

GENERAL TERMS AND CONDITIONS OF THE AUTHORIZATION AGREEMENT

1. General provisions

1.1. The Agreement consists of these General Terms and Conditions (hereinafter the *General Terms and Conditions*) and the Special Terms and Conditions (*hereinafter the Special Terms and Conditions*) and their annexes.

1.2. The purpose of the Agreement is to regulate the legal relations arising between the Mandator and the Mandatary under the Agreement.

1.3. In regulating their mutual relations, the parties shall be guided by the Agreement and its annexes and, in cases not regulated by the Agreement, the Law of Obligations Act, other legislation in force in the Republic of Estonia, and the principle of good faith.

1.4. The Mandatary undertakes to provide the Mandator with the service agreed in the Agreement, and the Mandator undertakes to pay the Mandatary the contractually agreed fee for the provision of the service.

1.5. The Mandatary shall certify that he/she has sufficient professional knowledge and ability to perform the Agreement professionally and properly.

1.6. The representatives of the parties confirm that they have all the rights and sufficient authority to enter into the Agreement on behalf of the principal in accordance with the law and that they are not aware of any obstacles to the fulfillment of the obligations under the Agreement.

1.7. The Mandatary is not entitled to transfer the rights or obligations arising from the Agreement to a third party without the consent of the Mandator.

1.8. If a third party is used to provide the service, the Mandatary is responsible to the Mandator for the performance of the Agreement.

2. Object of the Agreement

The services to be provided by the Mandatary are defined in the Agreement and the accompanying documents. The Mandatary is also subject to the obligation to provide services and perform activities, including the performance of ancillary obligations, which are not provided for in the Agreement, but which by their nature belong to the services related to the Agreement. Unless otherwise agreed, the latter shall not be remunerated separately, and the Mandatary shall provide these services, perform the work and operations within the time limits specified in the Agreement, and for remuneration.

3. Rights and obligations of the Mandator

3.1. The Mandator has the right:

3.1.1. to require the Mandatary to comply with the budget and the terms of the Agreement;

3.1.2. to give instructions to the Mandatary for the provision of services;

3.1.3. to monitor at any time the volume, quality, and other conditions of the provision of services;

3.1.4. to use legal remedies (incl. to cancel the Agreement), as well as to demand a contractual penalty in the cases provided for in the Agreement if the Mandatary fails to comply with the terms, conditions, cost, confidentiality obligations set out in the Agreement, its annexes or other documents contractual obligations, as well as if the Mandatary fails to perform or improperly performs other obligations under the Agreement;

3.1.5. to demand compensation from the Mandatary for pecuniary and non-pecuniary damage caused by the Mandatary's provision of a service other than that agreed in the service agreement.

3.2. The Mandator undertakes:

- 3.2.1. to create the necessary conditions for the provision of services to the Mandatary in accordance with the provisions of the special conditions;
- 3.2.2. to give instructions to the Mandatary related to the provision of services and provide the Mandatary with all source data and other documents for the provision of services. The necessary instructions for the provision of the service are provided, the relevant information is shared, the quality of the service is checked, and the service is received by the authorized representative of the Mandator specified in the special conditions;
- 3.2.3. to ensure that all problems arising in the course of the provision of the service that depends on him or her are resolved within 3 (three) working days as of the receipt of the notification of the problem. If the problem cannot reasonably be resolved within the aforementioned period, regardless of the Mandator, the Mandator shall immediately inform the Mandatary thereof;
- 3.2.4. to approve the report submitted by the Mandatary and accept the service if it has been properly provided;
- 3.2.5. to pay the Mandatary a fee for the provision of services under the conditions and pursuant to the procedure provided for in the Agreement.

4. Rights and obligations of the Mandatary

4.1. The Mandatary has the right:

- 4.1.1. to receive from the Mandator the instructions, documents, and information necessary for the provision of the service to him/her;
- 4.1.2. to deviate from the instructions in the cases provided by law, immediately notifying the Mandator thereof in accordance with clause 10 of the Agreement;
- 4.1.3. to receive remuneration from the Mandator for the provision of services under the conditions and pursuant to the procedure provided for in the Agreement;
- 4.1.4. to exercise other rights provided for in the Agreement and legislation.

4.2. The Mandatary undertakes:

- 4.2.1. to provide services diligently and at a professional level in accordance with the Agreement, legislation, standards, and good morals in force in their field of activity and profession, and provide them to the Mandator or persons designated by him/her at an agreed time and in accordance with agreed procedures. Unless otherwise agreed by the parties in a form that can be reproduced in writing, it is presumed that the Mandatary, who is a sole proprietor, provides the services provided for in the Agreement in person. The Mandatary may use the assistance of third parties in the performance of his/her obligations but may not transfer the performance to a third Party unless the parties have agreed otherwise, and the Mandatary shall be liable for the acts and omissions of such third Party. The involvement of third parties in the provision of services shall be subject to the prior written consent of the Mandator and provided that the agreements concluded with the parties involved do not conflict with the terms of the Agreement;
- 4.2.2. to perform the Agreement to the best advantage of the Mandator and prevent damage to the Mandator;
- 4.2.3. to act in good faith to the Mandator in the performance of the obligations arising from the Agreement, taking into account the interests of the Mandator and to protect those interests;
- 4.2.4. to provide the Mandator with information on the provision of services in the form required by the Mandator and enable the Mandator or a person authorized by the Mandator at any time to exercise control over the volume and quality of performance of the Agreement, etc.
- 4.2.5. to immediately inform the Mandator of an incomplete manner of information, source data, documents, etc. received from him/her and the occurrence of other circumstances

that affect or may significantly affect the performance of agreed activities, cause the Mandatary to refuse to follow instructions or induce the Mandatary to change instructions for providing services, stating the reasons which may have a detrimental effect on the Mandator and the grounds on which the Mandatary is compelled to refuse to comply with the instruction. The Mandatary is then required to await the Mandator's decision or new instructions unless the delay is likely to have an adverse effect on the Mandator and if, in the circumstances, it can be assumed that the Mandator will approve the deviation;

- 4.2.6. to keep confidential, during and after the term of the Agreement, any information relating to the performance of the Agreement or which has come to the Mandatary's notice in the course of the Agreement and which may be prejudicial to the interests of the Mandator;
- 4.2.7. to pay, at his/her own expense, all royalties and other fees of any nature related to the performance of the Agreement to third parties;
- 4.2.8. to submit a report to the Mandator regarding the tasks performed in the course of the provision of the service by the due date(s) specified in the special conditions in the deed of delivery/acceptance;
- 4.2.9. upon the termination of the Agreement, to return to the Mandator all documents, things, and property related to the obligations arising from the Agreement, contracts concluded on behalf of the Mandator, databases, and other information about the Mandator on paper or electronic media used by the Mandatary;
- 4.2.10. All materials in any form and content created under the Agreement (such as projects, plans, drawings, specifications, original methodologies developed, and other documents) created by the Mandatary or placed in the possession or control of the Mandatary during the provision of services under the Agreement shall be provided by the Mandatary to the Mandator after the service has been provided. These materials may only be used by the Mandatary with the permission of the Mandator.

5. Price of the Agreement, quality of services, delivery, and acceptance

- 5.1. The price of the Agreement includes, inter alia, all costs, and fees incurred by the Mandatary under the Agreement for the copyright provided for in the Agreement (assignment of the author's property rights and licensing of personal rights), as well as all other costs incurred for the provision of services.
- 5.2. The Mandatary shall pay for the duly provided service in accordance with the special terms and conditions of the Agreement within 20 days, either after signing the deed of delivery and acceptance of the service (hereinafter *deed*) and upon receipt of the invoice submitted thereon or, if the special conditions of the Agreement do not provide for the signing of the deed, upon receipt of the invoice issued after the provision of the service or, in the case of a sole proprietor, after the signing of the deed for the service provided by the parties. The Mandator has the right to refuse to accept a non-compliant service, indicating the specific reason for the refusal.
- 5.3. The Mandatary submits the invoice in a machine-readable form in accordance with the valid e-invoice instructions (<https://www.riigiteataja.ee/akt/123042019008>). The invoice shall indicate the number of the Agreement registered in the document register of the Mandator and the authorized representative of the Mandator specified in the Agreement.
- 5.4. The quality of the services provided must meet at least the requirements set out in the Agreement and the requirements normally set for the services provided. Documents related to the provision of services, etc., must also meet these requirements.
- 5.5. The Mandatary has the right to prove the reasons for the refusal to accept the service to be untrue by ordering an expert examination by an independent expert acceptable from

both parties. If the refusal to accept the service proves to be unjustified as a result of the expert examination, the Mandator shall reimburse the Mandatary for the costs of the expert examination. Otherwise, the costs of the expert examination shall be borne by the Mandatary.

6. Copyright

- 6.1. The results of the provision of any services (materials) and related intellectual property rights created by the Mandatary under the Agreement or acquired by the Mandatary from third parties and accepted and paid by the Mandator under the Agreement, including all proprietary rights of the author, shall be transferred to the Mandator in full, and with respect to the author's personal rights in the materials (which are not transferable in nature), the Mandatary grants the Mandator as of from the transfer of the materials an irrevocable, non-exclusive license valid for the entire term of the copyright, and the right to sub-license to third parties at his/her discretion (hereinafter collectively referred to as the license). The Mandatary is not entitled to grant to a third party the same rights as the rights transferred to the Mandator.
- 6.2. The Mandatary confirms that he/she has the right to transfer the copyright to the Mandator and to grant a license in respect of personal rights, and in the event that a third party makes any claims against the Mandator in respect of those rights, the Mandatary shall reimburse the Mandator for all damages and costs.
- 6.3. If the object of the Agreement is the development, modification, or development of IT solutions, the Mandatary grants the Mandator the right to modify/integrate the software with other programs used by the Mandator under his/her own responsibility, and the Mandatary confirms that he/she has the right to grant such a right to the Mandator and, if a third party makes any claims against the Mandator in respect of those rights, the Mandatary shall reimburse the Mandator for all damages and costs arising from such claims.
- 6.4. If the object of the Agreement is the performance of a study or analysis, the Mandator has the right to use the study/analysis (*work*) and other results of the study/analysis in any way, including to publish, distribute, reproduce, perform, modify or supplement, without territorial limitations, also on a public computer network. The Mandator may also use the work in a way that involves or may result in substantial processing of the work or parts thereof. When disclosing or referring to work or parts thereof, the Mandator undertakes to refer to the Mandatary.
- 6.5. The original methodologies developed during the analysis/study and the anonymized data and other material (*e.g., questionnaires, drawings, instructions, additional data*) obtained, compiled, or collected during the analysis/study shall be handed over by the Mandatary to the Mandator after the service has been provided and shall be owned by the Mandator. The Mandatary may retain copies of the materials and data but may not use them for non-contractual purposes, except for research and teaching, without the prior written consent of the Mandator.
- 6.6. If a third party prevents the Mandator from exercising his/her intellectual property rights under the Agreement or infringes those rights, the Mandator shall inform the Mandatary thereof, who shall immediately take all necessary measures to enable the rights arising from the Agreement to be exercised and to put an end to the infringement of the Mandator's rights.
- 6.7. If a claim is made against the Mandator due to copyright infringement during the provision of the service, the Mandatary shall be liable for the damage caused to the Mandator.

7. Confidentiality

- 7.1. The Parties undertake to maintain the confidentiality and not to disclose to third parties confidential information which has come to their knowledge in the course of or in connection with the performance of the obligations under this Agreement or by chance, in particular personal data which have come to their knowledge, including the non-disclosure of such information to unauthorized persons and the exclusion of access to such information.
- 7.2. Disclosure of confidential information related to the Agreement to a third party is permitted only with the prior written consent of the other Party. The confidentiality requirement provided for in the Agreement does not extend to the disclosure of information to the auditors, lawyers, and banks of the Party and in cases where the Party is required to disclose information pursuant to legislation.
- 7.3. The Mandatary undertakes to perform the Agreement with due diligence to prevent information leaks or disclosure of third party data and to take all appropriate legal measures to provide the service as expected and to make reasonable efforts to perform the Agreement and to prevent and avoid damage.
- 7.4. The obligation of confidentiality also applies after the termination or cancellation of the Agreement.
- 7.5. In connection with the provision of the service, which is the object of the Agreement, the Mandatary may gain access to data collected in the course of the principal activity of the Mandator, which is personal data within the meaning of the Personal Data Protection Act. In such a case, the controller of the personal data is the Mandator, and the authorized processor is the Mandatary.
- 7.6. The Mandatary shall process the personal data received under the Agreement only during the term of the Agreement and to the extent necessary for the provision of the service. The Mandatary shall use the personal data obtained in the course of the provision of the service only for the purposes set out in the Agreement. Upon termination of the Agreement, the Mandatary shall immediately delete all personal data and copies of the personal data which have become known to him or her during the performance of the Agreement, unless otherwise provided by legislation.
- 7.7. The Mandator is responsible for ensuring that the processing of personal data under the service takes place on a legal basis in order to achieve legitimate purposes, that data subjects are aware of and/or consent to the processing of personal data, and that the Mandator has the right to transfer personal data to the Mandatary in the framework of the provision of the service.
- 7.8. The Mandatary shall grant access to personal data only to persons who need it for the performance of his or her duties or to ensure that those persons comply with the requirements relating to the processing of personal data, have entered into an obligation of confidentiality, or are subject to an appropriate legal obligation of confidentiality. The respective obligation of confidentiality remains valid for the persons even after the termination of the Agreement.
- 7.9. The Mandatary shall not have the right to transfer personal data to third parties or to use authorized processors for the processing of personal data without the prior written permission of the Mandator.
- 7.10. The Mandatary shall implement the necessary security measures to protect personal data.

- 7.11. The Mandatary shall assist the Mandator in fulfilling the obligations of the controller related to the security of personal data arising from legislation.
- 7.12. The Mandatary shall allow the Mandator or the Mandator's authorized auditor to carry out audits and/or inspections related to the processing of personal data within the scope of the Agreement. The Mandator has the right to carry out these audits and/ or inspections as necessary.
- 7.13. The Mandatary maps the personal data in the agreed format.
- 7.14. If the Mandatary discovers a personal data breach, the Mandatary shall immediately notify the Mandator thereof in writing, after which the Mandator shall notify the personal data breach to the competent supervisory authority within 72 hours. The information provided by the Mandatary to the Mandator shall include a description of the personal data breach together with the categories and an approximate number of data subjects concerned, a description of the personal data concerned, the possible consequences of the personal data breach, and the measures envisaged to remedy the personal data breach. The Mandatary shall assist the Mandator in gathering the necessary information for the supervisory authority.
- 7.15. E-mail address of the person responsible for data protection of the contracting authority: andmekaitse@mkm.ee

8. Liability

- 8.1. The Party in breach of the Agreement is obliged to compensate the other Party for the damage caused.
- 8.2. The Mandatary shall be liable for any breach of the Agreement, in particular, if the provision of services does not comply with the requirements agreed in the Agreement and its annexes. Among other things, the provision of services is considered non-compliant if the Mandatary does not submit the required documentation upon delivery and acceptance of the services, does not provide the services on time, fails to provide the Mandator with information on the performance of the Agreement, etc.
- 8.3. In case the Mandatary is in breach of the contractual obligation, the remedy of which is possible, the Mandator is entitled to submit to the Mandatary the requirement to remedy the breach (hereinafter the *injunction*), providing to the Mandatary a reasonable time limit to remedy the breach (*depending on the nature of the services, circumstances of the breach, etc., but generally not more than 5 working days*). Such an injunction shall apply only to obligations for which the Mandator considers it reasonable by the nature of the obligation and if he/she has an interest in remedy. If the Mandatary fails to comply with the injunction within the given term, the Mandatary must pay the Mandator a contractual penalty of 0.15% of the price of the Agreement for each day of delay.
- 8.4. If the Mandatary delays the provision or delivery of services beyond the deadline agreed in the Agreement, the Mandator has the right to demand a contractual penalty from the Mandatary in the amount of 0.15% of the price of the Agreement for each day of delay.
- 8.5. If the Mandatary breaches an obligation arising from the Agreement which cannot be remedied, or if the Mandator has no interest in remedying, or if the Mandatary fails to remedy the breach within the time limit specified in the injunction specified in clause 8.3, or if the Mandatary fails to perform the Agreement, the Mandator has the right to demand from the Mandatary contractual penalty of 20% of the price of Agreement for each breach, and in addition to the contractual penalty claim, the Mandator also has the right to terminate the Agreement unilaterally.

- 8.6. In the event of non-compliance with the obligations arising from clauses 4.2.10 and 7, the Mandator has the right to terminate the Agreement unilaterally and/or demand a contractual penalty of 20% of the price of the Agreement, but not less than EUR 1,500 for each breach. Upon termination of the Agreement under this clause, the Mandator shall pay the Mandatary only for the part of the services actually provided if the Mandator has an interest in it.
- 8.7. Extraordinary unilateral termination of the Agreement does not deprive the Mandator of the right to demand a contractual penalty and compensation for damage from the Mandatary. If the Agreement allows for the imposition of a contractual penalty for the same violation on the basis of several provisions, the Mandator has the right to decide on the basis of which provision he or she requests a contractual penalty.
- 8.8. The Mandator has the right to reduce the price of the Agreement by the amount of the contractual penalty when paying for the services.
- 8.9. The contractual penalties provided for in the Agreement have been agreed upon to enforce the obligations, and the demand for the contractual penalty does not affect the right of the Mandator to demand additional performance of the obligation and compensation for damage from the Mandatary.
- 8.10. The Mandatary undertakes to reimburse all costs and damages incurred by the Mandator in connection with the improper provision of the services provided by the Mandatary.
- 8.11. If the Mandator delays the fulfillment of the financial obligations provided for in the Agreement, the Mandatary has the right to demand from the Mandator a default interest of 0.05% per day on the amount delayed, but not more than 20% of the price of the Agreement.

9. Force majeure

- 9.1. The parties shall be liable for breach of obligations unless the breach is caused by force majeure. The parties shall consider the circumstances specified in § 103 (2) of the Law of Obligations Act as cases of force majeure.
- 9.2. The Party that violates the obligation due to force majeure shall immediately notify the other Party in writing of the circumstances of the force majeure and their effect after the Party became aware or should have become aware of the circumstances of force majeure. The Party is obliged to take all possible measures to prevent or reduce the circumstances of force majeure and the damage caused by them. The Party is obliged to continue to perform its contractual obligations as soon as the circumstances of force majeure have been eliminated. If due to force majeure, the parties are prevented from fulfilling their obligations under the Agreement for more than 60 consecutive calendar days, either Party may terminate the contract.

10. Exchange of notifications and authorized representatives

- 10.1. The parties undertake to inform the other Party of all circumstances that may affect or impede the fulfillment of obligations
under the Agreement or the exercise of rights.
- 10.2. Notifications shall be forwarded to the other Party using the contact details specified in the contract. A party is obliged to
immediately inform the other Party of any change in contact information.
- 10.3. The notice shall be deemed to have been served on the other Party if:
 - 10.3.1. the notice has been forwarded to the other Party by e-mail digitally signed (on the day of forwarding the notice);

- 10.3.2. the notice has been sent by registered post of the post office to the address indicated by the other Party (if three days have passed since the posting).
- 10.4. In particular, the parties' statements of termination of the Agreement, as well as the Party's claim to the other Party due to breach of Agreement, must be forwarded in the manner specified in clause 10.3.
- 10.5. An information notice may also be communicated by telephone and e-mail.
- 10.6. Authorized representatives of the parties are appointed in the special terms of the Agreement. The authorized representative of the Mandator has the right to represent the Mandator in all matters related to the Agreement, except for the amendment of the Agreement, unilateral termination of the fixed-term Agreement, and submission of a claim for contractual penalty, default interest, and/or damages.

11. Entry into force, amendment, and termination of the Agreement

- 11.1. The Agreement shall enter into force upon signature of the Agreement and its annexes by both parties and shall remain in force until the obligations of the parties have been duly fulfilled or terminated prematurely.
- 11.2. The parties have the right to agree to amend the Agreement only in accordance with the rules set out in the Public Procurement Act.
- 11.3. The parties have the right to withdraw from the Agreement prematurely or cancel the Agreement if the other Party materially violates the obligations arising from the Agreement. The Agreement may be terminated without notice in the event of a material breach of the Agreement, inter alia, if, in the case of the provision of a service which does not comply with the terms of the Agreement, the deficiency of the service has not been eliminated within the term specified by the Mandator.

12. Settlement of disputes

- 12.1. All disputes arising from the performance, amendment, termination, or application of liability of the Agreement shall be settled through negotiations.
- 12.2. If no agreement is reached by way of negotiations, the dispute shall be resolved in the court of the location of the Mandator pursuant to the procedure provided by the legislation of the Republic of Estonia. The legislation in force in the Republic of Estonia shall apply to the content of the Agreement.
- 12.3. The Agreement shall be interpreted in accordance with the common actual will of the Parties, even if it differs from the ordinary meaning of the words. If the common actual will of the parties cannot be ascertained, the Agreement shall be construed as the same reasonable person as the other Party should have understood the Agreement in the same circumstances.
- 12.4. A term of the Agreement must be interpreted in conjunction with the other terms of the Agreement, giving each of them a meaning based on the meaning of the Agreement as a whole.

13. Other provisions

- 13.1. If the general terms and conditions have changed during the extension of the fixed-term Agreement compared to the previous period and the Mandator has informed the Mandatary of the change in the general terms and conditions, the new general terms and conditions shall be deemed valid from the extension of the contract.
- 13.2. In the event of a conflict between the General Terms and the Special Terms and Conditions, the Special Terms and Conditions shall prevail.