

TERMS OF AND CONDITIONS OF CONTRACTS FOR SERVICES (Ministry of Justice and Digital Affairs)

1. General clauses

- 1.1. A Contract shall consist of these terms and conditions (hereinafter the "Terms and Conditions"), special terms (hereinafter the "Special Terms") and appendices thereto.
- 1.2. The purpose of the Contract is to regulate the legal relationships between the Client and the Mandatary, resulting from the Contract.
- 1.3. The Parties shall be independent in their activities and no Party shall be responsible for performance of any obligations undertaken by the other Party towards any third parties.
- 1.4. The rights and obligations of the Parties shall be based on the legislation in force in the Republic of Estonia and on the Contract together with its accompanying documents.
- 1.5. The Parties hereby declare and confirm that by signing the Contract they have not violated any provisions of any laws, statutes or other legislation applicable to them nor any obligations undertaken by them with any contracts or agreements entered into earlier.
- 1.6. The Parties hereby declare and confirm the following:
 - 1.6.1. They have the passive and active legal capacity (in case of a Party being a natural person) prescribed in the law for signing the Contract and for performing the obligations and exercising the rights resulting from the Contract;
 - 1.6.2. The persons having signed the Contract and its appendices on their behalf have all the required authorisations for signing the Contract according to all statutes, legislation and other relevant documents.
- 1.7. The signing of the Contract shall invalidate all earlier agreements and contracts between the Parties to the extent that these are in conflict with the Contract.

2. Object of the Contract

The Services to be performed by the Mandatary shall be stated in the Contract and its accompanying documents. The Mandatary shall also be subject to the obligation of performing such Services and actions, incl. auxiliary actions, which are not stated in the Contract but which by their nature are included in the Services related to the Contract. The aforementioned Services and actions shall not be subject to additional remuneration, unless agreed otherwise between the Parties, and the Mandatary shall perform such Services and actions within the time limits and for the remuneration stated in the Contract.

3. Mandatary's obligations

The Mandatary shall have the following obligations:

- 3.1. To perform the Services at own expense and responsibility and with due diligence and on a professional level, in conformity with the Contract, the legislation, the standards and good practices applied in its profession or field of activities, and to deliver the Services in agreed time and under agreed conditions, handing them over to the Client or to the persons stated by the Client. If the Services being the object of a Contract signed with the Mandatary being a natural person entail the creation of Services, then the Mandatary shall be assumed to create the Services personally, except if the Parties agree otherwise. In that case, any involving of third parties in the performing of the Services (the creating of Services) shall be subject to the Client's prior consent granted in a form allowing for reproduction in writing, and shall be subject to the condition that the contracts to be signed with the involved third parties are not in conflict with the terms of the Contract;
- 3.2. To provide the Client with information about the performing of the Services, according to the information format requested by the Client, and to take into account the Client's suggestions and to cooperate with the persons stated by the Client;
- 3.3. To inform the Client in a form allowing for reproduction in writing about all circumstances hindering the Mandatary from proper performance of its obligations, including, but not only those affecting the quality or cost of the Services or having other unfavourable effect on the performance of the Contract, whereas such informing of the Client shall take place immediately and no later than within 2 (two) business days after the discovering of such circumstances. The respecting of this obligation to inform the Client in such cases shall not automatically grant the Mandatary the right to exceed the overall price of the Services or the time limits for performing the Services, to disregard the quality requirements for the Services as stated in the Contract, etc. without the Client's relevant consent given in the same form as the Contract;
- 3.4. To pay on own account all copyright fees and any other charges related to the performance of the Contract, payable to third parties;

- 3.5. To hand over to the Client the completed Services and the rights and documentation related to the Services. The Mandatary also undertakes to hand over to the Client the information about the rights of third parties regarding the Services (name; function upon performing the Services, scope of rights, etc.);
- 3.6. To inform the Client in a form allowing for reproduction in writing about any of its interests which may give rise to a conflict of interests, including in relation with (court) disputes with the Ministry of Justice and Digital Affairs and the agencies in its area of government, consultations provided by the Mandatary to third parties, etc. and any other similar situation. In case of a violation of this obligation, the Client shall have the right to demand that the Mandatary pay a contract penalty in the amount of 1,500 (one thousand five hundred) euros per each violation. The Client shall also have the right to unilaterally terminate the Contract in such a case;
- 3.7. To perform other obligations entailed in the performing of the Services and prescribed in the Contract and the relevant legislation.

4. Mandatary's rights

The Mandatary shall have the following rights:

- 4.1. To demand that the Client respect the terms of the Contract;
- 4.2. To receive remuneration from the Client for performing the Services, according to the terms and procedure stated in the Contract;
- 4.3. To make suggestions to the Client regarding performance of the Services, by presenting own justifications for the suggestions in a form allowing for reproduction in writing, which the Client shall review and shall inform the Mandatary about its decision about accepting or rejecting the suggestion;
- 4.4. To demand the elimination of any unlawful hindrances to performing the Services if those hindrances depend on the Client;
- 4.5. To request the conducting of meetings related to the performing of the, if it is unavoidable for a normal performing of the Services, for respecting the time limits and/or for ensuring the quality. The Client shall be informed about a meeting at least 2 (two) business days in advance, in a form allowing for reproduction in writing;
- 4.6. To exercise other rights prescribed in the Contract and in the relevant legislation.

5. Client's obligations

The Client shall have the following obligations:

- 5.1. To pay remuneration to the Mandatary for performing the Services, according to the terms and procedure stated in the Contract;
- 5.2. To satisfy the necessary prerequisites for the Mandatary to perform the Services, according to the provisions of the Special Terms;
- 5.3. To refrain from causing unjustified hindrances to the Mandatary from performing the Services;
- 5.4. To receive from the Mandatary the contractual Services if those have been completed properly;
- 5.5. To participate in regular meetings related to the Services;
- 5.6. To perform other obligations prescribed in the Contract and the relevant legislation.

6. Client's rights

The Client shall have the following rights:

- 6.1. To demand that the Mandatary respect the budget and the terms of the Contract;
- 6.2. To refuse in justified cases the approval for suggestions presented by the Mandatary;
- 6.3. To summon a meeting of the Parties, informing the Mandatary about it 2 (two) business days in advance if possible, utilising a form of notice allowing for reproduction in writing;
- 6.4. To exercise other rights prescribed in the Contract and in the relevant legislation.

7. Contract Price

- 7.1. The Contract Price shall include all expenses of the Mandatary under the Contract, and the charges for the copyrights stated in the Contract (copyright waivers and personal licensing of use), also all other expenses for performing of the Services.
- 7.2. The Client shall remunerate the Mandatary for the properly performed Services according to the provisions of the Special Terms, either after the Parties have signed the handover-receiving act of the Services and the invoice based on that has been received and approved or after the receiving of the invoice issued after the completion of the Services, or in case of the Mandatary being a natural person, after the Parties have signed the handover-receiving act of the Services. The payment deadline of the invoice must be at least 10 (ten) business days after the date of receiving it. If the Contract Price is paid to a Mandatary being a natural person, after the Parties

have signed the handover-receiving act of the Services, then the payment of the Contract Price shall depend on the date of signing the handover-receiving act. If the handover-receiving act is signed before the 15th (fifteenth) day of a month, then the Contract Price shall be paid no later than by the end of that month. If the handover-receiving act is signed after the 15th (fifteenth) day of a month, then the Contract Price shall be paid no later than by the last day of the subsequent month.

- 7.3. If, upon performing of the Contract, it turns out that the wishes of the Client require the Services to be supplemented or amended in a manner that differs from the initial agreement stated in the Contract and entailing a change of the volume of the Services, then the relevant change of the Contract Price shall be agreed between the Parties in the same form as the Contract.
- 7.4. If the Services do not conform to the requirements stated in the Contract, then the Client may demand a unilateral discount of the Contract Price, informing the Mandatary about it in a form allowing for reproduction in writing. A discount of the Contract Price may also be documented in the handover-receiving act of the Services.

8. Quality of the Services. Handover and receiving

- 8.1. The quality of the Services must conform to at least the requirements stated in the Contract and the requirements usually posed to such Services. All documents etc. accompanying the Services must also conform to such requirements.
- 8.2. The handover and receiving of the Services shall take place according to the provisions of the Special Terms, either with the Parties signing handover-receiving act(s) or with the Client approving an invoice. The Client shall have the right to refuse to accept Services not conforming to the prescribed requirements, stating the specific reasons for such refusal.
- 8.3. The Mandatary shall have the right to prove the falseness of the presented justifications for refusing to accept the Services, by ordering an expert assessment from an independent expert acceptable for both Parties. If the expert assessment proves that the refusal to accept the Services was unjustified, then the Client shall compensate to the Mandatary the expenses of the expert assessment; in opposite case the Mandatary shall bear those expenses.

9. Liability of the Parties. Force Majeure

9.1. Liability of the Mandatary:

- 9.1.1. The Mandatary shall be liable for any and all violations of the Contract, primarily if the Services do not conform to the requirements agreed in the Contract and its appendices. The Services shall be considered non-conformant in the following and not only the following cases: if the Mandatary does not present the required documentation upon handover-receiving of the Services; if the Mandatary does not hand over the Services in due time; if the Mandatary does not perform the Services according to the prescribed requirements; if the Mandatary fails to provide the Client with information about the performance of the Contract; etc.
- 9.1.2. If the Mandatary violates an obligation resulting from the Contract and the violation cannot be amended, then the Client shall have the right to demand that the Mandatary pay a contract penalty of 5% (five percent) of the Contract Price per each violation. In case of a significant violation of the Contract, the Client shall have the right to unilaterally terminate the Contract in addition to demanding the contract penalty.
- 9.1.3. If the Mandatary violates an obligation resulting from the Contract and the violation cannot be amended, then the Client shall have the right to issue a request to the Mandatary for elimination of violations (hereinafter the "Prescript"), granting the Mandatary a reasonable time limit for eliminating the violation (depending on the nature of the Services, the circumstances of the violation, etc, but generally not more than 5 (five) business days). If the Mandatary does not satisfy a Prescript within the time limit specified for it, then the Mandatary shall pay to the Client a delay penalty in the amount of 0.5% (nought point five percent) of the Contract Price for each delayed day, except in cases stated in clause 9.1.4 where the penalty rate stated in that clause shall be applied. The Mandatary's delay in eliminating a violation shall also grant the Client the right to unilaterally terminate the Contract, regardless of issuing a Prescript. If the violation is a significant one, then the Client shall not be required to grant the Mandatary an additional time limit for eliminating the violation and may unilaterally terminate the Contract upon a significant violation.
- 9.1.4. If the Mandatary delays the completion or handover of the Services in excess of the deadlines agreed in the Contract, then the Client shall have the right to demand that the Mandatary pay a delay penalty in the amount of 1% (one percent) of the price of the Services not performed or not handed over, per each delayed day.

- 9.1.5. The Mandatary shall be obliged to compensate all expenses and damages that the Client incurs in relation with shortcomings in the Services performed by the Mandatary.
 - 9.1.6. Any violation of the obligations resulting from clause 12 shall be considered a significant violation of the Contract whereupon the Client shall have the right to unilaterally terminate the Contract and/or demand a contract penalty in the amount of 5% (five percent) of the Contract Price for each violation. In case of terminating the Contract on the basis of this clause, the Client shall remunerate the performed Services to the Mandatary only if the Client is interested in the partial performance of the Services.
 - 9.1.7. A unilateral termination of the Contract shall not take away the Client's right to demand that the Mandatary pay a penalty and compensate the damages. If a single violation is subject to penalties according to several provisions of the Contract, then the Client shall have the right to decide under which provision to demand the penalty.
 - 9.1.8. Upon remunerating the Services, the Client shall have the right to reduce the Contract Price by the amount of payable penalties. The penalties stated in the Contract are intended for enforcing the performance of the agreed obligations and the demanding of any penalty shall not affect the Client's right to demand that the Mandatary also perform the relevant obligation and compensate the damages.
 - 9.2. The Client's liability:
 - 9.2.1. If the Client delays the performance of the monetary obligations stated in the Contract, then the Mandatary shall have the right to demand that the Client pay a delay penalty in the amount of 0.05% (nought point nought five percent) of the due sum per each delayed day, but not more than 5% (five percent) of the Contract Price.
 - 9.3. A non-performance or mis-performance of the obligations resulting from the Contract shall not be deemed a violation of the Contract if it was caused by Force Majeure. Force Majeure shall be considered to be the circumstances stated in subsection 103 (2) of the Law of Obligations Act. The Party whose performance of its contractual obligations is hindered due to Force Majeure circumstances shall be obliged to inform the other Party about it immediately, using a form allowing for reproduction in writing. In case of Force Majeure circumstances, the end date of the Contract shall be postponed by the period of occurrence of such circumstances. Upon the Force Majeure circumstances disappearing, the Party shall continue the performance of the Contract. If Force Majeure circumstances hinder a Party from performing its contractual obligations for more than 60 (sixty) calendar days in a row, then either Party may terminate the Contract.
- 10. Delivery of notices; authorised representatives**
- 10.1. As a rule, notices shall be delivered via telephone, e-mail, fax or postage. If the delivery of a notice has significant legal consequences, then the notice must be delivered in a written form, including, but not only notices of terminating the Contract, claims of a Party against the other Party due to violation of the Contract, etc. Digitally signed form shall be considered equivalent to a written form.
 - 10.2. All notices related to the Contract shall be delivered to the contact addresses stated in the Contract. A Party shall immediately inform the other Party about any changes of its contact data. If a Party has changed its contact data during the validity of the Contract and has not informed the other Party about it in a form allowing for reproduction in writing, then a notice shall be considered to be received if it has been sent to the latest contact data that the Party has stated.
 - 10.3. A written notice shall be considered to be received if it has been delivered against signature or if it has been sent by registered mail to the address that the recipient Party has stated and 5 (five) calendar days have passed from posting the notice. In case of sending by fax, the notice shall be considered to be received at the time stated in the heading of the fax. In case of sending via e-mail, incl. digitally signed documents, the notice shall be considered to be received at the time stated in the delivery message or at the sending time stated in the e-mail letter.
 - 10.4. The authorised representatives of the Parties are stated in the Special Terms to the Contract. The Client's authorised representative shall have the right to represent the Client in all matters related to performing the Contract, except amending the Contract (incl. increasing the extent of the Contract, significant changes of the Contract's object or time limits, etc.), unilateral termination of the Contract, and issuing of a demand for a contract penalty, delay penalty or a damage compensation.
- 11. Title. Copyrights. Preservation of materials and information**
- 11.1. The results of the Services created by the Mandatary under the Contract or acquired by the Mandatary from third parties and received and paid for by the Client under the Contract (hereinafter the "Materials") and all transferable intellectual property rights related thereto, incl. all proprietary rights of authors (hereinafter the "Rights") shall transfer in full to the Client upon

reception of the Materials for the price stated in the Contract (Contract Price). Regarding such intellectual property rights to the Materials which cannot be transferred by their nature, incl. personal rights of authors, the Mandatary shall grant the Client an irrevocable exclusive license which shall be valid from the moment of handover of the Materials and during the entire period of validity of copyrights. After the reception of the Materials, the Client shall have the right to decide at own discretion the circumstances related to use of the Materials, incl. the manner of publishing of the Materials, the start time and terms of using the Materials, to make any changes, supplements and corrections to the Materials, their titles or markings of author's name, to add the Services of other persons to the Materials, to dispute any distortions of the Materials, their titles or markings of author's name and any damaging assessments given to them, and to request the ceasing of use of the Materials (exclusive license with the right of sub-licensing), among other rights. The Mandatary shall be obliged to ensure that it has all the rights necessary for the waiver of proprietary rights and the licensing of the personal rights as described above.

- 11.2. The manner and territory of using the Materials shall not be limited, i.e. they can be used in any manner (incl. Internet environments) and in the entire world.
- 11.3. The Mandatary shall not have the right to use the Rights or the Materials or any parts of the Materials with independent meaning, unless having the Client's prior written consent.
- 11.4. The information collected by the Mandatary under the Contract and any processed results of that information shall be considered the Client's property and the Mandatary shall be obliged to hand all such information in its possession over to the Client immediately and at own expense upon the Contract ending if the Client so requests. The Client shall also have the title to the data media used for reproducing the Materials.
- 11.5. All drafts, plans, drawings, specifications and other documents in any form and with any content, created by the Mandatary or ended up in the Mandatary's possession or control upon performing the Services under the Contract, shall be considered the Client's property. Upon the Contract ending, the Mandatary shall be obliged to return to the Client immediately and at own expense all documents, other information media and technical means referenced above which are in the Mandatary's possession, unless the Parties have agreed otherwise.
- 11.6. If the Client does not request after the ending or terminating of the Contract that the Mandatary hand over the documentation stated in clauses 11.4 and 11.5 of the Contract, then the Mandatary shall be obliged to preserve that documentation at own expense for 3 (three) years after the end of the Contract. The Mandatary shall be obliged to forward the aforementioned documentation at own expense to the Client within 30 (thirty) days after receiving the relevant notice. After the term of preservation the Mandatary shall have the right to fully or partially destroy such documents and the Client's right of claiming them shall end. In any case the Mandatary shall be obliged to hand over to the Client without a relevant request all documents and information necessary for using the Rights under the Contract.
- 11.7. If a third party hinders the Client from using the intellectual property rights resulting for the Client from the Contract or if a third party violates those rights, then the Client shall immediately inform the Mandatary about it and the Mandatary shall immediately employ all necessary measures to allow the use of the rights resulting from the Contract and to end the violation of the Client's rights. Upon the Mandatary employing such measures, the Client shall cooperate with the Mandatary to the necessary extent.
- 11.8. If a claim is filed against the Client due to a violation of copyrights committed upon performing the Services, then the Mandatary shall bear liability for the damages caused to the Client.

12. **Confidentiality**

- 12.1. The Mandatary shall be obliged to keep the confidentiality of all data that have become known to it in relation with performing the Contract, and shall continue keeping that confidentiality during the validity of the Contract and after the end of the Contract for an indefinite period. Particularly, but not only, the Mandatary shall be obliged to keep the confidentiality of the data contained in the Contract, in the documents handed over for the purpose of performing the Contract and in other documents the content of which the Mandatary has been able to review in relation with performing the Contract, and additionally all data which the Client can be expected to be justifiably interested in keeping confidential.
- 12.2. Confidential information may be disclosed to any third parties only with the Client's prior consent granted in a form allowing for reproduction in writing. The confidentiality requirement stated in the Contract shall not extend to disclosure of information to auditors, advocates and banks of the relevant Party and in cases where the Party is required by the legislation to disclose the information. The Mandatary is in knowledge that the Contract is public in the extent prescribed in the Public Information Act.

- 12.3. The Mandatary shall be obliged to employ organisational, physical and information technology measures of security in order to protect the confidential data from incidental or wilful unauthorised changing, incidental destruction, wilful destruction, disclosure, etc.
- 12.4. The Mandatary shall be obliged to refrain from using the confidential information in any manner for the purpose of personal gain or in the interest of any third parties.
- 12.5. The Mandatary shall be obliged to ensure that the Mandatary's representative(s), employees, contract partners and other persons used by the Mandatary in the course of performing its obligations are aware of the confidentiality obligation stated in the Contract, and to request that such persons respect that obligation unconditionally and indefinitely.
- 12.6. The Mandatary shall not engage in public relations regarding the Contract and shall not issue any press releases regarding it to traditional or electronic media, to the public or other audiences, except if having the Client's prior consent granted in a form allowing for reproduction in writing. Any notices to be published must have their text coordinated with the Client beforehand.

13. Final clauses

- 13.1. The Contract shall enter into force at the moment of being signed by the Parties and shall remain valid until the realisation of all rights and performing of all obligations resulting from the Contract. The terms of the Contract may be changed only with a written or digitally signed agreement between the Parties.
- 13.2. Each Party may unilaterally terminate the Contract and use any other means of legal protection, etc. in cases and according to the procedure stated in the legislation, in addition to the cases stated in the Contract.
- 13.3. The end of the Contract shall not affect the performance of obligations which by their nature remain valid after the end of the Contract (e.g. the confidentiality obligation, agreements regarding the intellectual property rights of the Materials, etc.).
- 13.4. The Parties have agreed that they have the right to transfer the rights and obligations resulting from and related to the Contract to any third parties, but only with the other Party's prior consent granted in a form allowing for reproduction in writing. Transferring of rights and obligations to third parties within the meaning of this provision shall not be construed to have the same meaning as the Client transferring the rights and obligations resulting from and related to the Contract to another state agency or state company.
- 13.5. The Estonian law shall be applied to the Contract. If a provision of the Contract turns out to be in conflict with the legislation in force in Estonia, then it shall not affect the validity of the rest of its provisions. If such a provision is of imperative importance and it is impossible to agree differently from it, then the provisions in conflict with the legislation shall be made to conform to the legislation as soon as possible.
- 13.6. Any and all disputes related to the Contract, which the Parties cannot solve by mutual negotiations, shall be resolved by the Harju County Court.
- 13.7. If, upon extending a Contract with a definite validity period, the Terms and Conditions have changed when compared to the previous period and the Client has informed the Mandatary about the relevant changes of the Terms and Conditions, then the new Terms and Conditions shall be considered to be in force from the moment of extending the validity period of the Contract.
- 13.8. The Terms and Conditions comprise 6 (six) pages.