

Sagadi

15.06.2013

State Forest Management Centre (hereinafter: **RMK**), represented by **Krista Keedus**, Manager of Sagadi Forest Centre, who is acting under directive no. 1-32/5 issued on 19 January 2010 by the General Director of RMK on the basis of "Confirmed Regulation of Sagadi Forest Centre" and **Latvia Tours Ltd., (Sub-brand CON-EX)** (hereinafter: **Company**), represented by incoming director **Janis Vilcins**, who is acting under the articles of association, hereinafter: Party or Parties, entered into this co-operation agreement, hereinafter: Agreement, in the following:

1. Object of the Agreement

- 1.1. **According to the Agreement**, **RMK** is required to provide accommodation and catering services to the **Company's** clients at the Sagadi manor hotel and restaurant as well as other services in Sagadi manor in accordance with the conditions set forth in the Agreement and its annexes.
- 1.2. The price lists for the services to be provided by **RMK** and special offers are presented in the annexes to the Agreement.
- 1.3. **RMK** may determine the price list for the services and special offers for each calendar year. **RMK** is required to send a copy of the price list for the services and special offers for the following calendar year to the **Company** by at least 1 September of the previous year. The price list in effect for the calendar year's services and special offers shall be in the form of an annex to the Agreement.

2. The Company undertakes:

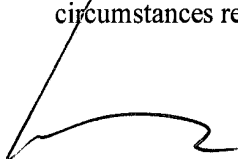
- 2.1. to present in writing requests for accommodation and other services;
- 2.2. to send clients to the museum and hotel/restaurant according to orders confirmed by **RMK**, either with the **Company** vouchers, partner vouchers or service sheets, on the basis of which clients will be served;
- 2.3. to assist **RMK** in locating clients who have caused material damage to **RMK** and in demanding compensation for damage, including forwarding the client contact information if the client caused any material damage to **RMK** while using any of their services.

3. RMK undertakes:

- 3.1. to confirm in writing the order for accommodation for groups (minimum 10 people) and for individual tourists, and to accommodate on the basis of the confirmed accommodation and at the reserved time the clients sent by the **Company** in accordance with the prices and conditions agreed upon in the annex to the Agreement;
- 3.2. to provide free accommodation for children under the age of 2 and at a discount of 50 (fifty) per cent of the daily cost for children between the ages of 2 and 12 for each client in accordance with the included price list;

4. Terms and conditions for presentation of orders

- 4.1. The **Company** will present an order to **RMK** via one of the following methods: in writing by fax number +372 676 7880 or e-mail Sagadi.hotell@rmk.ee
- 4.2. Upon submitting an accommodation order, the **Company** will present to **RMK** a list of the names of clients with their birth dates, home addresses, citizenship and not EU-citizens the number of the travelling document (passport, ID-card etc); arrival and departure dates, room types and number, and the name of the **Company's** employee or representative who is submitting the order.
- 4.3. Upon submitting a museum visit, the **Company** will present to **RMK** the arrival date and time, the number of visitors.
- 4.4. **RMK** will notify the **Company** of confirmation of the accommodation order in one of the following way: e-mail as answer to each person's enquiry. Upon accepting conference and/or catering service orders, **RMK** will present to the **Company** a written offer which sets out all circumstances related to the use of conference halls and catering.



4.5. Upon acceptance of the offer, the **Company** is required to confirm the offer in one of the ways listed in clause 4.1. The **Company's** confirmation is binding for both Parties as of the moment of its receipt by RMK.

5. Procedure for cancellation of orders and penalties

5.1. In the event of a cancellation of a accommodation group order, the **Company** is obligated to pay **RMK** a contractual penalty as follows:

- 5.1.1. 29 (twenty-nine) days before – 30 (thirty) per cent of 1 (one) day's cost per client in accordance with the included price list;
- 5.1.2. 10 (ten) days before – 60 (sixty) per cent of 1 (one) day's cost per client in accordance with the included price list;
- 5.1.3. 1 (one) day before the arrival date indicated in the order – 100 (one hundred) per cent of 1 (one) day's cost per client in accordance with the included price list.

5.2. The **Company** has the right to cancel the order for accommodation and catering service for individual clients up until 24:00 of the day before arrival, in which case **RMK** will not demand a contractual penalty.

5.3. In the event that the **Company** cancels the accommodation order for an individual client after the time given in clause 5.2 or if the client does not arrive at the hotel on the arrival date given in the order, the **Company** is obligated to pay **RMK** a contractual penalty in the amount of 100 (one hundred) per cent of the daily cost in accordance with the included price list.

5.4. The **Company** has the right to cancel the order for guidance up until 24:00 of the day before arrival, in which case **RMK** will not demand a contractual penalty.

5.5. In the event that the **Company** cancels the guidance order for an individual client after the time given in clause 5.4 or if the client does not arrive on the arrival time given in the order (+ 30 minutes), the **Company** is obligated to pay **RMK** a contractual penalty in the amount of 50 (fifty) per cent of the guidance cost in accordance with the included price list.

6. Payment conditions

6.1. The **Company** shall pay for the services provided to the clients on the basis of the invoice placed by **RMK** within 7 (seven) calendar days after receiving the invoice. If the invoice is not paid by the due date, the **Company** shall pay late interest at the rate of 0.5% of the outstanding sum per day.

6.2. **RMK** may demand advance payment upon ordering the following services if the **Company** has not paid at least 1 (one) of their earlier invoices in a timely manner.

7. Term, expiration and termination of Agreement

7.1. The Agreement terminates all previous contracts made by Parties.

7.2. The Agreement enters into force after signing both representatives and is made for an indefinite term.

7.3. The Parties may unilaterally terminate the Agreement in the manner prescribed in the Agreement.

7.4. Either Party may terminate the Agreement by providing two (2) calendar months' notice to the other Party in writing.

7.5. Either Party may cancel the Agreement without following the time limit specified in clause 7.3 if it becomes apparent that taking into account all conditions and considering the interests of both Parties it cannot be expected that the Party wishing to terminate the Agreement would continue performing the Agreement until the expiry of the cancellation date. First and foremost in this case the basis for cancellation of the Agreement without following the time limit for prior notice is the repeated non-fulfilment or unsatisfactory fulfilment of the contractual obligations by one Party; also the rearrangement of activities at RMK Sagadi Manor, its transfer to the use of another individual or change in ownership.



8. Final provisions

- 8.1. All amendments to the Agreement shall take effect upon their signing by both Parties or at a date designated in writing by the Parties.
- 8.2. Any disagreements or disputes related to the Agreement shall be solved by the Parties first and foremost by way of negotiations. If the disputes arising from the Agreement cannot be solved by the Parties by way of negotiations, the disputes shall be resolved in the court of residence or location of the defendant.
- 8.3. This Agreement is made in two copies of equal legal power, of which one copy shall be given to the **Company** and one to **RMK**.

Information and signatures of Parties

RMK

State Forest Management Centre
Toompuiaku 24, Tallinn
Registry code 70004459
Sagadi Forest Centre
Sagadi küla Vihula vald
45403 Lääne-Virumaa, Estonia
Tel. + 372 676 7888
Fax + 372 676 7880
E-mail: sagadi.hotell@rmk.ee
Vat nr: EE100559901
Account nr: 10502024289007
IBAN code: EE071010502024289007
Bank name: SEB Pank AS
SWIFT: EEUHEE2X

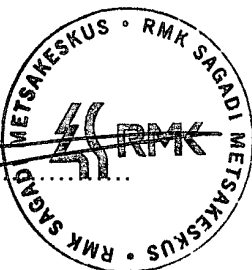
COMPANY

Latvia Tours Ltd.
(Sub-brand Con-ex)
Aspazijas blvd. 24-10, LV-1050, Riga, Latvia
Reg.nr. 40103042144
VAT Reg.nr. LV40103042144
AS Swedbank
HABALV22
Iban: LV62HABA0551012464662

ph. +371 67085001
fax. +371 67820020
e-mail: info@con-ex.com

RMK

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Krista Keedus



Latvia Tours Ltd
(Sub-brand CON-EX)

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Janis Vilcins

