staff provision	Delete Sub-Clause 2.6
3.1 Scope of Services	<p>Reword Sub-Clause 3.1 as follows:</p> <p>The Consultant, as a conscientious and diligent owner, provides the Services listed in Annex 1 [Scope of Services], including, but not limited to, the Consultant shall carry out all Engineer’s functions and duties prescribed in the Works Contract and carry out Works on-site supervision and expertise of construction designs developed within the scope of Works.</p>
3.2.2	Delete Sub-Clause 3.2.2.
3.3	

Duty of oversight and exercise of authority	
3.3.1	<p>Reword Sub-Clause 3.3.1 as follows: The Consultant shall guarantee that, throughout the Works performance and during the Defects Notification Period of the Works, it shall employ skills, due care and diligence, which can be reasonably expected from a duly qualified engineer/consultant, having experience in providing such services in projects of similar type, nature and complexity.</p>
3.3.2	<p>Reword Sub-Clause 3.3.2 as follows: The Engineer's duties established in the Works Contract form a part of Services provided by the Consultant, therefore, the Consultant shall, adequately and in line with good construction practice:</p> <ul style="list-style-type: none"> (a) confirm that they have duly considered the scope, time and necessary resources (especially, the necessary personnel) for the Contract, the Works Contract, Works and the related performance supervision; (b) in cases when the Consultant is authorised to approve, determine or provide their opinions, does so in good faith and acts between the Employer and a third party not as an arbitrator, but rather as an independent professional, by justifying their decision and instruction with adequate skill, care and diligence; (c) if authorised or determined so in the Works Contract, change the obligations of any third party, by receiving prior Employer's consent for any changes that might affect the costs, quality or time spent (except for exceptional occurrences, in which case the Consultant informs the Employer about it as quickly as possible).
3.3.3.	<p>During the performance of professional duties, the Consultant shall, inter alia, also have the following duties:</p> <p>3.3.3.1. In order to verify whether the construction works of the object are carried out in accordance with the engineering solutions which are set out in the building design elaborated by the designer, when fixing the non-conformities, to take immediate action to suspend the construction works of the object and/or to legalize the amendments, to notify the customer of the non-conformities detected and the measures taken.</p> <p>3.3.3.2. not to sign the taking over certificate if the Contractor and/or the Performer of separate works and/or their sub-contractors have not completed the engineering solutions established by the designer of the object;</p> <p>3.3.3.3. to assess the quality of construction materials, structures and equipment, which are used on site and not to allow them to be used, if they do not conform to the design elaborated by the designer, regulatory construction technical documents, requirements for construction safety, target documents and regulatory enactments of the European Union, as well as if documents certifying the quality of construction materials, structures and equipment have not been submitted.</p> <p>3.3.3.4. not to accept poor quality or unperformed works of the constructor, as well as unsuitable and/or unverified construction materials and equipment on the site of the object.</p>

**3.5
Staff provision**

Reword Sub-Clause 3.5.1 as follows:

The Consultant shall ensure the personnel necessary for performing the Services (including, but not limited to, specialists envisaged in the Procurement documentation), having adequate qualification, skills, certificates in conformity with the requirements of the Applicable law and experience in the relevant sectors or professions.

The Consultant shall ensure the personnel in such numbers, sectors or professions as is necessary to prevent delays in Project implementation and that Services can be rendered given the circumstances of the Project implementation location (building site) and the technology opted for by the Contractor and/or Performer of Individual Works (e.g., certified divers for surveying underwater bridge structures, and other staff).

In any case, the costs of mobilisation, hiring, accommodation, work and other personnel costs of the Consultant's personnel necessary for the provision of Services shall be included in the remuneration for Services to be paid to the Consultant pursuant to Annex 3 [Remuneration and Payment].

Before hiring personnel who are not specified in the Consultant's Tender to provide Services, the Consultant must receive a written Employer's consent.

Add a Sub-Clause 3.5.2 worded as follows:

The Consultant may employ foreign staff and work force, meeting the requirements of the Applicable Law and the Contract, duly qualified and experienced, as necessary for the Contract performance. The Consultant shall provide such personnel with the necessary documents (permits, visas etc.), which allow entering and working the State pursuant to national laws. During the Contract fulfilment, the Consultant shall provide translation services to the foreign employees, who do not speak the State language. The Consultant is responsible for the return of the Consultant's foreign personnel to the location, where they were hired, or to their country of residence. In case of death of any of these employees or their family members, during their stay in the State, the Consultant shall be responsible for the repatriation of remains or burial pursuant to procedures established in the Applicable Law.

Such staff hired by the Consultant must have received certificates of a construction specialist in the relevant field of construction practice, issued by the competent authorities of the Republic of Latvia:

- (1) with a certificate in carrying out building design expertise:
 - The railway tracks' detailed technical design expert, who can also perform the examination of railway signalling systems' and train contact line networks' detailed technical design;
 - Railway contact line networks' designer;
 - Expert of detailed technical designs of electronic communication systems and networks;
 - Expert on detailed technical designs of electric appliances;
 - Expert of detailed technical designs of heating supply, ventilation and air-conditioning systems;

	<ul style="list-style-type: none"> - Expert of detailed technical designs of water supply and sewage systems, including fire-fighting systems; - Expert on the architectural solutions of detailed technical designs; - Expert of detailed technical designs of buildings' structures; - Expert on detailed technical designs of bridges; - Expert on detailed technical designs of roads; <p>(2) with a certificate in construction supervision;</p> <ul style="list-style-type: none"> - Construction supervisor for the construction of buildings; - Construction supervisor of rail tracks' construction works; - Construction supervisor of railway contact line networks' construction works; - Construction supervisor of railway signalling systems' construction works; - Construction supervisor of construction works of electronic communication system and networks; - Construction supervisor for the installation of electric appliances; - Construction supervisor for the construction works of heating supply, ventilation and air conditioning systems; - Construction supervisor for the construction works of water supply and sewerage systems, including fire-fighting systems; - Construction supervisor for the construction of bridges; - Construction supervisor for the construction of roads. <p>(3) work volume (cost estimates) engineer;</p> <p>(4) and other certified construction specialists, if other specialists with certificates are required in the performance of an expert-examination of building designs and in the performance of construction supervision.</p> <p>If the country of residence of the said construction specialist and the country where services are provided is a European Union Member State or a member of the European Free Trade Association and they do not hold a relevant valid certificate of a construction specialist issued by competent authorities of the Republic of Latvia, then the respective construction specialist shall, within 3 (three) months from the Commencement Date, in compliance with laws in force in the Republic of Latvia, submit a declaration at a recognition institution for temporary provision of professional services in the Republic of Latvia in a regulated profession and shall receive a relevant certificate of a construction specialist (in the relevant field of construction practice).</p> <p>If the country of residence of the said construction specialist and the country where services are provided is not a European Union Member State or a member of the European Free Trade Association and they do not hold a relevant valid certificate of a construction specialist issued by competent authorities of the Republic of Latvia, then the respective construction specialist shall, within 4 (four) months from the Commencement Date, in compliance with laws in force in the Republic of Latvia, receive recognition of professional qualification in a profession regulated in the Republic of Latvia and shall receive a relevant certificate of a construction specialist (in the relevant field of construction practice).</p> <p>Add a Sub-Clause 3.5.3 worded as follows:</p>
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	<p>Throughout the Contract performance period, the Consultant shall ensure availability, presence and work of personnel necessary for the performance of the Contract pursuant to the provisions of Annex 1 [Scope of Service] and Annex 4 [Service Schedule] of the Contract.</p> <p>If the Consultant fails to observe, violates or fails to meet the requirements specified in the present Sub-Clause, the Employer may impose and the Consultant shall undertake to pay a penalty to the Employer at twice the amount of remuneration for the personnel whose availability, presence and/or activity has not been ensured per each detected infringement. For the calculation of this penalty the remuneration of the respective personnel indicated in Annex 3 [Remuneration and Payment] shall be used.</p> <p>Add a Sub-Clause 3.5.4 worded as follows:</p> <p>The Consultant may not, without reaching an agreement with the Employer, replace the Subcontractors specified in the Consultant's Tender and engage additional Subcontractors in the Contract performance. The Employer may request the Subcontractor's opinion about the reasons for replacement.</p> <p>The Consultant must agree with the Employer on the engagement of additional Sub-contractors in the Contract performance.</p> <p>The Employer shall not agree with the replacement of the Subcontractor specified in the Consultant's Tender if any of the following circumstances set in:</p> <ul style="list-style-type: none">(i) the proposed Subcontractor does not meet the requirements established in documents for Subcontractors within the Procurement procedure;(ii) such a Subcontractor is replaced, on the capacities whereof the Consultant has relied, in order to prove the conformity of their qualification to the requirements set forth in the Procurement procedure documents, and the proposed subcontractor does not have at least the same qualification, to which the Consultant has referred, when proving their conformity to the requirements set forth in the Procurement procedure, or they meet the tenderer exclusion criteria specified in Part one of Article 42 of the Public Procurement Law;(iii) a proposed Subcontractor, whose services to be rendered amount to at least 10 % (ten per cent) of the total Contract value, meets the tenderer exclusion criteria specified in Part one of Article 42 of the Public Procurement Law;(iv) as a result of the change of Subcontractor, such amendments would be introduced in the Consultant's tender, which, if included initially, would have affected the choice of tender pursuant to the tender assessment criteria specified in the Procurement procedure documents. <p>Upon examining the eligibility of the new subcontractor, the Employer shall apply the provisions of Article 42 of the Public Procurement Law. The terms specified in Part three of Article 42 of the Public Procurement Law shall be counted from the day when the request regarding the Subcontractor is submitted to the Employer.</p>
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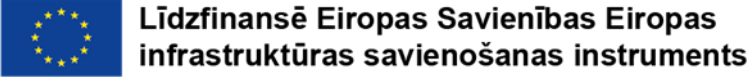
	<p>The Employer makes a decision on whether or not to allow the replacement of the Consultant or a subcontractor with a new subcontractor or the engagement in the Contract performance as quickly as possible, however not later than within 5 (five) working days after they have received all information and documents required to make a decision pursuant to the provisions of the present clause.</p> <p>After the award of the Contract and no later than upon the commencement of the Contract performance, the Consultant shall submit a list of Subcontractors (if it is planned to engage any) in the provision of Services, stating the Subcontractor's name, contact information and the person with rights of representation, insofar as such information is known. During the Contract performance, the Consultant shall inform the Employer about any changes in the said information, as well as shall supplement the list with information about a Subcontractor that is later engaged in the provision of Services, no later than 28 days before the planned work commencement date.</p> <p>Add a Sub-Clause 3.5.5 worded as follows:</p> <p>The Consultant shall prepare and submit to the Employer for signing the act of mobilisation of personnel necessary in the Works design stage (hereinafter — the Act of Mobilisation), as soon as the Consultant has, pursuant to Annex 4 [Service Schedule] to the Contract, ensured the availability of personnel required in the Design stage at the Work performance site:</p> <ul style="list-style-type: none"> (a) Construction specialists certified in the Republic of Latvia: <ul style="list-style-type: none"> (i)The railway tracks' detailed technical design expert, who can also perform the examination of railway signalling systems' and train contact line networks' detailed technical design; (ii)Railway contact line networks' designer; (iii)Expert of detailed technical designs of electronic communication systems and networks; (iv)Expert on detailed technical designs of electric appliances; (v)Expert of detailed technical designs of heating supply, ventilation and air-conditioning systems; (vi)Expert of detailed technical designs of water supply and sewage systems, including fire-fighting systems; (vii)Expert on the architectural solutions of detailed technical designs; (viii)Expert of detailed technical designs of buildings' structures; (vii) Expert on detailed technical designs of bridges; (viii)Expert on detailed technical designs of roads and (b) Other construction specialists corresponding to Procurement requirements: (i) the Project and the construction director; (ii) Deputy project and construction director; (iii) a BIM expert; (iv) Construction quality management manager; (v) object (project) progress engineer; (vii) archaeologist; (viii) occupational safety expert. <p>The Act of Mobilisation shall include a list of Consultant's specialists designated for the provision of Services, by stating the names, surnames of persons, title of works to be performed, certificate number, date and issuing authority (if a certificate is necessary).</p>
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	<p>The Employer shall review the Act of Mobilisation issued by the Consultant within 21 days and sign or reject it. The Employer rejects an Act of Mobilisation if the staff indicated therein does not meet the Contract provisions.</p> <p>The Consultant must mobilise the personnel specified in Sub-Clause 3.5.4 no later than indicated in Annex 4 [Service Schedule].</p> <p>Add a new Sub-Clause 3.5.6 worded as follows: Throughout the Service provision period, the Consultant shall, once per week, submit a written report to the Employer about personnel employed in the provision of Services, by indicating the name and surname of each specialist, as well as the position, according to specialist positions specified in Annex 3 [Remuneration and Payment].</p>
<p>3.7.1</p>	<p>Reword Sub-Clause 3.7.1 as follows: If it is necessary to replace the personnel specified in the Consultant's Tender or engage new additional personnel, the Consultant must receive the Employer's consent in writing before such replacement and engagement of new additional personnel. The Employer may request the personnel's opinion about the reasons for replacement. In any case, the personnel indicated in the Consultant's Tender is replaced with personnel having equivalent or better qualification and experience.</p> <p>The Employer may reject the Consultant's offered personnel if they do not meet the requirements specified in the Procurement documentation, or if the proposed personnel might be subject to a conflict of interest for the purposes of Sub-Clause 3.8 of the Contract.</p> <p>The Employer makes a decision on whether or not to allow the replacement of the Consultant's personnel or a subcontractor with a new additional personnel or the engagement in the Contract performance as quickly as possible, however not later than within 5 (five) working days after they have received all information and documents required to make a decision pursuant to the provisions of the present clause.</p>
<p>3.7.2</p>	<p>Reword Sub-Clause 3.7.2 as follows: The Consultant has the duty, within 14 (fourteen) days from the date of receipt of the Employer's request, to revoke, change or ensure revocation of any person employed in the Contract fulfilment, incl., but not limited to, a subcontractor or a person employed by a subcontractor, who:</p> <ul style="list-style-type: none"> (a) consistently perform their job duties poorly or superficially, or (b) is incompetent or negligent in the performance of duties, or (c) fails to fulfil any of requirements specified in the Contract, or (d) consistently acts in a way that harms safety, health or environment, or (e) has forfeited the certificate of a construction specialist or other certificate specified in the Procurement documentation, or <p>has been incapacitated to work in a long term (a long-term incapacity to work is the absence of the Consultant's personnel employed in the performance of the Contract that exceeds 3 weeks).</p>

3.7.3	<p>Add a new Sub-Clause 3.7.3 worded as follows: Costs of such replacement (Sub-Clause 3.7.1 or 3.7.2) shall be covered by the Consultant from own resources.</p>
<p>3.8 Absence of a conflict of interest and correspondence to Supplier's declaration</p>	<p>Add a Sub-Clause 3.8 worded as follows: The Consultant shall implement all the necessary measures to prevent any situation of a conflict of interest, if the fair and objective performance of the Contract is jeopardised due to reasons that are related to economic interests, political or national affiliation, familial or other kinship, or other shared interests.</p> <p>The Consultant, their Board members, shareholders, directors, employees, personnel involved in the provision of Services and Subcontractors must be objective and independent of the performer of Construction Works, designer and author supervisor, therefore the Consultant has the duty:</p> <ul style="list-style-type: none"> (i) without any delay to notify the Employer of an existing or possible conflict of interests or any other circumstances that might affect the performance of the Consultant's duties; (j) without any delay to notify the Employer of any mistakes made by the Consultant (in particular, of those which are related to the duties to perform design expert-examination and construction work supervision that are assigned by the Contract). <p>The Employer shall be promptly notified in writing of any situation that causes or might cause a conflict of interest during the Contract performance time. The Consultant shall take all the steps and measures to rectify this situation, and the Employer shall reserve the rights to check it and give relevant instructions in this regard to the Consultant.</p> <p>During the Contract validity period, the Consultant and the Contractor's personnel may not directly or indirectly engage in entrepreneurship, financial or professional activities that might affect the provision of Services or fulfilment of other obligations prescribed in the Contract.</p> <p>The Consultant shall ensure that their Subcontractors, employees or any other person that the Consultant engages in the provision of Services observes the duties specified in this Contract not to have a conflict of interests and be independent of the Contractor.</p> <p>The Consultant ensures full compliance with the terms and conditions included in the Supplier's declaration, enclosed in Annex 12 [Supplier's Declaration] to the Contract.</p> <p>Should the Consultant fail to observe, violate or fail to meet the requirements established in the present clause (except for the obligation to be independent), and such a decision made by a competent person has taken effect (has become incontestable), whereby a violation of requirements specified in the present clause is found, the Employer is entitled to impose and the Consultant shall undertake to pay a contractual penalty to the Employer in the amount of EUR 100,000 (one hundred thousand euros and zero euro cents) per each identified violation.</p>

	<p>If the Consultant fails to observe, infringes upon or fails to fulfil the requirement established in this Sub-Clause to be objective and independent of the performer of Construction Works, the designer and author supervisor or the duty to notify of any circumstances that might affect the fulfilment of the Consultant's duties or the duty to notify of the Consultant's errors, the Employer shall be entitled to impose and the Consultant shall undertake to pay a penalty to the Employer in the amount of EUR 100,000 (one hundred thousand euros and zero euro cents) per each detected infringement.</p> <p>The Consultant has the duty, using own resources, to promptly eliminate a conflict of interest or other circumstances that jeopardise fair or objective execution of the Contract. The Consultant shall promptly inform the Employer for the performed measures or measures to be taken to eliminate the said circumstances.</p>
<p>3.9 Alcohol and drugs</p>	<p>Add a Sub-Clause 3.9 worded as follows:</p> <p>Apart from cases specified in the Applicable Law and in compliance with procedures established in the Applicable Law, the Consultant may not import, sell, exchange or in any other way distribute any alcoholic beverages and/or narcotic substances, and/or allow or permit such import, sale, gift, exchange for the part of their personnel, subcontractors, agents or employees. The Consultant shall undertake to ensure that all persons attributable to the Consultant, incl. their subcontractors, observe the aforementioned provisions.</p> <p>The Consultant shall ensure that all persons relating to the Consultant, incl., the Consultant's personnel, employees and/or third parties, for whom the Consultants bears responsibility, during the Contract performance and/or at the Work performance site, may not be under the influence of alcoholic, narcotic, toxic and/or psychoactive substances, and the Employer may inspect compliance with this Consultant's duty. Technical and other instruments (breathalysers, etc.) can be used to test inebriation or intoxication with psychoactive substances.</p> <p>Should the Consultant fail to observe the requirements specified in this sub-clause, the Employer is entitled to impose and the Consultant shall undertake to pay a contractual penalty to the Employer in the amount of EUR 2000 (two thousand euros, 00 cents) per each case of inconsistency/violation.</p> <p>In any case, the Employer shall be entitled to expel from the construction site, Work performance site the staff, subcontractors, agents or employees of the Consultant, to which any of the circumstances referred to in this Sub-clause apply.</p>
<p>3.10 Reports</p>	<p>Add a new Sub-Clause 3.10</p>
<p>3.10.1</p>	<p>Add a new Sub-Clause 3.10.1 worded as follows:</p> <p>During the Contract performance, the Consultant shall prepare and submit reports to the Employer for approval pursuant to Annex 1 of the Contract [Scope of Services] (the forms of which are approved by the Employer) regarding the performance of the Contract and the Works Contract. The Consultant shall prepare the said reports and submit them to the Employer within deadlines specified in Annex 1 of the Contract [Scope of Services].</p> <p>Within 14 days from receiving the Consultant's prepared report, the Employer shall examine the compliance of the report with the Contract and</p>

	with a signature shall approve it or give justified objections, which the Consultant must take into account and eliminate.
3.10.2	<p>Add a new Sub-Clause 3.10.2 worded as follows: Reports referred to in Sub-Clause 3.10.1 shall include information specified in Annex 1 [Scope of Service] to the Contract. Upon agreement with the Employer, the Consultant is entitled to supplement the contents of the said reports, if that improves the Project implementation.</p> <p>In addition to information to be included in reports, as specified in Annex 1 to the Contract [Scope of Services], the Consultant shall include in the Inception Report and in the Monthly Progress Report the Consultant's confirmation that the Consultant observes the Supplier's declaration.</p>
3.11 Contract performance certificate	<p>Add a Sub-Clause 3.11 "Contract performance certificate" worded as follows: The Consultant's obligations shall not be considered completed before the Employer has issued a Contract Performance Certificate to the Consultant, by specifying the date, when the Consultant completed the performance of Contract obligations. The Employer shall issue a Contract Performance Certificate within 28 days from the day when the Consultant has completed all Services and prepared and submitted to the Employer archive documentation pursuant to Annex 1 of the Contract.</p>
3.12 Contractual Penalty for Failure to Fulfil Reporting Obligations and infringement of performance deadlines of the duties of the Engineer established in the Works Contract	<p>Add a new Sub-Clause 3.12 "Contractual Penalty for Failure to Fulfil Reporting Obligations" worded as follows: If the Consultant misses any deadlines for submitting reports pursuant to the present Contract, despite a written warning by the Employer regarding the delay, then the Employer may impose and the Consultant shall undertake to pay a penalty to the Employer in the amount of EUR 1000.00 (one thousand euro and zero euro cents) per each overdue day after the report submission deadline but not more than 10% from the Accepted Contract Amount. Payment of penalty shall not release the Consultant from the obligation to fulfil Contract obligations.</p> <p>If the Consultant misses any performance deadlines of the duties of the engineer established in the Works Contract, despite a written warning by the Employer regarding the delay, then the Employer may impose and the Consultant shall undertake to pay a penalty to the Employer in the amount of EUR 1000.00 (one thousand euro and zero euro cents) per each overdue day after the performance deadline of the duties of the engineer established in the Work's Contract but not more than 10% from the Accepted Contract Amount. Payment of penalty shall not release the Consultant from the obligation to fulfil Contract obligations.</p>
3.13 Detailed Technical Design expert-examination	Add a Sub-Clause 3.11 "Expert-examination of detailed technical designs".

<p>3.13.1</p>	<p>Add a new Sub-Clause 3.13.1 worded as follows:</p> <p>Pursuant to legal requirements in force in the Country and to requirements established in Annex 1 of the Contract, the Consultant shall carry out expert-examination of detailed technical designs of the Works and prepare relevant expert opinions.</p> <p>For the purposes of carrying out expert-examination of detailed technical designs, the Consultant shall, along with designing of Works, carry out examination of information included in the detailed technical design documentation.</p> <p>The Consultant shall prepare each detailed technical design expert opinion and submit to the Employer no later than within 90 days from the day when the Contractor or the Performer of Individual Works has provided the Consultant with the final version of the relevant detailed technical design, which is prepared for submitting in the competent state and local government authorities for acceptance and receiving a remark on the building permit regarding the fulfilment of design conditions.</p>
<p>3.14 Visual identity requirements</p>	<p>Add a new Sub-Clause 3.14 “Visual identity requirements” worded as follows:</p> <p>The Consultant shall comply with the following visual identity requirements:</p> <p>(a) in all reports, brochures, other documents or information relating to the Services, which the Consultant prepares and submits to the Employer or any third party or makes publicly available, the following must be included:</p> <ul style="list-style-type: none"> (i) in the financial statement, a following reference must be included stating that the Consultant is a beneficiary of funding from the Connecting Europe Facility (CEF): “Rail Baltica project is co-financed from the funds of the Connecting Europe Facility”; (ii) (in printed materials) the following waiver is included stating that the European Union does not assume any responsibility for the contents of the published materials: “The author of this publication assumes all responsibility for it. The European Union does not assume any responsibility for how the included information might be used. A translation of the waiver in all official languages of the European Union is available on this website: https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos (iii) The European Union flag. <p>(b) Requirements stipulated in sub-paragraph (i) and (ii) can be fulfilled, using the following logotype:</p> <div style="text-align: center;">  </div> <p>If the Consultant decides to use the logotype included in sub-para. (b), they must ensure that the logotype elements do not get separated (the logotype must be used as a single whole) and that there is enough free space around it;</p>

	<p>(c) The Consultant shall observe the most up-to-date visual identity requirements established by the European Union. The Consultant has the duty to regularly keep up with changes of visual identity requirements. On the day of concluding this Contract, the requirements of visual identity are publicly available on this website: https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos</p>
<p>3.15 Vacations and sick leave</p>	<p>Add a new Sub-Clause 3.15 “Vacations and sick leave”</p> <p>Add a new Sub-Clause 3.15.1 worded as follows:</p> <p>The Consultant ensures that the personnel vacations and sick leave do not delay the Contract performance.</p> <p>Add a new Sub-Clause 3.15.2 worded as follows: The Consultant ensures that the in the absence or during sick leave of a specialist employed in the Contract performance, specified in Annex 1 to the Contract, the duties of said specialist are performed by another specialist of the Consultant.</p> <p>Unless it affects the Contract performance, the Consultant may delegate the performance of obligations of the relevant specialist to another Consultant’s specialist (without engaging additional specialists), who is listed in Annex 1 of the Contract, if the uninterrupted absence or sick leave of the specialist lasts more than three weeks and not more than six weeks a year.</p>
<p>4.1 Validity of Contract</p>	<p>Reword Sub-Clause 4.1.1 as follows: The Contract shall come into force on the date on which the Contract is signed by the last Party to the Contract, and the Consultant, the Employer and the Contractor have signed the Works Contract.</p>
<p>4.2 Commencement and Completion</p>	<p>Reword Sub-Clause 4.2.1 as follows: The provision of Services shall commence on the date when the Employer and the Consultant have signed the Contract, and the Employer, the Contractor and the Consultant have signed the Works Contract. The Services are provided pursuant to the schedule in Annex 4 of the Contract [Service Schedule], and they are completed before the set deadline, which may be extended pursuant to the Contract.</p> <p>If the Works Contract Schedule is amended during the Contract performance, the Employer and the Consultant shall accordingly amend Annex 4 of the Contract [Service Schedule].</p>
<p>4.4 Late Performance</p>	<p>Reword Sub-Clause 4.4.1 as follows: If the provision of Services is hindered or delayed due to the Employer’s or the Contractor’s fault and therefore the deadline for performance of activities prescribed in the Contract, the document or guarantee submission deadline is extended, the Employer shall extend the relevant deadline by a period, during which such circumstances specified in this sub-clause existed, which prevented timely performance of specific obligations.</p>

<p>4.6 Withdrawal, suspension or termination</p>	<p>Reword Sub-Clause 4.6.1 as follows: The Employer may, at any time, instruct the Consultant: (i) to suspend the performance of all Services or a part thereof; and/or (j) to reduce the scope of Services to be provided. The costs for the activities to be performed by the Consultant, costs of works for continuing or restarting Services after the suspension of Services or a part thereof pursuant to the present clause (including after Long-term suspension for the purposes of Sub-Clause 8.11 of the Works Contract), costs of reducing the scope of Services or any other costs related to such suspension, reduction shall be included in the Contract price and the Consultant is not entitled to set additional fees for such costs. Reword Sub-Clause 4.6.2 as follows: If Services are suspended, the Consultant shall restart the provision of Services within 30 days after the Employer’s instruction. If the Employer has fully suspended the provision of Services at a time, when the performance of Works is fully suspended, then the Employer in the instruction on restarting the provision of Services may indicate, which Consultant’s specialists are necessary for the continuation of Services. In such case, the Consultant receives compensation for the provided Services in compliance with fees for services of each specialist as stated in the Employer’s instruction, according to Annex 3 [Remuneration and Payment] to the Contract. Delete Para. (b) of Sub-Clause 4.6.3.</p>
<p>4.7 Corruption and Fraud</p>	<p>Reword Sub-Clause 4.7.1 as follows: If it is proven that the Consultant has violated Sub-clause 1.10 or 3.8 and, irrespective of any penalties or other sanctions that might be imposed on the Consultant pursuant to the Applicable Law or any other jurisdiction, the Employer is entitled to terminate the Contract pursuant to Clause 9, and it shall be deemed that the Consultant has violated Sub-Clause 3.3.1.</p>
<p>4.8 Extraordinary Services</p>	<p>Delete Sub-Clauses 4.8, 4.8.1 and 4.8.2.</p>
<p>5.1 Payment to the Consultant</p>	<p>Reword Sub-Clause 5.1.1 as follows: The Employer shall pay to the Consultant for Services pursuant to the conditions and information provided in Annex 3 [Remuneration and payment]. The payment for Services may not exceed the Contract Price — the Accepted Contract Amount, excluding the value added tax (VAT). The VAT shall be calculated and paid in compliance with procedures and to the extent established in regulatory enactments. The Contract Price can be adjusted with binding effect, by increasing or decreasing it, only and solely upon agreement between the Employer and the Consultant: Pursuant to Cabinet Regulations No. 178 of 30 April 2001 “Procedures for Application of Tax Relief Determined in International Agreements for Prevention of Double Taxation and Tax Evasion”, non-resident contractual parties, if they have no permanent representation in Latvia, have the duty</p>

	<p>to provide the Employer with a filled in residency certificate — an application to apply tax relief or a residency certificate in a specific form of the Contractor’s country in 3 (three) copies.</p> <p>If, for any reason, the Consultant fails to submit insurance policies specified in this Contract and other provisions to the Employer, or policies which do not comply with any of the requirements laid down in this Contract and other provisions are submitted, the Employer, by notifying the Consultant thereof in writing, shall be entitled to unilaterally suspend the performance of this Contract with the Consultant, until it fixes any errors related to the insurance policy and/or guarantees.</p> <p>Delete Sub-Clauses 5.1.2 and 5.1.3.</p>
<p>5.2 Payment Deadline</p>	<p>Reword Sub-Clause 5.2.1 as follows: The payment for Services is executed in compliance with procedures and within deadlines specified in Chapter 5 of the Contract. No payments are executed or approved, before the Employer has received and approved the Contract performance security.</p> <p>Reword Sub-Clause 5.2.2 as follows: If the Consultant does not receive payment before the deadline specified in Chapter 5 of the Contract due to the Employer’s fault, the Consultant shall be entitled to receive late interest at a rate of 8 % (eight per cent) per year plus 12 month EURIBOR rate. The period, for which late interest is calculated, starts on the day following the last date of payment deadline.</p> <p>Late interest is calculated until the day when the Employer makes the payment. Late interest is paid to the Consultant based on an invoice of free form for late interest issued by the Consultant.</p>
<p>5.3 Currency of Payments</p>	<p>Reword Sub-Clause 5.3 as follows: All payments under the Contract shall be settled in euros.</p> <p>Delete Sub-Clauses 5.3.1 and 5.3.2.</p>
<p>5.4 Consultant’s Payments to Third Parties</p>	<p>Delete Sub-Clauses 5.4 and 5.4.1.</p>
<p>5.6 Independent Audit</p>	<p>Reword Sub-Clause 5.6.1 follows: The Employer or an external independent institution, which is authorised by the EMPLOYER or which has been granted such rights in regulatory enactments, may, throughout the Contract validity period and 10 (ten) years after the end of the Contract validity period examine and/or perform an audit of the Consultant to verify the compliance with Contract provisions, including the performance of an inspection or an audit;</p> <ul style="list-style-type: none"> (1) Performance of all Verification; and/or (2) All documentation, information, entries and deliverables prepared, used or referring to the performance of Verification. <p>Reword Sub-Clause 5.6.2 as follows:</p>

	<p>The Consultant must assist the Employer or an external independent institution in the performance of the inspection or audit referred to in Sub-Clause 5.6.1, including ensuring access or providing the necessary documentation and/or information within a time period determined by the Employer.</p>
<p>5.7 Advance Payment</p>	<p>Add a Sub-Clause 5.7.1 worded as follows: The advance payment shall constitute no more than 5 % (five per cent) of the Accepted Contract Amount. The Consultant may request an Advance Payment (by submitting documents specified in Sub-Clause 5.7.1 to the Employer) no later than within 2 months from the Commencement Date. The Employer shall pay the Advance Payment to the Consultant within 45 days from the day, when the Consultant has submitted the following to the Employer:</p> <ul style="list-style-type: none"> (a) an invoice for the amount of the Advance Payment; (b) an Advance Payment Security pursuant to Sub-Clause 5.12; and (c) a Contract Performance Security pursuant to Sub-Clause 5.12. <p>Add a Sub-Clause 5.7.2 worded as follows: The Advance Payment shall be proportionately withheld from the next Consultant's issued invoice, until the advance payment is fully cleared (repaid). If the Advance Payment is not repaid until the end of month 60 of the Construction Works Phase specified in Annex 4 [Service Schedule] of the Contract or until the Contract is suspended, or before the Contract is terminated due to other reasons, the Consultant shall repay the outstanding Advance Payment balance to the Employer, and, failing this, the Employer shall recover all the outstanding Advance Payment balance from the Advance Security.</p> <p>The Employer is entitled to use the Advance guarantee in any situation and without notifying the Consultant, if there is reasonable doubt of the Consultant's ability to repay the outstanding balance of the Advance Payment.</p>
<p>5.8 Mobilisation Payment</p>	<p>Add a Sub-Clause 5.8.1 worded as follows: The Employer shall pay to the Consultant the mobilisation payment to the extent established in Annex 3 [Remuneration and Payment] to the Contract, however not exceeding 5 % of the Accepted Contract Amount, within 60 days from the day, when the Employer has signed the Consultant's submitted Act of Mobilisation.</p>
<p>5.9 Payment for Expert-examination</p>	<p>Add a Sub-Clause 5.9.1 worded as follows: The payment for expert-examination shall consist of payments for the expert-examination of the detailed technical design of structures in Section Two, Section Three and Section Four established in the Works Contract, the amounts of which are specified in Annex 3 [Remuneration and Payment] of the Contract. The Employer shall pay separately for the expert-examination of detailed technical designs of Section Two, Section Three and Section Four. The payment for each of the said expert-examinations shall be completed according to the following procedures and within the following deadlines:</p> <ul style="list-style-type: none"> (a) in the amount of 50 % (fifty per cent) of the Payment for the expert-examination of design in the relevant Section within 60 days after

	<p>the Employer has confirmed the Expert-examination Report submitted by the Consultant for the performance of Expert-examination to the extent of 100 per cent;</p> <p>(b) in the amount of 30 % (thirty per cent) of the Payment for the expert-examination of the relevant Section within 60 days after the day, when the competent authority has made a remark in the building permit regarding the fulfilment of designing conditions;</p> <p>(c) in the amount of 20 % (twenty per cent) of the Payment for the expertise of the relevant Section within 60 days after the day, when the Works of the relevant Sections are accepted/taken over in compliance with procedures established in the regulations.</p> <p>If any of the design expert-examinations must be repeated, because the first expertise opinion has been negative and errors, defects must be eliminated in the design, the Employer shall pay for a repeated expert-examination pursuant to pricing established in Annex 3 of the Contract (if errors, defects have occurred in the design due to the Contractor's fault). If the errors, defects have originated in the design due to the Consultant's failure to duly fulfil obligations pursuant to the Contract or the Works Contract, then the Consultant shall perform a repeated expert-examination using its own funds.</p>
<p>5.10 Monthly Payments and Payments During the Defects Notification Period</p>	<p>Add a new Sub-Clause 5.10.1 worded as follows:</p> <p>The Employer shall make the monthly payments to the Consultant according to the following procedures and to the following extent in line with monthly payment fees specified in Annex 3 [Remuneration and Payment] to the Contract:</p> <p>(I) from the mutual signing of the Act of Mobilisation until the end of the 24th month of performance of Works, the Employer shall pay to the Consultant the monthly payments "Design supervision" and "Administration of FIDIC Contract", pursuant to Annex 3 [Remuneration and Payment] to the Contract;</p> <p>(II) from the 25th month until the end of the 60th month of performance of Works, the Employer shall make the monthly payments "On-site supervision" and "Administration of FIDIC Contract", specified in Annex 3 [Remuneration and Payment] to the Contract.</p> <p>The Employer shall make a monthly payment within 60 days from the day, when the Employer has approved the Consultant's submitted monthly report and the Consultant has submitted an invoice to the Employer for the relevant monthly payment.</p> <p>The Consultant is entitled to receive the monthly payments starting from the day, when the Employer has signed the Consultant's submitted Act of Mobilisation and the Consultant has submitted the securities specified in the Contract to the Employer.</p> <p>Add a new Sub-Clause 5.10.2 worded as follows:</p>

	<p>During the Defects Notification Period established in the Works Contract after completing Section 5 established in the Works Contract (the Engineer has received a Report on the completion of Works pursuant to Sub-Clause 14.10 of the Works Contract, and the Engineer has approved the relevant payment to the Contractor pursuant to Sub-Clause 14.10 of the Works Contract), the Employer shall pay, once a year, the payment to the Consultant for Services during the Defects Notification Period pursuant to Annex 3 [Remuneration and Payment] of the Contract.</p>
<p>5.11 Payments for Downtime</p>	<p>Add a new Sub-Clause 5.11.1 worded as follows:</p> <p>In case of downtime — suspension of Services or Works instructed by the Employer — the Consultant may receive compensation for downtime and costs of suspending the works at a rate specified in Annex 3 [Remuneration and Payment] to the Contract. Payments for downtime are made only for the actual downtime, when the Works or Services are suspended on the instructions of the Employer. The Employer shall make the payments for downtime within 60 days on the grounds of an invoice issued by the Consultant.</p> <p>Costs for downtime specified in Annex 3 [Remuneration and Payment] to the Contract for designing works or costs of suspending works before the commencement of construction works are applied and paid only if the Employer has instructed the downtime before commencing the Construction Works.</p> <p>The costs of suspending Construction Works specified in Annex 3 [Remuneration and Payment] to the Contract between the active stages of construction works are applied and paid out only if the Works of the Project are completely suspended.</p> <p>During the period, when the Consultant receives Payments for downtime, the Consultant may not receive other payments established in the Contract.</p>
<p>5.12 Securities and Retentions</p>	<p>Add a new Sub-Clause 5.12.1 “Securities and Retentions” worded as follows: The Consultant’s Contract performance is guaranteed with:</p> <ul style="list-style-type: none"> (a) An Advance Payment Security to the extent of Advance Payment amount paid to the Consultant; (b) An Advance Payment Security of not less than 50% of the Accepted Contract Amount; (c) Retentions in the amount of 10 % of each payment to be made to the Consultant, except for the Advance Payment; and (d) Security of Retentions paid to the Consultant pursuant to Sub-Clause 5.12.5.

	<p>The Consultant shall submit a Contract Performance Security to the Employer within 28 days from the date of Contract conclusion.</p> <p>Add a new Sub-Clause 5.12.2 worded as follows:</p> <p>The Consultant shall, from own resources, procure and submit to the Employer, along with an Advance Payment Security agreed with the Employer (if the Consultant requests an Advance Payment), a Contract Performance Security and Retentions Security to the extent established in the Contract and using the enclosed form (the form in Annex 6, 8, and 10 to be used for a guarantee for an insurance agreement, the form in Annex 5, 7 and 9 to be used for bank guarantees), upon first request, in a form of an unconditional, irrevocable guarantee for an insurance agreement or a bank guarantee, issued by the Employer's approved:</p> <ul style="list-style-type: none"> (a) bank (credit institution) registered in the Republic of Latvia, in a European Union Member State, or in a European Economic Area member state, which, in compliance with the laws, provide services of a credit institution in the Republic of Latvia, in a European Union Member State, or in a European Economic Area member state; (b) insurance company registered in the Republic of Latvia, in a European Union Member State, or in a European Economic Area member state, which, in compliance with the laws, provide insurance services in the Republic of Latvia, in a European Union Member State, or in a European Economic Area member state. <p>In assessing the conformity of the security and the party/-ies submitting it, the Employer shall, inter alia, take into account financial stability indices of the party/-ies submitting the Security (moreover, the Consultant must timely ensure the provision of all the relevant documents, evidence to the Employer as regards the conformity of the Security and the party/-ies submitting it with the Contract provisions), thus, each part submitting the Security, must also meet the following criteria:</p> <ul style="list-style-type: none"> (a) financial reports (for instance, annual accounts) of the guarantor for at least the last 5 years (from 2013 until 2017, including) must be consecutively (i.e. without interruptions, in each of the given years) audited/examined in compliance with procedures established in the applicable law; (b) financial reports (for instance, annual accounts) of the Contract performance guarantor for at least the last 5 years (from 2013 until 2017, including) were consecutively (i.e. without interruptions, in each of the given years) audited/examined by an international, independent, duly qualified auditor company and their opinion/-s in any of the specified time periods may not: (b.1) be negative (rejecting, not approving the relevant financial report); or (b.2) contain objection/-s: (b.2.1) as regards restrictions of the scope of audit of the guarantor; (b.2.2) as regards concerns about the ability of the guarantor to continue operations in the future; (b.2.3) that the respective financial report does not provide a clear and truthful overview of the guarantor's financial reports. It is permissible that such opinion/-s may contain a remark/-s regarding the emphasis of circumstances. <p>In the light thereof, the Employer is entitled to not accept, reject a Security submitted by the Consultant, that is non-compliant with the Contract</p>
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	<p>requirements, in which case the Consultant (without exceeding the submission deadline specified in the Contract) must submit to the Employer another Security compliant with the Contract requirements.</p> <p>If the Consultant chooses a guarantee insurance agreement as the form of Security, the Consultant shall, inter alia, provide the Employer also with a confirmation issued by the insurance company, confirming full payment of the insurance premium and the unrestricted validity of the relevant guarantee insurance agreement, by submitting the said document originals, in order for the Employer to ascertain of the validity of the Contract Performance Security.</p> <p>Add a new Sub-Clause 5.12.3 worded as follows: The Advance Payment guarantee must be valid until the entire received advance is re-paid (amortised). The Advance Payment guarantee shall be submitted in the form enclosed hereto (the form in Annex 6 is used for a guarantee insurance contract; the form in Annex 5 for a bank guarantee).</p> <p>Add a new Sub-Clause 5.12.4 worded as follows: The Consultant shall ensure that the Employer's approved Contract Performance Security shall remain valid and can be executed until such moment when the Works Contract performance certificate is issued in compliance with procedures established in the Works Contract (Sub-Clause 11.9 of the Works Contract). If the Contract Performance Security conditions specify a final validity date and a Contract performance certificate has not been issued 28 days before that date, the Consultant must extend the validity term of the Contract Performance Security until such day that is at least 10 (ten) working days after the moment of issue of the Contract performance certificate.</p> <p>Add a new Sub-Clause 5.12.5 worded as follows:</p> <p>The Employer shall withhold the Retentions from each payment to be made to the Consultant (except for the Advance Payment), by withholding 10 % (ten per cent) of the total amount of the relevant payment.</p> <p>The Retentions (to the extent that the Employer has not used them to expunge claims) shall be paid to the Consultant in proportion to the value of Works specified in the Sections in the Works Contract and accepted /taken over in compliance with procedures established in the regulations as follows:</p> <ul style="list-style-type: none">(a) The first part of the Retentions in the amount of 50 % (fifty per cent) of the retained and remaining Retentions is paid in proportion to the value of Works accepted /taken over in compliance with procedures established in the regulations within 60 days from the day, when the Certificate of Taking-Over of relevant Section of Works is issued pursuant to Sub-Clause 10.1 of the Works Contract.
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	<p>Along with this payment, the Employer shall pay a portion of Retentions, which has been applied to payments for the expert-examination of the detailed technical design, the work of which has been taken over;</p> <p>(b) The second part of the Retentions in the amount of 30 % (thirty per cent) of the retained and remaining Retentions is paid in proportion to the value of Works accepted /taken over in compliance with procedures established in the regulations within 60 days from the day, when a year has passed since relevant Works have been commissioned in compliance with procedures established in laws.</p> <p>(c) The third part of the Retentions in the amount of 20 % (twenty per cent) of the retained and remaining Retentions is paid within 60 days after the day, when the Engineer has issued the Works Contract Performance Certificate specified in Sub-Clause 11.9 and the Employer has issued to the Consultant the Contract Performance Certificate, or from the day (not earlier after a year has passed since all Works are commissioned in compliance with procedures established in laws), when the Consultant has submitted to the Employer this payment security pursuant to Sub-Clause 5.12.2 using the form enclosed in Annex 9 or Annex 10 to the Contract. The Employer may exercise the right to pay the third part of retentions before the setting in of pre-conditions of pay-out specified in Para. (c) hereunder, if the Employer needs to pay out earlier in order to meet deadlines for absorbing the awarded European Union funds.</p>
<p>5.13 Use of Securities and Retentions</p>	<p>Add a new Sub-Clause 5.13.1 worded as follows: The Employer may exercise the right to use the Advance Payment Security, the Contract Performance Security and the Retentions to cover any claims by the Employer (including penalties imposed on the Consultant, harm inflicted upon the Employer, and lost funding of the European Union and/or Connecting Europe Facility), which arises if the Consultant fails to fulfil or inadequately fulfils, or infringes upon any of the Contract commitments, including, but not limited to the following:</p> <p>(a) the Consultant fails to submit any of the Securities or insurance established in the Contract;</p> <p>(b) the Consultant fails to submit on time or submits a report that is inconsistent with the requirements of Sub-Clause 3.10;</p> <p>(c) Such circumstances set in, which entitle the Employer to terminate the Contract pursuant to Sub-Clause 9.1 [Termination of Contract by the Employer], irrespective of whether or not a notification is submitted regarding the termination of the Contract.</p> <p>Add a new Sub-Clause 5.13.2 worded as follows: If the Employer makes use of the Contract (obligations) performance security (fully or partially), the Consultant shall, within 14 (fourteen) days from the date of submission of the Employer’s request, provide the Employer with a new Advance Payment / Contract (obligations) performance security agreed upon with the Employer and consistent with the Contract provisions. If the Consultant fails to submit new Advance Payment / Contract (obligations) performance security instead of the used</p>

	<p>security the Employer shall be entitled to unilateral termination of the Contract in accordance with Sub-Clause 9.1 of the Contract. In any event, as long as the Consultant has not submitted a new security corresponding to the requirements of the Contract instead of the used security, the Employer shall be entitled not to make any payment due to the Consultant.</p>
5.14 Consequences of Failure to Submit Security on Time	<p>Add a new Sub-Clause 5.14 “Consequences of Failure to Submit Security on Time”</p>
5.14.1	<p>Add a new Sub-Clause 5.14.1 worded as follows:</p> <p>If the Consultant fails to meet any deadline for submitting a security, then the Employer shall be entitled to impose and the Consultant shall undertake to pay a penalty to the Employer in the amount of EUR 10 000.00 (ten thousand euro and zero euro cents) per each overdue day after the security submission deadline but not more than 10% of the Accepted Contract Amount. Payment of penalty shall not release the Consultant from the obligation to fulfil Contract obligations.</p>
6. Liability 6.1 Liability of Parties and Penalties	<p>Reword Clause 6 as follows:</p> <p>Reword Sub-Clause 6.1.1 as follows:</p> <p>In the performance of the Contract, the Consultant is liable for any (including) minor negligence and harm, damages arising from it to the Employer and third parties.</p> <p>Sub-Clause 6.1.2 remains unchanged.</p> <p>Reword Sub-Clause 6.1.3 as follows:</p> <p>The payment of any penalty established in the Contract shall not release the Consultant from the duty to perform Contract obligations and the Consultant must pay the relevant penalty to the Employer and, in addition to the penalty, must compensate for losses inflicted upon the Employer, as well as fully perform Contract obligations.</p> <p>Add a new Sub-Clause 6.1.4 worded as follows:</p> <p>If a penalty is imposed, the party to the Contract, which has the right to impose a penalty, shall prepare a written penalty calculation, which is added to the penalty invoice. The Consultant shall pay the Employer’s penalty invoice within 14 days from the date of receipt.</p> <p>Add a new Sub-Clause 6.1.5 worded as follows:</p> <p>In addition to securities and Retentions specified in the Contract, the Employer is entitled, by means of an unilateral netting, withhold from amounts to be paid to the Consultant such costs and amounts, which the Consultant must pay to the Employer, as per Contract, in damages and penalties.</p>
6.2 Duration of Liability	<p>Reword Sub-Clause 6.2.1 as follows:</p>

	The Consultant's and the Employer's claims, which arise from or are related to the Contract, are subject to a claims limitation period established in national laws.
6.3 Limit of Penalty	Delete Sub-Clauses 6.3.1 and 6.3.2.
6.4 Compensation for Losses	Reword Sub-Clause 6.4.1 as follows: The Consultant shall reimburse all such losses to the Employer, which the Employer has suffered as a result of unlawful conduct of the Consultant, their employees, sub-contractors and other persons related to the consultant, including, but not limited to, cases when the Consultant fails to fulfil the Contract duly and fails to meet the deadlines established in the Contract, as a result whereof funding granted from the European Union and/or Connecting Europe Facility instrument (or from the state budget, if allocated) is lost (fully or partially), it shall be deemed Employer's losses, which shall be covered by the Consultant, and its extent is equal to the amount of lost financing, including penalties (late fees, penalties), which the Employer should have to pay to authorities controlling the use of financial aid of the European Union, if the financing is lost due to the Consultant.
6.5 Exceptions	Delete Sub-Clause 6.5.
7. Insurance	Reword Clause 7 as follows:
7.1 Insurance of Liability and Damages	Reword Sub-Clause 7.1 as follows: The Consultant is obliged to purchase, within 28 (twenty-eight) days of the conclusion of the contract, three civil liability insurance policies relating to all the Consultant's services and works performed by both the Contractor and the Performer of Individual Works: Civil liability policy insuring all the Consultant's obligations under Section 2 of the Works Contract with an insurance limit of not less than EUR 15 000 000 per insurance case and during the whole insurance period. Before concluding the Consultant's civil liability insurance contract, the Consultant is obliged to agree with the Employer on the content of the policy and the insurance rules. Upon entering into the Consultant's civil liability insurance contract, the Consultant has an obligation to submit to the Employer a signed copy of the insurance policy with all the attachments thereto, as well as a document certifying payment of the full or partial payment of the insurance premium. The deductible in the Consultant's civil liability insurance contract may not exceed EUR 20.000 per each insurance case. Civil liability policy insuring all the Consultant's obligations under Section 3 of the Works Contract with an insurance limit of not less than EUR 5 000 000 per insurance case and during the whole insurance period. Before concluding the Consultant's civil liability insurance contract, the Consultant is obliged to agree with the Employer on the content of the policy and the insurance rules. Upon entering into the Consultant's civil liability insurance contract, the Consultant has an obligation to submit to the Employer a signed copy of the insurance policy with all the attachments thereto, as well as a document certifying payment of the full or partial payment of the insurance premium. The deductible in the Consultant's civil liability insurance contract may not exceed EUR 20.000 per each insurance case.

	<p>Civil liability policy insuring all the Consultant's obligations under Section 4 of the Works Contract with an insurance limit of not less than EUR 15 000 000 per insurance case and during the whole insurance period. Before concluding the Consultant's civil liability insurance contract, the Consultant is obliged to agree with the Employer on the content of the policy and the insurance rules. Upon entering into the Consultant's civil liability insurance contract, the Consultant has an obligation to submit to the Employer a signed copy of the insurance policy with all the attachments thereto, as well as a document certifying payment of the full or partial payment of the insurance premium. The deductible in the Consultant's civil liability insurance contract may not exceed EUR 20.000 per each insurance case. Each Consultant's civil liability insurance contract must stipulate that the policy covers the Consultant's:</p> <ul style="list-style-type: none"> (a) Liability as the performer of the expert-examinations in the objects referred to in Clause 1.1.4; (b) Role as the performer of the duties of the construction supervisor over the constructor and subcontractors; and (c) Role as the performer of the duties of the FIDIC Engineer. <p>The Consultant's civil liability insurance contract must insure the Consultant against all risks, including gross negligence and miscalculation. The Consultant's civil liability insurance contract must co-insure all subcontractors and their employees who will be involved in the performance of the objectives and works specified in the construction contract. The Consultant's civil liability insurance contract must provide that the insurer will indemnify the material damage caused to third parties and the financial losses resulting therefrom, as well as the intentional financial loss, damage to the life and health of third parties and damage caused to the environment. The Consultant's civil liability insurance contract must be valid continuously from the moment it was concluded, until the performance certificate of Works is issued in accordance with Clause 11.9 of the Works Contract. The Consultant has an obligation to submit to the Employer payment supporting documents for each payment made in connection with the partial or full payment of the policies. The insurance policies must indicate in unambiguous form that no one is entitled to modify or terminate the insurance contract/-s without a written consent of the Employer.</p>
<p>7.2 Insurance of Employer's Property</p>	<p>Delete Sub-Clause 7.2.</p>
<p>7.3 General Insurance Requirements</p>	<p>Add a new Sub-Clause 7.3 worded as follows: Within the Contract, the Consultant is responsible for the preparation of each insurance contract with the insurer, for any type of insurance, for taking out and maintaining an insurance, as well as timely payment of the insurance premium and correct fulfilment of policy conditions as regards the parties to the insurance contract/-s and the Employer. Before signing each of the insurance contracts mentioned in the Contract, the Consultant shall agree with the Employer in writing on the prepared draft insurance policy/-ies. Insurance provisions and other conditions stipulated in the insurance policy / insurance contract must meet all provisions stipulated in the present</p>

	<p>Contract and the Applicable Law, incl. those stipulated in the present Clause 7, and other additional conditions. In all the drafted insurance contracts, the Consultant as the party signing the insurance contract shall state that all those sub-contractors of the Consultant are co-insured, with whom a contract on the provision of Services, any part thereof is concluded.</p> <p>Insurance policies specified in Sub-Clause 7.1 must indicate the Employer as the third party having the right to bring claims and receive insurance indemnity on the grounds of the issued insurance policy and pursuant to the insurance regulations.</p> <p>Neither party of the insurance contract is entitled to introduce changes in any of the insurance contract conditions without the prior written consent of the Employer and other relevant parties. If the insurance company makes (or wishes to make) any changes in the existing signed insurance contract, it shall promptly notify all the relevant other parties about it.</p> <p>If the Consultant has not entered into any insurance contract or has not fulfilled / is not fulfilling any of the insurance contract provisions, conditions, which it must fulfil pursuant to the Contract, the respective insurance contract, as well as if the Consultant has not maintained a valid insurance contract or if the insurance contract is inconsistent with the requirements listed in Clause 7, or if the Consultant fails to provide the Employer with sufficient proof of valid insurance and payment of premiums, and/or in the event that the insurance period expires before the term stated in Sub-Clause 7.3, the Employer shall be entitled to inform the Consultant about it in writing, and the Employer is entitled to use the Advance Payment security, the Work Performance Security and/or the Retentions, as well as the Employer may suspend any and all payment to be disbursed to the Consultant pursuant to the Contract, a part thereof, until such time that the Consultant duly fulfils all insurance commitments towards the Employer and the insurer as established in the Applicable Law, the relevant insurance contract, this Contract, incl. in this Clause 7.</p> <p>If any insurance contract (insurance policy), which the Consultant must take out pursuant to the Contract, establishes that the payment of the insurance premium is done in several instalments, the Consultant shall ensure that the respective insurer informs the Employer in writing about the next payment deadline at least 30 (thirty) days before the payment deadline of the respective insurance premium, its part, by including a reference to the insurance contract (insurance policy), in line with which the payment must be paid, the amount (sum) of the part of insurance premium to be paid and the respective payment deadline.</p> <p>This shall be without prejudice to the Consultant's or the Employer's obligations, duties or liability pursuant to other Contract provisions. All uninsured compensations or those not recovered from insurance companies shall be covered by the Consultant pursuant to the present obligations, duties and liability. However, if the Consultant has not taken out or maintained a valid insurance, which he had to take out and maintain pursuant to the Contract, which constituted grounds for rejecting insurance indemnification or making a partial pay-out, the Consultant shall have to pay all moneys that could be recovered from this insurance to the Employer. The</p>
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	<p>Consultant shall also cover all losses suffered by the Employer, which insurance companies do not compensate either partly or fully. If the Consultant does not enter into insurance contracts or does not ensure compliance of insurance contracts with the established provisions, all losses that an insurance company would have had to cover according to an insurance company will have to be borne by the Consultant.</p> <p>If any of the insurance contracts expire before the date, day specified in the Contract, the Consultant shall submit to the Employer a new relevant insurance policy (contract) as proof that the relevant insurance contracts are entered into and are valid, and insurance premiums are paid up to the envisaged extent) and the required documents no later than within 28 (twenty-eight) days before the final day of the respective insurance policy / contract term.</p>
8. Disputes and Arbitration	<p>Reword Clause 8 as follows: Any disputes, which the Employer and the Consultant fail to settle amicably, shall be finally settled by a court of general jurisdiction of the Republic of Latvia, designating Riga City Vidzeme Suburb Court as the first instance court according to jurisdiction under the Applicable Law. The Applicable Law shall apply to the interpretation of the Contract and resolution of disputes.</p> <p>Delete Sub-Clauses 8.1, 8.2 and 8.3.</p>
9. Termination and Amendment of Contract	<p>Add a new Clause 9 "Termination of Contract".</p>
9.1 Termination by Employer	<p>Add a new Sub-Clause 9.1 "Termination by Employer", worded as follows: The Employer shall be entitled to unilaterally terminate the Contract, fully or partially, in any of the following cases:</p> <ul style="list-style-type: none"> (a) any of the events specified in Part one of Article 64 of the Public Procurement Law, when the Employer is entitled to unilaterally terminate the procurement contract, has set in; (b) the Consultant has breached Clause 3.8 or has failed to comply with Sub-Clause 5.12 [Securities and retentions] or with Clause 7 [Insurance]; (c) the Consultant has failed to guarantee personnel pursuant to the requirements set forth in the Contract or the Procurement or fails to ensure the presence of personnel for the performance of the Contract as prescribed in Annex 4 [Time Schedule of Services] of the Contract; (d) the Consultant fails to perform any of the duties of a Consultant/Engineer prescribed in the Contract or in the Works Contract; (e) the Consultant is unable to mobilise personnel pursuant to the Contract; (f) the Consultant has handed over their obligations or obligations under the Contract, without having received the necessary

	<p>approval, or has allowed such persons, whose engagement in the Service provision is not agreed with the Employee, to work in the process of Service provision;</p> <p>(g) bankruptcy or a remedies procedure is initiated against the Consultant or, if the Consultant is an association of legal entities, with or without a legal personality, against any of the members/participants of the association, or he is becoming insolvent, has started a liquidation process or acts in the interests of an administrator, a manager or another authorised person acting in the interests of the Consultant’s creditors, or if similar procedures have been commenced against the Consultant, having similar effects to those mentioned above (pursuant to the national law applicable to the person subjected to it, thus, for instance, but not limited to local law of the registration country or the main place of operations);</p> <p>(h) any of the Consultant’s persons or if the Consultant is an association of legal persons, with or without a legal personality, then any of the members/participants of the association, intermediaries or subcontractors gives, accepts or offers (directly or indirectly) any type of bribe, gift, gratitude money, commissions or other valuable as an incentive or compensation for performing or undertaking to perform any activity in relation to the Contract;</p> <p>(i) the Consultant has been involved in corruptive or fraudulent activity, when attempting to earn Contract or during its performance, and the Employer can prove it using any legal means. “Corruptive activities” for the purposes of the present paragraph means offering, giving or requesting any valuable in order to affect the conduct of an official or threats to hurt a person, damage their property or reputation in relation to the procurement procedure or the awarding of Contract to gain or maintain business advantage or other unjustified benefits related to business practice; and “fraudulent activities” means changing misleading facts to influence the procurement procedure or the granting of an awarded in a way that does not benefit the Employer and includes harmonised activity between Service providers (before and after submission of tenders), with the aim of achieving a deliberate, less competitive tender price level within the procurement procedure, thereby eliminating the possibility for the Employer to benefit from the procurement procedure;</p> <p>(j) if the penalty to be paid by the Consultant and/or the Employer's losses reach 10 (ten) per cent of the Accepted Contract Amount;</p> <p>(k) other events set in when the termination of the Contract is governed by Applicable Law existing in the Country;</p> <p>(l) the Cabinet of Ministers of the Republic of Latvia has passed a decision on the review of Project activities or priorities, and therefore the European Union funding that the Employer planned to use to cover payment commitments envisaged in the Contract is substantially reduced or taken away;</p> <p>(m) the Employer fully or partially lacks access to funding for further funding of the performance of Works;</p> <p>(n) the Employer forfeits the rights to implement the Project;</p>
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- (o) the Employer no longer has the need to receive Works, giving up on the construction intent or implementation of a section;
- (p) the Consultant or if the Consultant is an association of legal entities, with or without legal personality, then any of the members/participants of the association, has breached the Supplier declaration and it is found with a ruling of a competent authority that has taken effect.
- (q) the contract cannot be performed because, during the performance of the contract, the Consultant, the member of its board of directors or council, the authorized signatory or the procurator, or the person authorised to represent the Consultant in activities related to a branch, or the member of the general partnership, if the Consultant is a general partnership, is subject to international or national sanctions or substantial sanctions imposed by a Member State of the European Union or the North Atlantic Treaty Organization affecting the financial and capital market interests;
- (r) the contract cannot be performed because, during the performance of the contract, the sub-contractor of the Consultant, where the value of the subcontracted services to be provided is at least 10 per cent of the total contract value, or a person, on whose capabilities the Consultant relies to approve that its qualification meets the requirements as set out in the notice on contract, procurement procedure documents, is subject to international or national sanctions or substantial sanctions imposed by a Member State of the European Union or the North Atlantic Treaty Organization affecting the financial and capital market interests.

In any of these cases, the Employer is entitled to unilaterally terminate the Contract, by notifying the Consultant about it at least 14 (fourteen) days in advance. However, in cases stipulated in sub-paragraphs (h), (i), (j), and (p), the Employer may unilaterally terminate the Contract, immediately, without informing the Consultant about it.

In case of unilateral termination of the Contract, the Employer:

- (i) shall duly compensate the Consultant for Services provided pursuant to the Contract and accepted by the Employer, completed until the day of issuing the unilateral notice of termination;
- (ii) to pay the Retentions to the extent remaining after the unrepaid Advance Payment amount and after covering the Employer's claims calculated as of the time of terminating the Contract, within 30 days from the day of unilateral termination of the Contract (if the Employer has no claims and demands against the Consultant/Engineer).

The Employer does not have to compensate the Consultant for lost profit or other losses, which might arise from termination of this Contract, including, but not limited to, cases, when the Consultant can suffer losses, resulting from purchase of material, equipment necessary for performing the Contract.

	<p>The Employer may unilaterally withhold claims against the Contractor from any amounts payable to the Consultant, Retentions and any of the securities, including, if, at the time of unilateral termination of the Contract, the unrepaid part of the Advance Payment exceeds the Retentions, then the Employer is entitled to collect the remaining part of the unrepaid Advance Payment from the Advance Payment Security and the Contract Payment Security.</p> <p>Upon unilateral termination of the Contract, the Consultant shall, within a term specified by the Employer:</p> <p>(i) vacate the Service and Work performance site and return all documents to the Employer (including design and construction works documentation), which the Contractor has prepared and submitted to the Consultant/Engineer within the framework of the performance of Works, and documentation that the Consultant has prepared under the Contract and Works Contract or that was prepared for their needs. The Consultant shall invest every effort to immediately fulfil all justified instructions included in the notification as regards:</p> <ul style="list-style-type: none"> - assignation of obligations of any sub-contract, and - protection of life and property or Labour safety; <p>(ii) prepare and submit to the Employer a report on the actual status of performance of the Contract and the Works Contract as of the date of Contract termination.</p> <p>In any case, after the termination of Contract, the Employer shall be entitled to complete the Services and Works, and/or agree with any other entity on their completion. The Employer and such contractors may use any goods, Consultant's documents and other designing and construction documentation prepared by the Consultant or a person acting on behalf of the Consultant.</p> <p>Furthermore, in any of the events envisaged in sub-paragraphs (a) through (j) and (p) through (r), the Consultant shall reimburse any losses to the Employer, including but not limited to, the price difference occurring when the Employer orders the required goods, services or works from third parties.</p>
<p>9.2 Contract Amendments</p>	<p>Add a Sub-Clause 9.2 "Contract Amendments" worded as follows:</p> <p>If the Employer fully suspends the provision of Services and Consultant is due Payments for downtime pursuant to Sub-Clause 5.11 of the Contract, then the Employer shall be entitled to unilaterally increase the Contract price by the amount of Payments for downtime, which the Employer must pay to the Consultant for the period of suspension of Service provision pursuant to pricing established in cost positions A1 "Downtime costs for design works or suspension costs before commencement of construction works" and A2 "Suspension costs of construction works between active works phases" in Annex 3 [Remuneration and Payment] of the Contract. The amount of increase of the Contract price may not exceed the value of 3-years' suspension of Service provision as established pursuant to pricing in</p>

	<p>cost positions A1 “Downtime costs for design works or suspension costs before commencement of construction works” and A2 “Suspension costs of construction works between active works phases” in Annex 3 [Remuneration and Payment] to the Contract.</p>
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