Interreg Co-funded by the European Union
Central Baltic Programme
RAISE

KIRAHub

Annex 6 – Framework Agreement and Procurement Contract

Procurement title: AI development services in the RAISE project
Contracting authority: KIRAHub (KIRA-InnoHub ry)

Draft Framework Agreement

KIRA-InnoHub ry, Business ID 2958830-3, address Lapinlahdenkatu 16, Helsinki, represented by CEO Teemu Lehtinen (hereinafter the "Purchaser"),

and

__________________, Business ID ___________, address _________________, (hereinafter the "Service Provider"), represented by _________________,

hereinafter individually a "Party" and jointly the "Parties", participate in the public procurement procedure with the reference "AI development services in the RAISE project" (hereinafter the "Public Procurement") on the basis of the results of this Framework Agreement (hereinafter also the "Agreement"), as follows:

1. CONTRACT DOCUMENTS AND INTERPRETATION OF THE AGREEMENT

1.1. The Agreement is based on the Contractor's tender for the Public Procurement _____ (______), which was declared successful in the public procurement procedure conducted by the Purchaser, and on the procurement documents for that Public Procurement.

1.2. The framework agreements concluded separately with the Commissioning Parties declared successful in Lot ____ of the Public Procurement form a group of framework agreements for the subject matter of an individual contract (a lot of the Public Procurement), serving as the basis for placing orders.

1.3. The contract documents consist of this Agreement, its annexes, and any amendments and agreements agreed upon after the conclusion of the Agreement.

1.4. At the time of its conclusion, the Agreement has the following annexes:

1.4.1. Annex No 1 – the public procurement documents and their annexes;

1.4.2. Annex No 2 – the tender submitted by the Commissioning Party in connection with the Public Procurement (hereinafter the "Tender");

1.5. If the provisions set out in the documents referred to in Clause 1.4 of the Agreement conflict with one another, or if provisions arising from those documents conflict with other legislation or documents relating to the Agreement, the Parties shall follow the order of precedence set out below:

1.5.1. The contract notice and its annexes;

1.5.2. the Agreement;

1.5.3. the Tender;

1.5.4. legislation;

1.6. All the documents specified in Clause 1.4 of the Agreement complement one another, and the Commissioning Party undertakes to fulfil all obligations and requirements arising from those documents and from legislation. In addition, the Commissioning Party shall fulfil the other obligations mentioned in the Agreement and perform any other actions not mentioned in the Agreement that are necessary to achieve the purpose defined in the Agreement.

1.7. Headings are used in the Agreement for ease of reference and do not in any way limit or affect the meaning or interpretation of its provisions. Words in the singular also refer to the plural and vice versa, unless the context indicates otherwise.

1.8. The terms used in the Agreement are based on those set out in the Agreement and the procurement document.

1.9. Termination of the Agreement shall not affect the performance of obligations which, by their nature, remain in force after the Agreement ends (e.g. the duty of confidentiality).

2. SUBJECT MATTER AND TERM OF THE AGREEMENT

2.1. The subject matter of the Agreement is the provision of AI development services to a company designated by the Client (hereinafter the "Client"), in accordance with the contract notice and its annexes and the terms defined in this Agreement (hereinafter the "Service").

2.2. The Agreement enters into force upon signature by the Parties and remains in force until 30 September 2028 or until the maximum amount of the Public Procurement has been reached, whichever occurs first.

2.3. By concluding the Agreement, the Client does not commit to placing orders or to placing orders of any particular volume.

2.4. The maximum funding for the framework agreements referred to in Clause 1.1 is EUR 112,000 (including VAT).

3. ORDERING THE SERVICE UNDER A FRAMEWORK AGREEMENT WITH MULTIPLE SERVICE PROVIDERS

3.1. The provision on placing orders (concluding a Procurement Contract) set out in this section applies where an agreement has been concluded with more than one Commissioning Party for the Public Procurement referred to in Clause 1.1 of the Agreement.

3.2. Services are ordered under the Framework Agreement, i.e. Procurement Contracts are concluded, according to the Client's needs and in accordance with the terms specified in the Agreement and the contract notice.

3.3. For a particular SME, the Procurement Contract is concluded as follows:

3.3.1. The Contracting Authority prepares a task brief based on the needs of a particular Client;

3.3.2. The Contracting Authority sends the providers an invitation to a mini-competition together with the task brief;

3.3.3. Tenderers shall submit to the Contracting Authority, within a period of at least 5 working days of receiving the invitation to the mini-competition, a written description of the solution to the task brief, stating the solution methodology, the schedule, a list of the team members involved together with a description of their roles, and the price of the Service as an hourly rate. The period starts on the day following the sending of the invitation to the mini-competition.

3.4 Based on the need for the service offered by the Client, the Contracting Authority selects a Service Provider from among the Commissioning Parties that have signed the contract for the Public Procurement referred to in Clause 1.1, on the following grounds:

3.4.1 Description of the solution to the task brief proposed by the Tenderer: 80 points;

3.4.2 The Service Provider's hourly rate: 20 points.

3.4.3 The description of the task brief is assessed using the following evaluation method:

80 points – The description of the solution to the given task brief meets the requirements of the task brief. The description of the proposed solution methodology is clear and logical. The suitability of the proposed solutions is justified, and the solutions are linked to the purpose of the work. The Tenderer has described the planned outcome. The proposed schedule is realistic, and the expiry date of the Framework Agreement has been taken into account when planning it. A description of each team member's role is included with the list of team members to be involved. The allocation of roles within the team is clear, and the described division of work is optimal and enables all planned activities to be completed to a high standard by the deadline.

40 points – The description of the solution to the given task brief meets the requirements of the task brief. There are some shortcomings in the proposed solution methodology. The suitability of the proposed solutions is justified in general terms, and the solutions are only partly linked to the purpose of the work. The planned outcome is described, but only in general terms or in a manner that does not allow a full assessment of whether the final output will meet the purpose of the task brief. The proposed schedule is realistic, and the expiry date of the Framework Agreement has been taken into account when planning it. The proposed division of work between team members is appropriate for the task brief, but individual shortcomings or inconsistencies can be identified.

20 points – The description of the solution to the given task brief partly meets the requirements of the task brief. There are significant shortcomings in the description of the proposed solution methodology. The methodology is described in general terms and is not linked to the purpose of the work. The Service Provider has not described the planned outcome. The proposed division of work

between team members is appropriate for the task brief, but there are significant shortcomings or inconsistencies in the team's division of work. The proposed schedule is incomplete or general, or its feasibility is not sufficiently justified.

1 point – The description of the solution to the given task brief meets the requirements of the task brief only to a limited extent. The solution methodology is missing or substantially inadequate, the schedule is unrealistic, and the allocation of roles between team members is unclear or unsuitable for the task brief.

3.3.4. Evaluation method for the hourly rate:
The tenderer offering the lowest hourly rate receives the maximum score, and the others receive proportionately fewer points according to the following formula:
20 × (lowest tender / submitted tender) = points

3.3.5. The offer to provide the Service is made to the Service Provider that receives the highest score in the evaluation. In the event of a tie, lots will be drawn.

3.3.6. If the Commissioning Party with the highest score does not confirm delivery of the Service to the Client within 2 working days after the Client has sent the proposal, the Client is entitled to approach the Commissioning Party with the next highest score to perform the Service, and so on.

3.4. A written Procurement Contract shall be concluded with the Service Provider.

3.5. For the Public Procurement in question, the Client is entitled to conclude a Procurement Contract with a freely selected Commissioning Party that is a party to the Framework Agreement, provided that the total value of these Procurement Contracts does not exceed 20 per cent of the total value of the corresponding lot under the Framework Agreement and that the value of each such Procurement Contract is below the public procurement threshold.

3.6. The Agreement does not prevent the Client from ordering services from service providers that are not parties to the Framework Agreement. When ordering services outside the Agreement, the Purchaser shall comply with the Public Procurement Act.

4. ORDERING THE SERVICE UNDER A FRAMEWORK AGREEMENT WITH A SINGLE SERVICE PROVIDER

4.1. The rule on placing orders set out in this section applies where an agreement has been concluded with one Commissioning Party for the Public Procurement referred to in Clause 1.1 of the Agreement.

4.2. When development services are needed, the Client shall contact the Commissioning Party to order the Service, and the order shall be performed on the basis of the hourly rate agreed in the Agreement.

4.3. A written Procurement Contract shall be concluded with the Service Provider.

5. RIGHTS AND OBLIGATIONS OF THE SERVICE PROVIDER

5.1. The Commissioning Party is entitled to:

5.1.1. receive from the Purchaser the information necessary to provide the Service;

5.1.2. receive from the Client the payment specified in the Agreement for a Service duly performed;

5.1.3. use the Purchaser's name and logo in its own marketing materials and public communications;

5.1.4. involve third parties in the provision of services, including the Commissioning Party's employees, only with the Client's prior consent.

5.2. The Commissioning Party undertakes to:

5.2.1. strictly comply with the requirements set out in the Agreement, the contract notice and its annexes;

5.2.2. take into account the interests of the person to whom the Service is provided in the same manner as the Purchaser's interests when providing the Service;

5.2.3. provide the Service with the due care expected of a professional in the field;

5.2.4. send a time report and an overview of the Service provided to the Project Manager by email no later than the 3rd day of the calendar month following the calendar month being invoiced;

5.2.5. comply with the instructions given by the Purchaser when providing the Service and refrain from any actions that may hinder the achievement of the objectives of the Service;

5.2.6. ensure compliance with the duty of confidentiality in accordance with the provisions of the Agreement;

5.2.7. provide services in accordance with the contract documents and perform the Procurement Contracts to a standard at least equal to or higher than that specified in the relevant documents;

5.2.8. take into account the instructions given by the Client and comments made during the work;

5.2.9. immediately notify the Client's representative by email of any circumstances preventing performance of the work, and whenever the Commissioning Party wishes to depart from an instruction given by the Purchaser for the performance of the Agreement, and of any circumstances that may cause the Client to change that instruction;
5.2.10. not transfer to third parties any rights or obligations relating to the provision of the Service;
5.2.11. use the same person to perform the Service as was proposed as part of the Public Procurement. If a change of team member is desired, it must be ensured that the work is carried out by persons with at least the qualifications and experience required in the public procurement documents. The Client shall be notified of the need to change a team member as soon as possible and shall be provided with documents describing the new team member's experience. Changes to team members require the Client's consent, at least by email.
5.2.12. Provide the Client with a handover certificate signed by the Commissioning Party and the Client (SME) upon completion of the Service.

6. RIGHTS AND OBLIGATIONS OF THE PURCHASER

6.1. The Purchaser is entitled to:
6.1.1. require the Service Provider to provide the Service;
6.1.2. use the Service Provider's name and logo in its own marketing materials and public communications, including on the project website;
6.1.3. give the Commissioning Party justified instructions for the performance of the Agreement within its scope, which the Commissioning Party shall implement;
6.1.4. request information on the performance of the Agreement at any time, which the Service Provider shall supply immediately;
6.1.5. claim compensation for damage caused by a breach of the Agreement or a Procurement Contract, in addition to the penalty agreed in the Agreement;
6.1.6. exercise other rights reserved to the Purchaser under the contract notice and/or the Agreement;
6.1.7. verify, during the term of the Agreement or a Procurement Contract, that all obligations arising from the Agreement and the Procurement Contract have been fulfilled.
6.2. The Client undertakes to:
6.2.1. provide the Service Provider with the information, documents and instructions necessary to provide the Service;
6.2.2. pay the Commissioning Party the fee agreed in the Agreement for work duly performed.

7. HARM TO THE INTERESTS OF THE PARTIES

7.1. The Parties undertake to refrain from activities that harm the interests of the Parties, including the following:
7.1.1. The Parties shall observe high professional and ethical standards in their cooperation. All activities and communications shall support honesty, respect and openness.
7.1.2. The Parties shall treat each other courteously, refrain from derogatory or rude communications, and respect confidentiality and the agreed framework for cooperation;
7.1.3. Entering into direct external agreements, damaging the other Party's reputation or misusing resources is not permitted;
7.1.4. The Commissioning Party undertakes to avoid conflicts of interest, meaning situations in which the Service Provider is unable to represent the interests of the recipient of the Service in the best possible manner due to a conflict involving its own interests or those of third parties. The risk of a conflict of interest is also considered a conflict of interest. If a conflict of interest or the threat of one arises, the Service Provider undertakes to notify the Client immediately of the conflict and to discontinue the Service without delay. A conflict of interest does not release the Commissioning Party from the duty of confidentiality specified in the Agreement.
7.1.5. The content of the Agreement and information on a Party's trade secrets obtained under the Agreement and during its performance are confidential and may not be disclosed to third parties, except in cases provided for by law or in the Agreement.
7.1.6. A Party that breaches the duty of confidentiality shall compensate the other Party for the damage caused by the breach. Each Party is liable for breaches of confidentiality by all its employees or other persons used in its economic and professional activities and undertakes to compensate for the resulting damage.

7.1.7. Each Party shall comply with its duty of confidentiality during the term of the Agreement and for 5 (five) years after the Agreement ends.

8. PRICE OF THE WORK AND INVOICING PROCEDURE

8.1. The hourly rate for performing the Service in accordance with the terms of the contract notice is EUR _____.

8.2. The price of the work is determined on the basis of the hourly rate agreed in the Agreement and the volume of the Service to be provided.

8.3. The Client shall pay the Service Provider according to the actual volume of the Service. After each calendar month, the Commissioning Party shall submit to the Purchaser's contact person a report on the work performed and the amount of work, no later than the 3rd day of the calendar month following the calendar month being invoiced.

8.4. For payment, the Commissioning Party shall submit an invoice no later than the 5th day of the calendar month following the invoicing period. The invoice shall correspond to the report on the amount of work submitted to the Client.

8.5. Payment shall be made to the Commissioning Party's current account 1 (one) time per calendar month. The Purchaser shall pay invoices for work duly performed within 21 (twenty-one) days of their submission.

8.6. The payment includes all costs incurred by the Commissioning Party in providing the Service that have been approved in advance by the Client. If the Purchaser and the Commissioning Party have agreed that the Service will be delivered outside Finland, the Purchaser shall also reimburse the Commissioning Party for the justified and documented costs incurred in this connection (in particular transport and accommodation) that have been agreed in advance with the Client.

8.7. If the Commissioning Party takes additional measures to perform the Service that have not been agreed in the Agreement, the Commissioning Party may claim an additional payment for those measures only by agreement between the Parties in writing or in a form that allows written reproduction.

8.8. The Client is entitled not to pay for a Service that the Commissioning Party has not coordinated in accordance with the Client's requirements and that the Client has not approved, in a form that allows written reproduction, before the consultation.

8.9. In the event of a delay in fulfilling a payment obligation described in the Agreement, the Party undertakes to pay late payment interest of 0.05% (zero point zero five per cent) of the unpaid amount per day.

8.10. The Commissioning Party shall return to the Client any amounts paid by the Client in excess of the amount specified in the Agreement within 21 days of receiving the relevant notification.

9. LIABILITY

9.1. The Parties acknowledge that, in the event of failure to perform or improper performance of obligations assumed under the Agreement, they are liable to the other Party to the extent specified in the Agreement and in legislation. In addition to the penalties, late payment interest and other charges agreed in the Agreement, the Party in breach shall compensate the other Party for damage caused by its acts or omissions.

9.2. A delay in performing an obligation or exercising a right arising from the Agreement does not constitute a release from that obligation or a waiver of that right. Separate or partial performance of an obligation or exercise of a right does not prevent the performance of that obligation or the exercise of that right in the future, unless otherwise stated in the Agreement.

9.3. The Client is liable to the Commissioning Party for a breach of contract only if the breach is due to gross negligence or wilful misconduct. In all cases, the Client is liable only for direct damage to property suffered by the Service Provider. Compensation for loss of income is excluded.

9.4. The Client is not liable for damage caused to the Service Provider by the acts or omissions of the Client's partners or third parties. The Service Provider shall pursue claims arising from the acts or omissions of third parties directly against the party that caused the damage.

9.5. If the Commissioning Party has, by its acts or omissions, caused damage to the company receiving the Service, the Client's partners or third parties, the injured parties are entitled to bring the corresponding claims directly against the Commissioning Party (an agreement with protective effect for third parties).

9.6. The Purchaser is entitled to claim, and the Commissioning Party is obliged to pay, a penalty of EUR 500 (five hundred) for each breach of the Framework Agreement, unless otherwise provided in Clause 9.7 of the Agreement.

9.7. For a breach of the obligations specified in Clauses 5.2.11–5.2.12 and 7.1 of the Agreement, the Party in breach undertakes to pay the other Party a penalty of EUR 5,000 (five thousand) for each breach.

9.8. The purpose of the penalty is to secure performance of the obligation, not to replace its performance.

9.9. The Client is entitled to deduct the amounts of contractual penalties and damages claimed by the Purchaser from the payment due to the Commissioning Party under the Procurement Contract, by notifying the Commissioning Party in advance.

9.10. Payment of contractual penalties and compensation for damage does not release the Party in breach from fulfilling its obligations under the Agreement, unless the obligation can no longer be fulfilled due to the Procurement Contract.

10. TERMINATION OF THE AGREEMENT

10.1. The Client is entitled to terminate the Agreement in an emergency without a notice period if:

- 10.1.1. it appears that the Commissioning Party has provided incorrect information in the tender for the Public Procurement (including its annexes) or in the Agreement;
- 10.1.2. the Service Provider does not meet the requirements imposed by legislation governing the field in which the work is performed, or its qualifications do not meet the requirements for performing the work;
- 10.1.3. the Commissioning Party has materially breached an obligation arising from the Agreement or the law and has not remedied the breach within the period specified by the Purchaser. The Client considers a material breach to include non-compliance with the contractual terms of the Service, i.e. repeated breach of an obligation specified in the Agreement (regardless of the nature of the obligation), including:
  - 10.1.3.1. improper provision of the Service;
  - 10.1.3.2. the Service Provider failing to provide the Service in accordance with the quality and/or ethical principles of the relevant field;
  - 10.1.3.3. the Service Provider repeatedly failing to meet agreed deadlines;
  - 10.1.3.4. providing false information;
  - 10.1.3.5. breach of confidentiality;
  - 10.1.3.6. sharing or using the trade secrets or confidential information of the company receiving the Service;
  - 10.1.3.7. transfer of contractual obligations to a third party;
  - 10.1.3.8. breach of the obligation to avoid conflicts of interest;
  - 10.1.3.9. the Commissioning Party's breach of its obligations giving the Client reasonable grounds to believe that the Commissioning Party will not fulfil its obligations in the future.

10.2. The Commissioning Party is entitled to terminate the Agreement on extraordinary grounds without a notice period if:

- 10.2.1. performance of the Commissioning Party's obligations under the Agreement has become impossible due to the Client's fault (i.e. the Client's repeated breach of the Agreement);
- 10.2.2. the Purchaser has unreasonably delayed contractual payments by more than 60 (sixty) calendar days.

10.3. If the Agreement is terminated early, the Commissioning Party is entitled to receive payment for the Service actually performed in accordance with the Agreement.

10.4. Either Party may terminate the Agreement unilaterally by giving the other Party 60 (sixty) days' notice. Termination of the Agreement does not automatically invalidate Procurement Contracts previously concluded under it.

11. FORCE MAJEURE

11.1. Failure to perform or improper performance of obligations under the Agreement shall not be considered a breach of the Agreement or its annexes if it is due to force majeure. Force majeure means unexpected situations and events beyond the Parties' control or whose occurrence the Parties could not have foreseen when concluding the Agreement or its annexes.

11.2. A Party prevented by force majeure from performing its contractual obligations shall immediately notify the other Party in writing and fulfil its obligations when the force majeure event ends. In the event of force majeure, the contractual time limits shall be extended by the duration of the force majeure event.

11.3. If force majeure continues for more than 2 (two) calendar months, the Client is entitled to terminate the Agreement in an emergency. In that case, neither Party is entitled to claim compensation from the other Party for damage arising from failure to perform or improper performance of the Agreement.

12. CONTACT PERSONS OF THE PARTIES AND DELIVERY OF NOTICES

12.1. All notices and other legally significant information shall be considered duly delivered if sent by email to the contact person for the Agreement. Informative messages or information may also be communicated by telephone.

12.2. The Purchaser’s contact persons and Project Managers are authorised to order the Service.

12.3. The Parties’ contact persons and details relating to the performance of the Agreement are as follows:

Client’s contact person(s):	Management contact person:
Name: …………….	Name: …………….
Telephone: …………….	Telephone: …………….
Name: …………….	Email: …………….

Name:................
Telephone: …………….
Email: …………….

12.4. A Party may at any time change the contact details to which notices or other information are to be sent, and its contact persons referred to above, by notifying the other Party. Such notification shall be sent by email.

12.5. The Client’s contact person is responsible for arranging supervision of the performance of the Agreement and the schedule, notifying the other Party of delays and changes, accepting the work on behalf of the Client, and submitting complaints. When the Client’s contact person is absent from work (on leave, on an assignment, due to illness, etc.), a person designated by the Client shall have the same rights.

13. PROCESSING OF PERSONAL DATA

13.1. The Parties undertake to process personal data only on the grounds and in accordance with the procedures set out in the General Data Protection Regulation (GDPR), and to comply with all other applicable legislation on the processing of personal data.

14. AMENDMENTS TO THE AGREEMENT AND OTHER TERMS

14.1. The Agreement may be amended by mutual consent of the Parties. All amendments shall be made in the same form as the Agreement.

14.2. The Parties confirm that, in their reasonable understanding, no provision of the Agreement causes unreasonable detriment to the other Party and that the rights and obligations of the Parties are balanced under the Agreement. The Parties also confirm that they consider all terms of the Agreement reasonable and undertake to comply with them.

14.3. All disputes arising from or relating to the Agreement shall be resolved through negotiation. Any disagreements, disputes or claims arising from or relating to the Agreement or its breach, termination or invalidity that the Parties have been unable to resolve through negotiation shall be resolved by the Helsinki District Court as the court of first instance.

14.4. The Agreement is governed by the legislation in force in Finland.

15. SIGNATURES OF THE PARTIES

Purchaser: Author:

(signature) (signature)

Draft Procurement Contract

KIRA-InnoHub ry, Business ID 2958830-3, address Lapinlahdenkatu 16, Helsinki, represented by CEO Teemu Lehtinen (hereinafter the "Purchaser"),

__________________, Business ID ___________, address _________________, (hereinafter the "Service Provider"), represented by _________________

hereinafter also individually a "Party" and jointly the "Parties", hereby conclude the following Procurement Contract:

1. Basis for concluding the Procurement Contract

1.1. The Contract is concluded on the basis of the Framework Agreement resulting from the government procurement procedure "AI development services in the RAISE project".

1.2. In performing the Procurement Contract, the Parties shall follow the terms set out in the Procurement Contract and the Framework Agreement (including the terms of the public procurement documents annexed to the Framework Agreement).

1.3. The terms of the Procurement Contract are specific terms, and those of the Framework Agreement are general terms. In the event of any conflict between the Framework Agreement and the Procurement Contract, the terms of the Procurement Contract shall prevail.

1.4. The Procurement Contract shall be performed on the terms and in accordance with the procedure specified in the Framework Agreement, the Procurement Contract and its annexes.

2. Subject matter and price of the Procurement Contract

2.1. The subject matter of the Procurement Contract is _____ (hereinafter the "Service").

2.2. The price of the Service is _____.

3. Term of the Contract

3.1. The Procurement Contract enters into force when both Parties have signed it and remains in force until all obligations of both Parties arising from the Procurement Contract have been fulfilled.

Purchaser:	Service Provider:
(signature)	(signature)