

**Eesti Energia AS¹ and the group companies' general terms and conditions of the contract for
construction services**

1. OBJECT OF THE CONTRACT

1.1. The object of the Contract is the construction, by the Contractor, of a building, civil engineering work, small construction work or temporary construction work or parts or details thereof, including technical equipment and systems installed within the buildings or civil engineering work (hereinafter referred to as Construction Work) ordered by the Contracting Authority, pursuant to the procedure, by the deadline, in the volume and with the quality provided in the Contract (hereinafter referred to as Work).

1.2. For the purposes of these General Terms and Conditions, "construction" means the erection, extension, reconstruction, re-installation of technical systems, renovation and demolition of Construction Work.

1.3. The Contractor shall perform the Work in compliance with this Contract. The Work shall be considered as performed in compliance with the Contract, if the Work meets the requirements arising from the Contract as well as the valid legal acts, rules, standards, and the standards and permits specified in the contract documents and/or the technical specifications. The documents accompanying the Work which forms the object of the Contract, including the documents required by legal acts, must also meet the conditions provided in the Contract.

1.4. The Contractor shall be held liable for appropriate adherence to the procedures, instructions, rules and regulations established by the Contracting Authority during performance of the Contract. The procedures, instructions, rules and regulations established by the Contracting Authority are available at <https://www8.energia.ee/public/ee043.nsf/WebiOmaKJP?OpenFrameSet> (Ctrl + Click to follow link).

1.5. With regard to requirements not specified in the Contract, the Work must meet the standard requirements established for similar activities and/or allow the Contracting Authority to achieve the objective pursued under the Contract and be of reasonable quality, considering the circumstances, but at least of average quality.

1.6. The Work shall be considered as non-compliant with the conditions of the Contract, *inter alia*, if third parties gain claims or other rights with respect to the Work, which can be filed against the Contracting Authority, or if the accompanying documents prepared or outsourced by the Contractor fail to meet the requirements established in the Contract or legal acts.

1.7. The Contractor shall declare and warrant that the Contractor has examined the site, including the

access road and the working conditions (including the work to be undertaken, the weather conditions), has carried out or outsourced investigations, external observations, prepared or outsourced reports, recommendations, has examined the expert opinions and brought the results of all investigations, external observations, reports, recommendations and expert opinions into line with the requirements stipulated in the Contract. The Work shall also include work which, even if not directly described in the Contract, is to be expected under good building practices and from a professional contractor and is required for the achievement of the objective described in the Contract and appropriate performance of the agreed work.

1.8. The priority of the contract documents has been stipulated in the Contract.

2. THE PARTIES' OBLIGATIONS AND RIGHTS

2.1. The Contractor is obliged to:

2.1.1. organise meetings discussing performance of the Work and the Contract as agreed with the Contracting Authority, with the time and place of the meetings to be specified after entry into force of the Contract;

2.1.2. perform the work in accordance with the Contract;

2.1.3. deliver the Work to the Contracting Authority on the terms and conditions stipulated in the Contract (in the agreed stage of completion and with the agreed finishing);

2.1.4. return to the Contracting Authority or any person designated by the same the equipment and materials which have been provided to the Contractor by the Contracting Authority for the purpose of carrying out the Work, but which have been left unused;

2.1.5. return any tools provided to the Contractor by the Contracting Authority for the purpose of carrying out the Work;

2.1.6. on the Contracting Authority's request, submit the list of tools and materials to be delivered to the Contracting Authority's restricted territory prior to commencement of the Work;

2.1.7. ensure adherence to all occupational health, safety and environmental requirements during performance of the Work, and bear the related expenses;

2.1.8. take responsibility for occupational health and safety on the site. The Contractor is obliged, upon the Contracting Authority's request, to designate its representative in matters related to occupational health and safety, fire safety and electrical safety,

and to inform the Contracting Authority of the designated representative before commencement of the Work;

2.1.9. ensure that the employees of the Contractor and subcontractor(s) have the required qualifications and have completed the occupational safety and fire safety training required for the performance of the Work, and adhere to the relevant requirements on the Contracting Authority's premises (including on the site);

2.1.10. co-ordinate, in writing, with the Contracting Authority's contact persons specified in the Contract any subcontractors to be used during performance of the Work. The subcontractors must have the required qualifications and the technical preparedness for the performance of the work. The fact that the subcontractor or the work performed by the subcontractor has been coordinated with the Contracting Authority shall not reduce the Contractor's liability;

2.1.11. only use, for the performance of the Work, employees who have the required knowledge, skills, experience and valid rights to perform the corresponding work;

2.1.12. use, during performance of the Work, appropriate personal protective equipment (including working clothing bearing the business name and/or logo of the Contractor or subcontractor) required for minimising any hazard arising from the performed work or the immediate vicinity of the site;

2.1.13. ensure availability of basic fire extinguishing equipment when performing work involving an open flame;

2.1.14. adhere to the relevant written or oral instructions given by the Contracting Authority with regard to occupational safety, fire safety and environmental safety;

2.1.15. not to perform work not specified in the Contract, and not to access any part of the Contracting Authority's premises without a justifiable need;

2.1.16. organise the Work in such a way as to rule out any danger or damage to third parties entering the site or its immediate vicinity, or their property, or the environment. Access to potentially dangerous areas shall be restricted. Access restrictions and access control shall be the responsibility of the Contractor;

2.1.17. immediately seek the instructions and written approvals of the Contracting Authority for performance of the Work, if the Contractor discovers any differences between the Contract and the building design documentation provided by the Contracting Authority for the performance of the Work, or if the design contains a requirement which is liable to damage the Work to be performed;

2.1.18. prepare the Work plan, if the Work is to be carried out in the immediate vicinity of existing utilities or civil engineering work. The Work plan shall be coordinated with the Contracting Authority before commencement of the Work;

2.1.19. coordinate the Work plan with third parties or the respective authorities before commencement of the Work, if the corresponding requirement has been stipulated in the contract documents and/or the Contract and/or the valid legal acts and/or

instructions. Any expenses related to the coordination shall be borne by the Contractor (including state fees, invoices for the coordination);

2.1.20. apply, in the name of the Contracting Authority, for the written permits and coordination required for the approval of the Work and subsequent use of the Construction Work. Any expenses associated with the activities referred to in this Article (including state fees) shall be borne by the Contractor. To apply, in his own name, other permits which are not issued in the name of the owner of the construction work, and ensure their validity during the entire term of the Contract (unless otherwise provided by law);

2.1.21. supply the materials and equipment. The Contracting Authority is obliged to supply the materials and equipment, only if explicitly provided in the Contract;

2.1.22. immediately inform the Contracting Authority's contact person in technical matters of any need to introduce amendments in the building design documentation. The application for amendment of the building design documentation shall be submitted in writing to the Contracting Authority's contact person in technical matters prior to the introduction of the amendment and performance of the Work;

2.1.23. allow the Contracting Authority to verify and carry out supervision of the compliance of the Work performed by the Contractor with the conditions of the Contract, provided that the Contractor has been previously informed of the verification and the possibility to participate;

2.1.24. eliminate, at his own expense, any non-compliance of the Work, including the Construction Work, with the conditions of the Contract, which is discovered in the course of performance of the Work;

2.1.25. notify the owners of the registered immovables directly or indirectly affected by the performance of the Work, of the commencement of the Work in writing, by registered mail or against signature, at least three (3) working days before commencement of the Work;

2.1.26. to acquire materials and equipment which have been removed in the course of performance of the Work and are not required by the Contracting Authority (except for metal and non-ferrous metal and reusable materials and equipment). An instrument of delivery and receipt shall be prepared for the delivery and receipt of materials and equipment not required by the Contracting Authority;

2.1.27. to manage the removed materials and equipment the ownership or possession of which has been transferred to the Contractor in such a way that, should the materials and equipment be transformed into waste for any reason whatsoever, the Contractor as the waste producer, waste owner or waste holder would be obliged to process the hazardous or non-hazardous waste in accordance with the valid legal acts. If the Contractor does not hold a waste permit or integrated environmental permit or a registration in the register of waste or a hazardous waste management licence, the Contractor shall hand the non-hazardous waste over to a person who holds a waste permit or integrated environmental permit or a registration in the register of waste, and the hazardous waste to a person who holds waste permit

and a hazardous waste management licence. Where the waste holder is the Contracting Authority specified in the Annex to the Contract, the Contractor shall adhere to the terms and conditions of the waste management procedure established for the Contracting Authority's premises (see also Article 1.4);

2.1.28. remain responsible, for a period of two (2) years after the signing of the instrument of delivery and receipt by the Contracting Authority, for any non-compliance of the Work, including the Construction Work (hereinafter referred to as the Warranty Period). The Contractor shall be held liable for any deficiencies in the materials and equipment used in the course of performance of the Work for a period of two (2) years after the signing of the instrument of delivery and receipt of the Work by the Contracting Authority (hereinafter referred to as the Warranty Period);

2.1.29. display, in a visible location, a board/poster containing information on the object, if so required by law and/or a regulation/order of the local government and/or requested by the Contracting Authority. The board shall display at least the following information:

2.1.29.1. name of the Contractor;

2.1.29.2. Contractor's representative/responsible specialist, contact;

2.1.29.3. Contracting Authority's representative/responsible specialist, contact;

2.1.29.4. time and scope of performance of the Work;

2.1.29.5. building permit/building notice number;

2.1.29.6. excavation permit number.

2.1.30. inform the Contracting Authority of any circumstances liable to jeopardize the performance of the Work in accordance with the Contract;

2.1.31. immediately inform the Contracting Authority of any accidents (including accidents at work), malfunction of equipment, loss events and hazards to the environment;

2.1.32. prepare the Construction Work for delivery to the Contracting Authority and keep the site, including the Construction Work or a part thereof (including snow control during the winter season), in order and to bear the related expenses, eliminate any build-up of construction products, materials and waste on the construction site and, upon completion of the Work or Construction Work forming the object of the Contract, remove the residue and waste generated in the course of performance of the Work, remove the Contractor's tools, equipment and machinery and deliver the Construction Work upon completion of the Work in an orderly and clean condition;

2.1.33. document the work carried out in the course of performance of the Work in accordance with the requirements established by legal acts and the Contracting Authority's instructions;

2.1.34. present to the Contracting Authority for inspection any work to be covered by subsequent work or structures (Covered Work). An instrument of Covered Work shall be prepared for the inspection of

Covered Work. The Contractor shall submit the instrument of Covered Work (in electronic form) to the Contracting Authority for review two (2) working days prior to the inspection of the Covered Work. All Covered Work must be completed and the accompanying documentation submitted to the Contracting Authority by the time of the inspection. Should the Contractor fail to adhere to the requirements provided in this Article, the Contracting Authority shall have the right to postpone the inspection of the Covered Work by a minimum of two (2) working days, without the Contractor having the right to extend the term of the Contract. Should the Contracting Authority's representative fail to participate in the inspection of the Covered Work at the time scheduled by the Contractor and notified to the Contracting Authority by e-mail (in a format which can be reproduced in writing) at least two (2) working days in advance, the Contractor shall prepare a unilateral instrument and shall be authorised to proceed with the next stage of the scheduled work. Disassembly of the Covered Work for inspection at a later stage shall only be carried out on the request of the Contracting Authority, who shall also bear the related expenses. Where the disassembly reveals a defect or deficiency within the Covered Work, the disassembly expenses shall be borne by the Contractor. The Contracting Authority shall sign the instruments of Covered Work, or submit a justified refusal within two (2) working days after completion of the inspection. The inspection of the Covered Work and the preparation of the instrument shall take place on working days (Mo-Fr) from 9:00 to 16:00, unless otherwise agreed by the Parties. Performance of the next stage of the Work shall be allowed upon signing of the instrument by the Contracting Authority or the Contracting Authority's representative (unless the Contracting Authority's representative fails to participate in the inspection at the scheduled time);

2.1.35. make any payments associated with the use of electricity, water, communication, heat and other utility services and/or services used for the performance of the Work in accordance with the submitted invoices, if these services were provided or mediated by the Contracting Authority. Initial readings of the electricity and water meters shall be fixed in a separate instrument between the Parties;

2.1.36. inform, in a format which can be reproduced in writing, the Contracting Authority's contact person in technical matters as well as the person exercising owner supervision, of any non-compliance or potential non-compliance of the Work (including Construction Work) which becomes evident during construction;

2.1.37. demolish and/or relocate the ancillary installations erected by the Contractor for the purpose of performing the Work;

2.1.38. notify the Contracting Authority's contact person in technical matters, as specified in the Contract, in writing of the completion of the Work and the intent to deliver the Work at least ten (10) working days in advance;

2.1.39. follow the orders of the person exercising owner supervision;

2.1.40. return, on the Contracting Authority's request, the source documents received from the Contracting Authority for the purpose of performing the Work;

2.1.41. ensure that the person exercising construction supervision and the state supervisory authority has access to the Work, Construction Work and the technical documentation;

2.1.42. in the cases foreseen by the Contracting Authority, enter into, for the benefit of the Contracting Authority and at the Contractor's expense, the contractor's all risks (CAR) insurance and the contractor's liability insurance prior to commencement of the Work at least in the amount equalling the total price of the Contract, and to submit the copy of the insurance contract to the Contracting Authority (together with the complete list of insurance conditions) within five (5) working days after conclusion of the Contract. The obligation to enter into the insurance contract(s) specified in this Article, and the insurance conditions shall be previously stipulated in the contract documents;

2.1.43. present, in the cases foreseen by the Contracting Authority, a letter of guarantee to the performance of the Contract and/or the Warranty Period. The guarantee deposit for the performance of the Contract and/or the Warranty Period may be deposited in the Contracting Authority's current account on the conditions established by the Contracting Authority. The duration of the Warranty Period and the conditions of the letter of guarantee (including the conditions of the credit rating for the guarantee) shall be previously specified in the contract documents. The guarantee deposit and/or contractual penalties are allowed to be offset;

2.1.44. submit to the Contracting Authority for approval, on the Contracting Authority's request, the detailed time schedule for the performance of the Work prior to commencement of the Work. The detailed time schedule for the performance of the Work shall specify the sequence and duration of the work and activities required for the performance of the Work as well as the terms of delivery of the equipment and materials;

2.1.45. launch the Work at the date specified in the time schedule approved by the Contracting Authority and complete the stages in accordance with the time schedule.

2.2. The Contractor shall have the right to:

2.2.1. erect, at his own expense, ancillary installations (heated shelters, boundary fences, etc.)

required for the performance of the Work, subject to the previous approval of the Contracting Authority;

2.2.2. receive contractual remuneration for the Work completed in accordance with the Contract;

2.2.3. install advertising materials, subject to the previous approval of the Contracting Authority;

2.2.4. temporarily suspend Work in case of danger, or prohibit the use of a dangerous tool, if this poses a direct hazard to human life or health, property or the environment, and the hazard cannot be eliminated in any other manner. Work shall not be resumed until the hazard has been eliminated. The Contractor shall immediately inform the Contracting Authority of any suspension of Work.

2.3. The Contracting Authority is obliged to:

2.3.1. grant into the Contractor's use the documentation referred to in the contract documents for the performance of the Work, unless otherwise agreed by the Parties in the Contract;

2.3.2. give the Contractor the required authorisation, approvals, consents and otherwise contribute to the fulfilment of the Contractor's obligations, if these obligations cannot be fulfilled without the Contracting Authority's assistance;

2.3.3. accept the Work performed in accordance with the Contract and to pay remuneration for the Work in the extent and by the deadlines set forth in the Contract;

2.3.4. organise the instruction of the persons working on the object with regard to potential occupational safety and fire hazards on the site. The instructions session shall be carried out by the Contracting Authority or a competent person designated by the same, and shall be fixed in writing;

2.3.5. inform the Contractor of the time of inspection of the compliance of the Work with the Contract, and the possibilities to participate;

2.3.6. bear any documented expenses directly related to the suspension of the Work due to the Contracting Authority's actions or failure to act, if this could not have been avoided by the Contractor, subject to a separate instruments signed by both Parties;

2.3.7. participate in the meetings discussing the performance of the Work and the Contract;

2.3.8. approve the detailed time schedule for the performance of the Work or to raise objections thereto within five (5) working days after receiving from the Contractor the detailed time schedule for the performance of the Work;

2.3.9. to approve the instrument of delivery and receipt of the Work, blueprints, etc. or to raise justifiable objections thereto within ten (10) working days after receipt.

2.4. The Contracting Authority shall have the right to:

2.4.1. change the Work volume or remuneration in accordance with Article 5.2 or the Parties' written agreement in line with Article 7;

2.4.2. demand from the Contractor suspension of Work in unsafe situations, in case of breach of requirements stipulated in legal acts regulating construction, failure to adhere to the conditions of the building permit or written permit, and construction which does not comply with the building design documentation;

2.4.3. demand removal of a Contractor's employee or subcontractor from the performance of the Work, and the designation of a replacement thereof, by submitting to the Contractor a written justification;

2.4.4. participate in the testing of the equipment to be installed in the course of performance of the Work by the Contractor in accordance with the Contract, and technical inspection of the Work. The corresponding transport expenses (including travel expenses) shall be borne by the Contracting Authority, unless otherwise provided in the contract documents or the Contract;

2.4.5. temporarily suspend Work in case of danger, or prohibit the use of a dangerous tool, if this poses a direct hazard to human life or health and the hazard cannot be eliminated in any other manner. Work shall not be resumed until the hazard has been eliminated and the Contracting Authority has given the permission to continue the Work;

2.4.6. suspend the Work, if this is considered hazardous to the employees' health, property or the environment;

2.4.7. suspend the Contractor's participation in the procurement procedures of the Eesti Energia group, if the Contractor has breached the obligations set forth in the Contract;

2.4.8. offset the contractual penalty payable by the Contractor and/or other damage claims arising in the course of performance of the Contract. For this purpose, the Contracting Authority shall file the corresponding application.

3. DELIVERY AND RECEIPT OF THE WORK

3.1. The Contractor is obliged to transfer, under the terms and conditions set forth in the Contract, the right of ownership of the Work, including the equipment and materials which were used in the Work and were not the property of the Contracting Authority to the Contracting Authority upon signing of the instrument of delivery and receipt of the Work by both Parties.

3.2. The instrument of delivery and receipt of the Work shall be signed by the Contractor in two (2) copies, as a hard copy or in digital form via a digital container, and forwarded to the Contracting Authority's contact person together with the technical documents accompanying the Work. The Work documents shall be submitted (except for the maintenance instructions and user manual) in digital

form (Word, Excel, MS Project 2007 or newer, AutoCAD versions 2010 or newer). The Contractor is obliged to deliver the documents ten (10) working days before delivery of the Work at the latest. The Work documents submitted in digital form shall be prepared in a manner which allows for their immediate printout.

3.3. The Contractor is obliged to adhere to the requirements set forth in the regulation ["Requirements for the documentation of building work, preservation and handing over of building documents, as well as maintenance instructions, their preservation and presentation"](#) (Ctrl + Click to follow link).

3.4. The Contracting Authority shall have the right to refuse to accept the Work, if the Work is of substandard quality, does not comply with the Contract with regard to volume, the task assigned by the Contracting Authority, or if the Contractor has used, for the performance of the Work, materials and solutions which were not previously approved by the Contracting Authority, or on other basis provided in the Contract, including if the accompanying documents do not meet the requirements set forth in the Contract. If the Contracting Authority refuses to accept the Work, the Contracting Authority shall have the right to demand from the Contractor immediate elimination of the deficiencies and errors.

3.5. If deficiencies, errors or inaccuracies are discovered in the Work or if the Work does not comply with the requirements set forth in the Contract in other manners, the Contracting Authority shall have the right to demand from the Contractor elimination of the deficiencies, errors or inaccuracies within a reasonable period of time required for bringing the Work in line with the contractual requirements. Should the Contractor fail to serve the above demand within a reasonable period of time or refuse to eliminate the deficiencies, errors or inaccuracies within a reasonable period of time, the Contracting Authority shall have the right to do so himself or to order the corresponding corrections and additions at the Contractor's expense and/or to lower the contractual remuneration payable to the Contractor.

3.6. If the Contractor fails to serve the Contracting Authority's demand stipulated in Article 3.5 within a reasonable period of time, or if the Contractor serves the demand in an inappropriate manner, the Contracting Authority shall have the right to withdraw from the Contract.

3.7. Should the Contracting Authority exercise the right stipulated in Article 3.5 and introduce the corresponding corrections and additions or to order such corrections and additions at the Contractor's expense, the Contractor shall be obliged to compensate to the Contracting Authority, within ten (10) calendar days after receiving the corresponding written and justifiable claim, the expenses incurred for the introduction of the corrections and additions. Alternatively, the Contracting Authority may offset (reduce) the contractual remuneration agreed with the Contractor.

3.8. Approvals given by the Contracting Authority during performance of the Work and/or acceptance of the Work by the Contracting Authority in

accordance with the Contract shall not exempt the Contractor from the appropriate performance of the obligations arising from the Contract, or from liability, or from other consequences arising from the law and/or the Contract in case of failure to fulfil or appropriately fulfil the obligations. Neither shall the approvals and/or acceptance of the Work by the Contracting Authority in accordance with the Contract rule out or restrict the exercising of the Contracting Authority's rights arising from the Contract. The Contractor shall not be held liable for deficiencies caused by the instructions given to the Contractor by the Contracting Authority in the course of performance of the Work, provided that the Contractor informed the Contracting Authority in writing of the fact that the given instructions would jeopardise appropriate performance of the Work.

3.9. In the cases provided by law, the Contractor shall seek the occupancy permit. A copy of the application for the occupancy permit shall be submitted to the Contracting Authority together with the instrument of delivery and receipt of the Work.

3.10. The Contracting Authority shall launch acceptance of the Work on the working day following the receipt of the Work documents. In the course of acceptance of the Work, the Contracting Authority shall check the performance of the Work by the deadline, in the volume and with the quality set forth in the Contract.

3.11. The Contracting Authority may accept Work which does not comply with the Contract or which has been left unperformed. A corresponding agreement shall be prepared in writing, or a corresponding entry shall be made in the instrument of delivery and receipt of the Work with regard to deficient work. Deficient work shall be completed by the term specified in the agreement.

3.12. Unless the Contracting Authority submits to the Contractor a written notice concerning deficiencies discovered in the Work within ten (10) working days after receipt of the delivery documents, the Work shall be considered as accepted, with the Contracting Authority being obliged to sign the instrument of delivery and receipt of the Work.

3.13. The Contractor shall bear the risk of accidental loss or damage to the Work until acceptance of the Work (signing of the instrument of delivery and receipt of the Work) by the Contracting Authority.

3.14. Unless the Contracting Authority discovers deficiencies in the Work during the delivery and receipt, the right of ownership of the Work, including equipment and materials used for the performance of the Work, shall be considered as transferred from the moment of the signing of the instrument of delivery and receipt of the Work by the Parties. The moment of the signing shall fall within the term of performance of the Contract. The appropriately prepared technical documents accompanying the Work shall be attached to the instrument of delivery and receipt of the Work.

3.15. The extra time required by the Contracting Authority for acceptance of the Work (including examination and analysis of the accompanying documentation) shall not be charged to the fine for delay of payment of contractual penalty, unless the

Contractor intended to cause damage to the Contracting Authority covertly or deliberately.

4. NON-COMPLIANCE OF THE WORK WITH THE CONDITIONS OF THE CONTRACT (WARRANTY)

4.1. The Contractor shall be held responsible for non-compliance of the Work, including Construction Work, with the conditions of the Contract for a period of two (2) years from the delivery of the Work (Warranty Period), provided that the Contracting Authority has appropriately carried out maintenance of the Construction Work. The Contractor shall be held responsible for any deficiencies in the materials used for the performance of the Work for a period of two (2) years after delivery of the Work (Warranty Period), while the existence of the non-compliance of the Work with the conditions of the Contract during transfer of the risk of accidental loss or damage to the Work to the Contracting Authority shall be presumed. The Contractor shall not be held responsible for non-compliance of the Work with the conditions of the Contract, if this can be attributed to the Contracting Authority's instructions and the Contractor notified the Contracting Authority, in a format which can be reproduced in writing, of the risks involved immediately after receiving the instructions, or to deficiencies in the materials supplied by the Contracting Authority.

4.2. In the event of non-compliance of the Work with the conditions of the Contract in accordance with Article 4.1, the Contracting Authority shall have the right to apply with regard to the Contractor any judicial remedies provided by the Contract and the law.

4.3. Should the Contracting Authority discover non-compliance of the Work with the conditions of the Contract, the Contracting Authority shall inform the Contractor in writing thereof as soon as possible, adequately describing the non-compliance with the Contract.

4.4. If the Contracting Authority demands from the Contractor elimination of the non-compliance of the Work with the conditions of the Contract, the Contractor shall immediately launch elimination of the deficiencies. The deadline for the elimination of the deficiencies shall be agreed separately, but shall not exceed the time usually required for the performance of the corresponding Work. In case of deficiencies which caused or are liable to cause a threat to human life or property, or suspension of the Contracting Authority's core business activities, the Contractor shall ensure the presence of a trained staff at the latest within twenty-four (24) hours of the receipt of the corresponding notice.

4.5. If the Contractor has filed an application for an occupancy permit of a Construction Work in accordance with the [Building Code \(Ctrl + Click to follow link\)](#) but the local government refuses to issue an occupancy permit for the Construction Work due to deficiencies evident in the Work, this shall constitute non-compliance of the Work with the conditions of the Contract and shall be immediately eliminated by the Contractor free of charge.

5. REMUNERATION OF THE WORK

5.1. The Contracting Authority shall pay the Contractor the remuneration agreed in the Contract upon acceptance of the Work by the Contracting Authority. The remuneration agreed in the Contract shall be binding for the Parties (except for Article 5.2).

5.2. The remuneration agreed in the Contract may decrease or increase, if the volumes calculated based on unit prices change during the performance of the Work. In such cases, the Contracting Authority shall pay for the Work upon acceptance of the Work on the basis of the volumes fixed in the as-built drawings or the evidence material.

5.3. The remuneration agreed in the Contract may increase by a maximum of twenty (20) per cent (contractual reserve). The reserve shall only be used, if there is a need to order additional work directly related to the Work, and this was not foreseen by the Contracting Authority at the time of initiation of the procurement. The Contracting Authority shall decide on the use of the reserve on the basis of the Contractor's written proposal, or at his own discretion. The use of the reserve shall be agreed in the written agreement to be entered into by the Parties, as prepared by the Contracting Authority.

5.4. Upon signing of the interim or final instrument of delivery and receipt of the Work by the Parties, the Contractor shall present the Contracting Authority with an invoice by the fifth (5) day of the following month at the latest.

5.5. The Contractor shall have the right to select one of the following terms of payment (cost w/o VAT):

5.5.1. In case of procurements with a value equal to or exceeding EUR 250,000 (two hundred and fifty thousand), at the Contractor's discretion within ninety-five (95) calendar days after receipt of the corresponding invoice by the Contracting Authority, together with the option of participating in the Eesti Energia group's factoring programme (further information available at: [https://www8.energia.ee/public/ee043.nsf/WebiOmaKJP?OpenFrameSet \(Ctrl + Click to follow link\)](https://www8.energia.ee/public/ee043.nsf/WebiOmaKJP?OpenFrameSet (Ctrl + Click to follow link))) or within forty-five (45) calendar day from the receipt of the corresponding invoice, without the factoring programme. The Contractor may present the invoice immediately after the Contracting Authority has signed the instrument of delivery and receipt of the Work.

5.5.2. In case of procurements with a value of less than EUR 250,000 (two hundred and fifty thousand), at the Contractor's discretion within ninety-five (95) calendar days after receipt of the corresponding invoice by the Contracting Authority, together with the option of participating in the Eesti Energia group's factoring programme (further information available at: [https://www8.energia.ee/public/ee043.nsf/WebiOmaKJP?OpenFrameSet \(Ctrl + Click to follow link\)](https://www8.energia.ee/public/ee043.nsf/WebiOmaKJP?OpenFrameSet (Ctrl + Click to follow link))) or within thirty-five (35) calendar days from the receipt of the corresponding invoice, without the factoring programme. The Contractor may present the invoice immediately after the Contracting Authority has signed the instrument of delivery and receipt of the Work.

5.6. The invoice shall be considered as paid on the date of transfer of the funds to the Contractor's current account.

5.7. If the Contracting Authority has accepted the Work despite the deficiencies contained therein, the Contracting Authority may reduce the remuneration in accordance with the impairment of the Work in the eyes of the Contracting Authority. The reduction of the remuneration shall take place upon acceptance of the deficient Work, with the Contracting Authority specifying the reason and scope of the reduction. Instead of lowering the price, the Contracting Authority shall have the right, upon accepting a deficient Work, to establish a deadline for elimination of the deficiencies and/or to withhold payment for the deficient Work in double amount. The cost of deficient Work withheld shall be paid to the Contractor after the Contractor has eliminated the deficiencies in a timely and complete manner.

6. THE PARTIES' LIABILITY

6.1. The Parties shall be responsible for failure to fulfil or appropriately fulfil the obligations assumed under the Contract (breach of Contract) pursuant to the procedure and within the scope provided in the Contract and the legal acts of the Republic of Estonia. A Party may, in case of breach of Contract, apply any judicial remedies provided by law or Contract, separately or jointly. A Party shall compensate to the other Party any proprietary damage caused through failure to perform or appropriately perform the obligations arising from the Contract, except for loss of profit. Limitation of liability shall not be allowed, if the damage is caused deliberately or due to gross negligence or if the limitation of liability is not allowed under other basis provided by law.

6.2. The time and place of regular object meetings between the Parties shall be specified after the signing of the Contract.

6.3. Extraordinary meetings shall take place upon the request of a Party no later than within three (3) working days after submission of the corresponding written notice to the other Party.

6.4. Minutes shall be taken of the object meetings by the Contracting Authority and forwarded to all parties by e-mail to the address specified in the Contract at the latest within two (2) working days. The wording of the minutes, as approved by the Parties, shall be signed by the Parties' representatives at the next object meeting at the latest. Minutes of the object meetings shall not be considered amendments to the Contract.

6.5. The Contractor shall be responsible for the correctness and compliance of the information related to the Work forming the object of the Contract, as well as for compliance of the result of the Work forming the object of the Contract, including the installed equipment, with the established purpose, and its smooth functioning.

6.6. The Contractor shall be responsible for the correctness of the documents and information prepared or forwarded by the Contractor, and their compliance with the legal acts and the Contract. The Contractor shall be responsible for the correctness of the measurement results and correction notices prepared or outsourced by the Contractor.

6.7. The Contractor shall be responsible, during the term of the Contract, for the impact of the Work on the environment and any detrimental effect thereof.

6.8. From the launch of the Work until acceptance of the completed Work, the Contractor shall be responsible for adherence to all safety and environmental requirements with regard to the object, and shall compensate to the Contracting Authority any expenses associated with this responsibility.

6.9. The Contractor shall be held liable for any damage caused through the Contractor's activities or failure to act, and is obliged to fully compensate any damage caused to third parties.

6.10. The owner supervision organised by the Contracting Authority shall not limit or reduce the Contractor's liability for the performance of the Contract.

6.11. The Contracting Authority shall not be held liable in front of the Contractor for any additional expenses or damage caused by work stoppage, if this can be attributed to the Contractor's actions or failure to act which does not comply with the Contract.

6.12. The Contracting Authority shall have the right to demand from the Contractor, for each calendar day of delay, a contractual penalty for failure to launch the Work by the term of delivery of the Work and/or failure to adhere to the term of delivery of the Work agreed in the Contract (except for delivery of the occupancy permit):

6.12.1. zero point five per cent (0.5%) of the price of the Work for each calendar day of delay of delivery, if the cost of the Work is up to EUR 25,000, but not more than 20% of the cost of the Work;

6.12.2. zero point two per cent (0.2%) of the price of the Work for each calendar day of delay of delivery, if the cost of the Work falls between EUR 25,000 and 250,000, but not more than 15% of the cost of the Work;

6.12.3. zero point one per cent (0.1%) of the price of the Work for each calendar day of delay of delivery, if the cost of the Work exceeds EUR 250,000, but not more than 10% of the cost of the Work.

6.13. The Contractor shall not be held liable for launch of and/or adherence to the term of completion of the interim stages of the Work stipulated in the Contract, including for adherence to the term of delivery of the Work, if:

6.13.1. the failure to adhere to the deadlines is triggered by adherence to the Contracting Authority's written instructions, regarding which the Contractor informed the Contracting Authority in writing prior to the fulfilment of the instructions, that this will cause a delay in the delivery of the Work;

6.13.2. the failure to adhere to the deadlines is triggered by the fulfilment of the Contracting Authority's instruction with regard to suspension or postponement of the Work (except where the suspension or postponement was caused by breach of the conditions of the Contract by the Contractor, or by the Contracting Authority's failure to fulfil or appropriately fulfil the obligations arising from the Contract or law).

6.14. The Contracting Authority shall have the right to demand from the Contractor a contractual penalty in the amount of one thousand (1,000) euros for each case of violation of the obligation stipulated in Articles 2.1 and 4.4 of the Contract.

6.15. The Contractor shall have the right to demand from the Contracting Authority, for each calendar day of delay, a fine for breach of payment deadlines:

6.15.1. zero point five per cent (0.5%) of the price of the Work for each calendar day of delay of payment, if the cost of the Work is up to EUR 25,000, but not more than 20% of the cost of the Work;

6.15.2. zero point two per cent (0.2%) of the price of the Work for each calendar day of delay of payment, if the cost of the Work falls between EUR 25,000 and 250,000, but not more than 15% of the cost of the Work;

6.15.3. zero point one per cent (0.1%) of the price of the Work for each calendar day of delay of payment, if the cost of the Work exceeds EUR 250,000, but not more than 10% of the cost of the Work.

6.16. Failure to appropriately fulfil the obligations arising from the Contract shall not be deemed breach of Contract, if conditioned by circumstances which were beyond the control of the Parties, and which the Parties could not have been expected to foresee or prevent (inter alia natural disasters, strikes, civil unrest, war, acts of terrorism). The existence of such circumstances must be verifiable. Despite such circumstances, the Parties shall be obliged to apply measures to minimise the potential damage. Where the impediment is of temporary nature, non-performance of the obligation shall be excused only during the period when the impediment hindered the performance of the obligation.

7. AMENDMENT OF THE CONTRACT

7.1. Any amendments to the Contract shall be prepared in writing. The Contracting Authority shall have the right to partially cancel the Work in justifiable cases. In such a case, the contractual remuneration shall be reduced in the amount of the cancelled Work.

7.2. The Contracting Authority shall have the right, at any time, to demand suspension or postponement of the Work, if this is prompted by the needs of the Contracting Authority. The deadlines for the completion of the corresponding Work shall be postponed by the time period the performance of the Work was suspended or postponed on the Contracting Authority's request.

7.3. The Contract shall be amended on the Parties' agreement. The Party who wishes to introduce an amendment shall submit a written proposal, to which the other Party shall provide a written response within a reasonable period of time, but not later than within seven (7) calendar days from the receipt of the proposal. If the other Party does not give his consent to the amendment of the Contract, the amendment shall not enter into force.

7.4. In addition to the justification and explanation for the amendment, the Party submitting the amendment proposal shall also specify the impact on the contractual remuneration and term of the Contract.

7.5. The Parties to the Contract shall not have the right to apply for amendment of the Contract, if this is caused by the Party's own failure to fulfil or appropriately fulfil the obligations.

7.6. If there are several reasons for amending the Contract, the Contractor shall not, in case of extension of the deadlines, have the right to add up

the deadlines. The deadline shall be extended by considering the combined effect of the amendments.

7.7. The Contractor shall have the right to demand extension of the term of the Contract:

7.7.1. in the event of force majeure circumstances. Force majeure are circumstances which are beyond the control of the Contractor and which, at the time the Contract was entered into, the Contractor could not reasonably have been expected to take into account, avoid or overcome the impediment or the consequences thereof;

7.7.2. if the need for the amendment is conditioned by the Contracting Authority's incorrect instructions or orders;

7.7.3. if the amendment is conditioned by changes in the building design documentation delivered by the Contracting Authority for the purpose of performing the Work. Prior to the launch of Work on the basis of the changed building design documentation, the Contractor shall determine the impact of the Contracting Authority's changes on the term of the Contract and the contractual remuneration, and present the Contracting Authority with the corresponding cost calculation. If the calculations are approved by the Contracting Authority, this shall be considered as an agreement for amendment of the Contract.

7.8. Impact of the amendments on the contractual remuneration:

7.8.1. where the building design documentation is changed, the Contractor shall present the Contracting Authority with a detailed price calculation for the performance of the Work, including, on the Contracting Authority's corresponding request, the price quote for the materials from a minimum of three suppliers, with the impact of the amendments on the contractual remuneration agreed in writing prior to commencement of the Work.

7.9. Disputes with regard to performance of the Contract shall not give the Contractor any basis for amendment of the conditions of the Contract (including launch, continuation, performance of the Work).

8. EXPIRY AND TERMINATION OF THE CONTRACT

8.1. This Contract shall expire upon appropriate performance of the Parties' contractual obligations, on the agreement of the Parties, and on the basis provided in the Contract and the applicable law.

8.2. The Contracting Authority shall have the right to cancel the Contract at any time on the basis provided in [Section 655 of the Law of Obligations Act \(Ctrl + Click to follow link\)](#).

8.3. In order to cancel the Contract, the Contracting Authority shall immediately present the Contractor with a written notice of cancellation of the Contract. Cancellation of the Contract shall be considered as entered into force, when the Contractor has received the notice of cancellation. In such a case, the Contracting Authority shall be obliged to pay to the Contractor for Work factually completed, delivered and received by the moment of cancellation of the Contract. The Contractor shall not have the right to demand from the Contracting Authority

compensation for damage in case of cancellation of the Contract.

8.4. The Contracting Authority shall have the right to withdraw from the Contract and demand compensation for damage, if the Contractor fails to launch performance of the Contract or delays launch of performance of the Work or in other manners expresses his intent not to fulfil the obligations arising from the Contract. The Contractor shall be considered as in delay of performance of the Contract, if the Contractor has failed to launch performance of the work within fourteen (14) calendar days after the deadline for launch of the Work specified in the Contract or the time schedule agreed with the Contracting Authority.

8.5. In order to withdraw from the Contract, the Contracting Authority shall immediately present the Contractor with a written notice of withdrawal from the Contract. Withdrawal from the Contract shall be considered as entered into force, when the Contractor has received the notice of withdrawal.

8.6. The Contracting Authority shall not be obliged to pay the Contractor the contractual remuneration, if the Contracting Authority withdraws from the Contract due to the Contractor's material breach of the Contract.

8.7. If the Contractor fails to eliminate the deficiencies in the Work, or to eliminate the deficiencies by the established deadline, or if the Contractor eliminates the deficiencies in such a way that the Work still does not comply with the conditions of the Contract, the Contracting Authority shall have the right to withdraw from the Contract in accordance with [Section 116 of the Law of Obligations Act \(Ctrl + Click to follow link\)](#) and to demand compensation for damage. In order to withdraw from the Contract, the Contracting Authority shall immediately present the Contractor with a written notice of withdrawal from the Contract. Withdrawal from the Contract shall be considered as entered into force, when the Contractor has received the notice of withdrawal.

9. FINAL PROVISIONS

9.1. The Contract and any information contained therein shall be kept confidential and shall not be disclosed to third parties. The confidential information related to the Contract may be disclosed to third parties only upon the previous written consent of the other Party. The confidentiality requirement set forth in the Contract shall not extend to the disclosure of information to the Parties' auditors, attorneys and banks, as well as to cases where a Party is obliged to disclose the information under the legal acts of the Republic of Estonia.

9.2. Any declarations of intention related to the Contract and performance of the Contract shall be considered as submitted in accordance with the Contract, if delivered to the other Party against signature or forwarded by post or e-mail (except where the Contract or the law foresees that the declaration of intention be submitted in writing) to the addresses specified in the Contract.

9.3. A Party is obliged to immediately notify the other Party of any changes in the contact information specified in the Contract.

9.4. Where the Work or a part of the Work, including the documents forming the object of the Work are protected by copyright, this Contract shall also be considered the contract under the [Copyright Act \(Ctrl + Click to follow link\)](#), triggering the following consequences.

9.5. With the entry into the Contract, the Contractor shall transfer (assign) to the Contracting Authority all economic rights of copyright;

9.6. The remuneration to be paid to the Contractor under the Contract shall, on the Parties' agreement, also include the remuneration in the meaning of the [Copyright Act \(Ctrl + Click to follow link\)](#).

9.7. If the Parties fail to reach an agreement by way of negotiation, any disputes arising from the Contract shall be settled pursuant to the procedure provided in legal acts. In such cases, the dispute shall be governed by the substantive law and procedural law of the Republic of Estonia, with the dispute settled in court at the location of the Contracting Authority.

9.8. These general terms and conditions of the contract for construction services shall not apply to contracts of sale entered into by Elektrilevi OÜ.

9.9. These general terms and conditions of the contract for construction services shall not apply to Eesti Energia Group subsidiaries not established under the laws of the Republic of Estonia.

10. CONTACT INFORMATION ON THE CONTRACTING AUTHORITY

No	NAME OF CONTRACTING AUTHORITY	REGISTRY CODE	E-MAIL ADDRESS FOR INVOICING
1.	Enefit Solutions AS	10633284	enefitsolutions@e-arvetekeskus.eu
2.	Enefit Power AS	10579981	enefitpower@e-arvetekeskus.eu
3.	Narva Soojusvõrk AS	10549419	narvasoojusvork@e-arvetekeskus.eu
4.	Eesti Energia AS	10421629	eesti.energia@e-arvetekeskus.eu
5.	Enefit Green AS	11184032	enefitgreen@e-arvetekeskus.eu
6.	Enefit Wind OÜ	14665542	enefitwind@e-arvetekeskus.eu
7.	Enefit Wind Purtse AS	11119419	enefitwindpurtse@e-arvetekeskus.eu

11. OVERVIEW OF THE TERMS OF PAYMENT

	AS OPTED BY THE CONTRACTOR
Estimated procurement value equals to or exceeds EUR 250,000 (Article 5.5.1)	95 calendar days with factoring option or 45 calendar days w/o factoring option
Estimated procurement value below EUR 250,000 (Article 5.5.2)	95 calendar days with factoring option or 35 calendar days w/o factoring option

*cost w/o VAT

12. OVERVIEW OF CONTRACTUAL PENALTIES UPON FAILURE TO APPROPRIATELY ADHERE TO THE TERMS OF DELIVERY

	COST OF THE WORK	FINE FOR DELAY	LIABILITY LIMIT	
The Contracting Authority's right to demand a contractual penalty for failure to appropriately fulfil the obligation to complete the Work in a timely manner (Article 6.12.1, Article 6.12.2 and Article 6.12.3)	up to EUR 25,000	0.5% per day	20%	The Contractor's right to demand a contractual penalty for the Contracting Authority's failure to appropriately fulfil the payment obligation (Article 6.15.1, Article 6.15.2 and Article 6.15.3)
	from EUR 25,000 to EUR 250,000	0.2% per day	15%	
	over EUR 250,000	0.1% per day	10%	

*cost w/o VAT

13. WORK FLOW DIAGRAM SPECIFYING THE PERFORMANCE OF THE CONTRACT

