**NOTICE OF SELECTION OF INDEPENDENT MEMBERS TO THE BOARD OF AB LTG INFRA, A MEMBER OF AB LIETUVOS GELEŽINKELIAI CORPORATE GROUP**

AB LTG Infra is part of the Lietuvos Geležinkeliai (Lithuanian Railways) Group and its principal activities cover management, use and disposal of the railway infrastructure and performance of the functions of the public infrastructure manager.

The functions of the public railway infrastructure manager are set out in the Railway Transport Code of the Republic of Lithuania (RTC) and other legal acts regulating railway transport activities.

The Company’s portfolio of strategic projects is comprised of the projects such as rail network electrification and re-electrification, modernisation of intermodal terminals, traffic management upgrade, etc. and one of the priorities trans­European transport network projects – Rail Baltica as main part of the North Sea-Baltic TEN-T core network corridor.

The Company has arround 2,500 employees.

**AB Lietuvos Geležinkeliai announces the selection for the positions of 2 independent members to the Board of its subsidiary AB LTG Infra for a new term of office of 4 years.**

**The competence areas of independent board members are:**

1. **Management of strategic infrastructure projects****.**
2. **Strategy and development.**

AB LTG Infra website: <https://ltginfra.lt/en/>

AB LTG Infra performance results: <https://ltginfra.lt/en/veiklos-rezultatai>

AB LTG Infra strategy: <https://ltginfra.lt/en/veiklos-strategija>

Letter of Expectations: [Letter of Expectations of AB Lietuvos Geležinkeliai](https://www.litrail.lt/documents/10279/0/SM%2Blukes%C4%8Di%C5%B3%20lai%C5%A1kas%2B2020%2Bm./43e216b0-44dc-46f5-a4cd-3d5ffd1d5318)

The Company’s Board consists of 5 members elected for a term of 4 years. To ensure good governance practices, appropriate representation of shareholder interests and the added value that the competence of independent members can bring, the board members are selected as follows: 2 Board Members are delegated by the parent company, 1 Board Member is a civil servant, and 2 Board Members are independent.

Preliminary date to start serving on the Board is 02/01/2023.

The executive search agency Master Class LT, UAB is involved in the selection procedures.

The online link of VšĮ Valdymo Koordinavimo Centras (Governance Coordination Centre (GCC)) to information about the selections carried out by the GCC:

<https://governance.lt/kolegialus-organai/#nariu-atrankos>

The selection is performed in accordance with the Description of Selection of Candidates to a Collegial Supervisory or Management Body of a State or Municipal Enterprise, State-Owned or Municipality-Owned Company or Its Subsidiary, approved by Resolution No 631 of the Republic of Lithuania Government of 17/06/2015 (hereinafter: the ‘Description of Selection’).

<https://www.e-tar.lt/portal/lt/legalAct/0bf2e080199b11e58569be21ff080a8c/asr>

The selection will be carried out by a Selection Commission formed by order of the Chief Executive Officer of AB Lietuvos Geležinkeliai. The Selection Commission is formed from five members – one representative proposed by the head of the institution representing the State, three representatives of the parent state-owned company and one representative of VšĮ Valdymo Koordinavimo Centras.

Method of selection: interview.

**Candidates who apply for the position of an independent member of the Company’s Board must meet the following general and special requirements and independence criteria:**

**1. General requirements:**

1.1. The candidate must have higher university or equivalent education;

1.2. The right to hold the respective position for which the candidate applies or to fulfil the functions assigned to such position must not have been deprived or restricted;

1.3.Over the past 5 years the candidate must not have been disqualified from office at the single-person or collegial body of a legal entity due to improper fulfilment of duties.

1.4.The candidate must have an impeccable reputation;

1.5. The candidate must not have any relationship with other private persons or legal entities which could lead to a conflict of interest in the course of performing duties;

**2. Special requirements:**

2.1. Very good English language skills (written and oral);

2.2. Experience in implementation of strategic goals and sustainable increase in the value of the company;

2.3. Knowledge of corporate governance principles and knowledge of and experience in good corporate governance;

2.4. Excellent leadership, teamwork and stakeholder engagement capabilities;

**3. Special requirements applicable by competence areas:**

**3.1. 1. Management of strategic infrastructure projects:**

3.1.1. At least 5 years of managerial work experience (the head of the company (CEO), a top-level executive directly reporting to the CEO, a member of the management or supervisory collegial body);

3.1.2. Experience in the areas of project management, evaluation and financing;

3.1.3. Knowledge of and experience in funding for state-regulated activities;

3.1.4. Experience in infrastructure expansion planning and development;

3.1.5. At least 5 years of managerial work experience in road, air, water, or rail transport and/or railway infrastructure management in member countries of the European Union or the North Atlantic Treaty Organization;

3.1.6. work experience in a multinational enterprise group;

**3.2.** **2. Strategy and development:**

3.2.1. At least 5 years of managerial work experience (the head of the company (CEO), a top-level executive directly reporting to the CEO, a member of the management or supervisory collegial body);

3.2.2. Experience in corporate strategic planning, organisational transformation and change management;

3.2.3. Experience in the areas of project management, evaluation and financing;

3.2.3. Experience in development and implementation of digitalisation, innovation, and efficiency improvement solutions;

**4. Independence criteria:**

4.1. The candidate must not be a civil servant or employee of AB LTG Infra, its subsidiary or parent company and a legal entity related thereto whose participants, stakeholders or founders are the companies specified in this item (hereinafter: the ‘related legal entity’), of the entity initiating the selection or a legal entity reporting to it, and during the past one year must not have held such position;

4.2. The candidate must not be a member of the collegial body, head or employee of AB LTG Infra, its subsidiary or parent company, or the related legal entity whose participants, stakeholders or founders are the companies specified in this item (hereinafter: the ‘related legal entities’), and during the past one year must not have held such position and must not have received any remuneration from such legal entities, except for remuneration for serving as a member of the collegial body or of the committee;

4.3. During the past one year the candidate must not be the participant of AB LTG Infra, its subsidiary or parent company, or the related legal entity, the representative of the participants of these legal entities;

4.4. The candidate must not be a person close to a participant, head or members of the collegial bodies of AB LTG Infra, its subsidiary or parent company, or the related legal entity – the spouse, cohabitee, partner, when the partnership is registered in accordance with the procedure laid down by law, as well as their parents (adoptive parents), children (adopted children), brothers (adopted brothers), sisters (adopted sisters), grandparents, grandchildren and their spouses, cohabitees or partners;

4.5. The candidate must not have a significant business relationship with AB LTG Infra, its subsidiary or parent company, or the related legal entity neither directly nor as the participant or head of the legal entity having such relationship. A private person or legal entity is considered as having a significant business relationship if his income from AB LTG Infra, its participant or the related legal entity during the past 12 months is higher than EUR 1,000, except for wages or remuneration for serving as a member of the collegial body or of the committee;

4.6. For the past 2 years the candidate must not be a partner, participant, head, member of the collegial body, or employee in an audit company that conducts or has conducted an audit of AB LTG Infra, its subsidiary or parent company, or the related legal entity;

4.7. The candidate must not be a member of the collegial body of AB LTG Infra, its subsidiary or parent company for more than 10 years. This period is calculated by adding the previous terms of office of a member of the collegial body of the same company to the future term of office of a member of the collegial body to which the candidate would be appointed, with a maximum interval of one year between them;

4.8. the candidate must not be a member of the collegial body of more than four state-owned or municipality-owned enterprises.

**Documents required from candidates:**

1.Request to Participate in the Selection and Declaration of Honour wherein ***it is required to indicate what area(s) of competence according to the special requirements set out herein he or she is applying for*** (Annex 1);

2. Candidate’s Consent to Personal Data Processing (Annex 2);

3. Curriculum Vitae;

4. A copy of ID document;

5. Motivation Letter to the Selection Commission;

On request by the Selection Commission and/or representatives of the executive search agency Master Class LT, UAB, additional documents may be requested in order to confirm the compliance with the general and special requirements and the independence criteria.

Candidates shall submit documents to the executive search agency Master Class LT, UAB by **28 September 2022 inclusive.**

Candidates can submit documents to the executive search agency Master Class LT, UAB in the following way:

**By email** to submit documents signed using secure electronic signature means with qualified electronic signature certificates or submit scanned copies with signature.

**Contact persons at Master Class LT, UAB**:

Laura Žiaubrienė, Executive Search Consultant

laura.ziaubriene@masterclass.lt, phone: +370 (670) 33351.

Substitute – Laura Duksaitė Iškauskienė, Managing Partner

laura@masterclass.lt, phone: +370 (699) 37170.

**Contact persons at AB Lietuvos Geležinkeliai:**

Brigita Valenčienė, Head of HR Business Partners,

brigita.valenciene@ltg.lt, phone:  +370 (615) 78829, Pelesos g. 10, Vilnius.

Substitute – Irena Jankutė-Balkūnė,Chief HR Officer, irena.jankute-balkune@litrail.lt, phone: +370 (616) 18841, Pelesos g. 10, Vilnius.

ANNEXES:

1. Request to Participate in the Selection and Declaration of Honour by the Candidate.

1. Consent to Personal Data Processing.
2. Draft Board Member Service Contract *(changes to the provisions of the contract are possible taking into account the legal requirements in force at the time of signing the contract; the final version will be presented for acknowledgement after the decision to elect/appoint the candidate as a member of the Board; the remuneration of independent members of the Board for serving as a member of the Board will be set out in the service contract in accordance with the legal requirements in force at the time of concluding the service contract).*

Annex 1

**REQUEST TO PARTICIPATE IN THE SELECTION AND DECLARATION OF HONOUR BY THE CANDIDATE**

\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_

(date)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(place of conclusion)

I,\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereby request for

(name, surname)

permission to participate in the candidate selection to the Board / Supervisory Board (delete the unnecessary word) of

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Company name, legal form)

in the following areas of competence as announced:

1.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

2.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

3.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

I confirm that I am familiar with the provisions of the Description of the Selection of Candidates to the Collegial Supervisory or Management Body of a State or Municipal Enterprise, State-Owned or Municipality-Owned Company or its Subsidiary approved by Resolution No. 631 of the Republic of Lithuania Government of 17 June 2015 ‘On the Approval of the Description of the Selection of Candidates to the Collegial Supervisory or Management Body of a State-Owned or Municipality-Owned Enterprise’ (hereinafter: the ‘Description’), I conform to all the requirements applicable to candidates, neither I nor any persons close to me have any relationship with the enterprise for the collegial body of which I am applying, due to which a conflict of interest could arise in the course of holding the position of a member of the collegial body.

I confirm that the following information and answers to the questions are fair and correct. I indicate all legal entities with which I am or have been related during the last one year as a participant, member of the collegial body or committee, head, or employee of that legal entity.

I agree that the entity initiating the selection has the right to apply to law enforcement, control and other authorities, bodies or enterprises with a reasoned written request to provide the information available to them about me.

I agree / disagree (delete the unnecessary word) that the Monitoring Agency, as it is defined in the Description, processes my personal data in order to inform me about the announced selections and invites me to apply for the vacant position of an independent member of the collegial body.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Candidate’s signature)

|  |  |
| --- | --- |
| Legal form and name of a legal entity | Type of relationship with a legal entity |
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The questions that need a “Yes” or “No” answer:

|  |  |
| --- | --- |
| 1. Have you indicated all legal entities with which you are or have been related during the last year as a participant, member of the collegial body or committee, head, employee, or supplier of goods or services of that legal entity? |  |
| 2. Are you a legally capable person? |  |
| 3. Has your right to hold the position of a member of the legal entity’s management / supervisory body or to hold other managerial position been deprived or restricted? |  |
| 4. Have you been found guilty of a serious or grave crime, criminal offence related to the property, property rights and interests, the economy and business order, the financial system, public service and public interest, justice, public security and governance and do you have an unexpired or unexpunged conviction? |  |
| 5. Do you conform to the applicable independence requirements and do you undertake to comply with them continuously throughout the term of office of a member of the collegial body? |  |
| 6. Have you been disqualified over the last 5 years from the single-person or collegial body of a legal entity due to improper fulfilment of your duties? |  |

Please send me notifications on the selection process and results by email:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mobile phone:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Candidate’s signature, name, surname: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Annex 2

**CANDIDATE’S CONSENT TO PERSONAL DATA PROCESSING**

[date], Vilnius

1. I, **[name, surname]**, hereby express my consent that the following personal data which I have provided as a candidate shall be received and processed by UAB Master Class LT until and for the purposes of appointing of the Board Member of AB LTG Cargo:
	1. name, surname;
	2. postal address;
	3. email address;
	4. telephone number;
	5. date of birth / personal number;
	6. my photo;
	7. professional experience;
	8. education;
	9. communication skills;
	10. references / recommendations regarding me;
	11. data provided in the request to participate in the selection and declaration on honour by the candidate;
	12. data provided in the declaration of independence by the candidate.
2. I hereby express my consent that my personal data shall be used for the purposes of selecting an independent member of the Board of AB LTG Cargo to verify whether I as a candidate meet the applicable general and special requirements. I hereby express my consent that my personal data shall be transferred to the Ministry of Transport and Communications of the Republic of Lithuania.
3. Moreover, I hereby express my consent that UAB Master Class LT and the Ministry of Transport and Communications of the Republic of Lithuania may use certain data processors to whom my personal data may be transferred. Such data processors include: companies providing data centre services, companies providing email or other information technology infrastructure services, recruiters or other service providers whose services involve the storage of my personal data.
4. I am aware of my rights as data subjects according to Regulation (EU) 2016/679 of of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

Candidate \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_\_\_\_ 20 \_\_.

(name, surname) (signature) (date)

 Annex 3

**[*LEGAL ENTITY NAME*] BOARD MEMBER SERVICE CONTRACT**

The present contract regarding the Board Member’s service on the Board of [*legal entity name*] (hereinafter: the ‘**Contract**’) is concluded on [*date: day, month, year*] between:

**[*legal entity name*]**, [*legal entity form*] incorporated and operating in accordance with the laws of the Republic of Lithuania with company code [*registration code*], whose registered office is at [*office address registered in the Register of Legal Entities*] (hereinafter: the ‘**Company**’), represented by [*representative’s title, name, surname*], acting in accordance with [*legal basis for representation*],

and

[***name, surname***], personal number [*number*], residing at [*declared address of residence and correspondence address if other than declared address*](–) (hereinafter: the ‘**Board Member**’).

The Company and the Board Member may be also hereinafter referred to as the **Parties** collectively, and as the **Party** individually.

**WHEREAS:**

1. The Board Member has been elected to the Company’s Board by decision [*decision date, title, number*] of [*body having power to adopt a decision*];
2. The purpose of concluding the Contract is for the Company and the Board Member to establish the principles of the Board Member’s activities, to specify his or her rights, duties, and liability for the activities within the Company’s Board, as well as other terms and means necessary for discharging the Board Member’s duties.

**THEREFORE** the Parties agree as follows:

1. **The functions of the Board Member**
	1. Pursuant to the present Contract, the Board Member undertakes to implement the duties assigned to a member of the Company’s Board which arise from the applicable legislation, the Articles of Association of the Company, the decisions taken by the General Meeting of Shareholders of the Company, and the Rules of Procedure of the Company’s Board.
	2. Acting with other persons elected to the Company’s Board, the Board Member undertakes to act as a member of the executive body of the Company responsible for adopting top-level decisions regarding the management of the Company, with regard to questions assigned to the competence of the Company’s Board, and to implement other functions delegated to the Company’s Board.
	3. The Board Member undertakes to act appropriately, effectively, and efficiently, and to discharge his or her duties in accordance with the highest standards of professionalism, while acting to the benefit of the Company and its shareholder, and striving towards other performance goals of the Company specified in the Articles of Association of the Company and other internal documents of the Company. The Board Member must ensure the continuous implementation of the functions assigned to the Board Member in the applicable laws, other legislation, and the Articles of Association of the Company.
	4. The Board Member must discharge his or her duties in person, and shall not have the right to transfer or delegate, in part or in whole, the duties assigned to the Board Member to third parties.
	5. The Board Member shall have the following duties:
		1. to act fairly, responsibly and reasonably with regard to the Company, its other executive bodies, and the shareholder of the Company;
		2. to be loyal to the Company;
		3. to act in the benefit and in the interests of the Company and its shareholder;
		4. to protect commercial (industrial) secrets and any confidential information of the Company and to sign a statement of confidentiality in the form set by the Company binding to protect the Company’s confidential information;
		5. to avoid conflicts of interest, In the case of a conflict of interest to immediately notify the Company and to take action to avoid potential or adverse consequences or reduce them;
		6. in the course of discharging the duties of the Board Member, to act impartially and to sign a declaration of impartiality in the form approved by the Company;
		7. to refrain from using the Company’s assets and/or information that has become known to the Board Member while discharging his or her functions as a member of the Company’s Board for his or her own benefit and/or the benefit of third parties;
		8. in aiming at the effective planning and organisation of the Board meetings, to notify the Company in advance of any planned annual leave, secondments, or any other absence which might interfere with his or her participation in the meetings, already planned or being planned, of the Company’s Board, of which he or she has been duly informed;
		9. The Board Member shall refrain from making any public statements, publications, comments regarding his or her service on the Company’s Board, which have not been pre-agreed with the Chairperson of the Board, or any other information likely to affect, directly or indirectly, the Company or to cause other damage to the Company, except for the cases established by legislation and related with proper discharge of his or her direct duties as the Board Member;
		10. in case the Company’s Board decides to assign the Board Member with certain specific tasks, or permanent or temporary supervision of certain matters assigned to the Board’s competence, the Board Member must regularly provide other members of the Board with information on the task he or she is working on, or the matter(s) under his or her supervision, as well as draft performance reports in accordance with the procedure established by the Company’s Board, and submit them to the Company’s Board for consideration;
		11. to take initiative to continuously improve his or her knowledge and qualifications necessary for the proper discharge of the functions assigned to the member of the Company’s Board and with regard to a comprehensive understanding of the Company’s business, as well as effective fulfilment of tasks and making professional decisions;
		12. to implement other duties established by the applicable legislation, the Articles of Association and internal documents of the Company.
	6. The Board Member shall have the following rights:
		1. to receive all the information and documents in the possession of the Company which are necessary for the discharge of his or her functions within the Company’s Board from the Company and its executive bodies free of charge;
		2. where objectively needed, in individual cases to use of the Company’s resources necessary to ensure appropriate activities of the Board Member;
		3. as well as other rights which are conferred by this Contract, applicable legislation, the Company’s Articles of Association, the Rules of Procedure of the Board and other internal regulations of the Company.
2. **Participation in the meetings of the Company’s Board**
	1. The Board Member is required to attend all meetings of the Board, except where it is not possible due to serious and justified reasons. In such exceptional cases, the Board Member incapable of directly participating in a Board meeting (physically at the Company’s premises or another place indicated by the Company, or by means of teleconference) must vote in advance, following the procedure laid down in the Rules of Procedure of the Company’s Board.
	2. The Board Member must attend all meetings of the Company’s Board having duly familiarised him(her)self with the meeting agenda and all the information and documents related to the matters to be considered, provided that such information and documents have been submitted to him or her within the terms and in accordance with the procedure specified in the Rules of Procedure of the Board. The Board Member must actively participate in the consideration of matters on the meeting agenda, to expound his or her position on all matters under consideration in writing or verbally, and submit motivated proposals regarding the resolution of the matters in question.
	3. The Board Member agrees and undertakes to devote to the performance of his or her duties as a member of the Company’s Board, including the familiarisation with the information and documents submitted in relation to the matters under consideration, such time as is objectively necessary for the performance of his or her duties as the Board Member in a proper and responsible manner, in accordance with the highest standards of professionalism, and without prejudice to the requirements of the present Contract and applicable legislation.
3. **Voting during meetings of the Company’s Board**
	1. The Board Member shall not be granted the right to refuse to vote or to abstain from voting, except in the cases specified by legislation where the Board Member is obligated to refuse his or her vote (disqualify him(her)self from voting).
	2. The Board Member must vote in favour or against every matter under consideration by the Company’s Board during its meetings, except the cases where the meeting of the Company's Board is considering matters related to his or her responsibility or activities within the Company’s Board, as well as other cases where the Board Member is prohibited from voting under the applicable legislation, or where his or her voting might lead to a conflict of interest between the Company and the Board Member. In such cases, the Board Member must disqualify him(her)self from taking part in the consideration or/and resolution of the relevant matter by the Company’s Board.
4. **Provision of technical and organisational measures necessary for ensuring the Board Member’s activities**
	1. The Company agrees to ensure that in performing his or her duties the Board Member, where objectively needed in individual cases, could use the Company’s resources necessary to ensure appropriate activities of the Board Member. In such cases, the Board Member shall notify the Company in advance of the relevant need in accordance with the procedure specified in the Company’s internal legislation.
	2. In cases where the discharge of the functions assigned to the Board Member necessitates justified costs (including, but not limited to, expenditure related to travel, accommodation outside the location of the Company’s business, transport, meals during travel, etc.) related to the discharge of the functions assigned to the Board Member, the Company undertakes to directly cover or reimburse the Board Member for such justified and actually incurred costs provided that the said costs have been pre-discussed with the Company in accordance with the documentation supporting such costs.
	3. The Board Member confirms his or her understanding that there is no remuneration for the Board Member’s service on the Company’s Board, apart from the reimbursement of costs as provided for in clauses 4.1 and 4.2 of the Contract. The Board Member represents and warrants that he or she does not have, and will not have in the future, any claims and/or demands arising therefrom and/or in connection therewith against the Company and/or in respect of third parties.
5. **Absence of conflict of interest**
	1. By signing this Contract, the Board Member agrees and undertakes to declare his or her interests in accordance with the procedure laid down by legislation and, in the event of changes in the situation (after certain circumstances have occurred or ceased to exist), to update his or her declaration of interests without delay in accordance with the procedure laid down in the applicable legislation. If requested by the Company, the Board Member agrees and undertakes to provide the Company without delay with the documents and/or information in support of the fact of declaring the interests of the Board Member. The declaration of interests filed by the Board Member must be valid and relevant for the entire period of the Board Member’s service on the Company’s Board.
6. **Absence of employment relations**
	1. The Parties shall hereby confirm that the present Contract between the Board Member and the Company shall establish legal civil relations. The present Contract shall not be deemed to constitute employment relations between the Parties. Correspondingly, in performing his or her functions as the Board Member, the Board Member shall not be regarded as an employee of the Company, and shall not be subordinate or accountable to the Company’s administration in accordance with the procedure set out by employment law. In accordance with the present Contract, the Board Member shall act exclusively as a member of the Company’s Board, and shall undertake all liability for the discharge of his or her functions as a member of the Company’s Board as well as for the proper performance of the present Contract.
7. **Additional limitations related to the requirements applicable to the Board Members**
	1. Having regard to the limitations (if any) specified in the Articles of Association of the Company in respect of persons who are not eligible to serve on the Company’s Board, the Board Member undertakes to avoid the circumstances concerned and, in case such circumstances arise, immediately notify the Company’s shareholder, the Board, and the Company of the existence of such circumstances, and immediately resign from the Company’s Board, also disqualify him(her)self from the adoption of any decisions which may lead to a conflict of interest with his or her service on the Company’s Board during the period from the occurrence of the said circumstances to the moment of his or her resignation.
	2. Having regard to the limitations provided for in the legislation in respect of persons who are not eligible to serve on the Company’s Board, the Board Member shall resign from any duties incompatible with his or her service on the Company’s Board within a reasonable time period from his or her election to the Board, but no later than within 3 (three) calendar months, and disqualify him(her)self from the adoption of any decisions which may lead to a conflict of interest with his or her service on the Company’s Board for the period until his or her resignation.
	3. The Board Member may not engage in any other employment or hold any other position which, in accordance with the Articles of Association of the Company, this Contract and/or applicable law, would be incompatible with his or her service on the Company’s Board, including, without limitation, the holding of a managerial position in other legal entities, employment in the public or statutory service, or a position in the Company and/or other legal entities. The Board Member undertakes to avoid the circumstances concerned, and, in case such circumstances arise, immediately notify the Company’s shareholder, the Board, and the Company of the existence of such circumstances, and immediately resign from the position of the Company’s Board Member. Moreover, for the period from the occurrence of such circumstances to the moment of his or her resignation the Board Member must disqualify him(her)self from the adoption of any decisions which may lead to a conflict of interest with his or her service on the Company’s Board.
	4. The Board Member agrees and undertakes to notify the Company’s shareholder, the Board and the Company of any activity/position undertaken by the Board Member in relation to the transport services sector, whether in Lithuania or in any other foreign country. The Board Member agrees and undertakes to promptly update the information provided in the event of any change in the circumstances relating to the information previously provided. This obligation of the Board Member shall remain in force throughout the term of the Contract.
8. **Intellectual property**
	1. The Parties agree that the property and, to the extent permitted by applicable laws, non-property rights to all objects of intellectual or industrial property created by the Board Member throughout the term of this Contract and directly related to the Board Member’s activities hereunder, including copyright objects, trademarks and service marks, products and industrial design, as well as other objects created in the course of performing the duties of the Board Member, shall fully, automatically, permanently and irrevocably become and is the exclusive ownership of the Company without compensation of any sort, and the Company has the right to use such objects exclusively at its sole discretion without any remuneration and/or compensation paid to the Board Member.
9. **Liability of the Parties to the Contract and compensation for loss**
	1. The Company undertakes to compensate the Board Member for and protect him or her against any loss or damage (including reasonable legal aid costs) which the Board Member may incur due to any reason related to his or her service on the Company’s Board, except in cases where such loss or damage has been incurred by the Board Member intentionally, or due to gross negligence.
	2. The Company undertakes to insure the Board Member with the Directors and Officers Liability Insurance throughout the term of the present Contract.
	3. The Board Member undertakes, in non-judicial procedure, to compensate the Company for and protect it against any loss or damage (including reasonable legal aid costs) which the Company may incur due to Board Member’s breach of the present Contract and/or the failure to satisfy, or improper satisfaction of, the requirements of third parties, including the Company’s shareholder, related to the Board Member’s service on the Company’s Board or such service results in cases where such loss or damage has been incurred by the Company as a result of intent or gross negligence by the Board Member.
	4. Other contracts concluded between the Board Member and the Company may oblige the Board Member to comply with undertakings similar to those specified in clause 7 of the present Contract, which would remain applicable after the expiry of the present Contract, and for the compliance therewith the Board Member would be awarded a compensation agreed upon by the Parties.
10. **The right to receive information, and confidentiality**
	1. The Board Member shall have the right to access all the documents of the Company and its direct and/or indirect subsidiaries, as well as all the information on the Company and its direct and/or indirect subsidiaries (excluding such documents and information which is directly and/or indirectly related to the data on the contractors of the Company’s direct and/or indirect subsidiaries), which, at the Board Member’s request, may be systematised in accordance with reasonable criteria specified by him or her and which is necessary for the discharge of the functions assigned to the Board Member. In case the Company does not have the requested documents or information related to the Company’s direct and/or indirect subsidiaries, the Company undertakes to take immediate action to obtain such documents and information, including the exercise of the rights attaching to the shares held by it in the subsidiaries.
	2. Throughout the term of the present Contract, and also for an unlimited period after the expiry hereof, the Board Member undertakes to keep confidential and, without the prior written consent of the Company, not to disclose to any third party the commercial (industrial) secrets and/or confidential information of the Company and its direct and/or indirect subsidiaries received in the course of performing the activities as the Board Member.
	3. In line with this Contract, the Board Member shall sign a confidentiality agreement, a declaration of impartiality and a declaration of interests. This agreement and declarations shall be deemed as annexes constituting an integral part to the present Contract.
11. **Notifications and other information**
	1. In accordance with the present Contract, all notifications, requests, written demands and/or other documents (hereinafter: the ‘**Notifications**’) shall be sent to the following addresses:

**To the Company:**

[legal entity name]

[*legal entity’s registration address*]

[*legal entity’s email*]

**To the Board Member:**

[*name, surname*]

[*address of residence*]

[*email address*]

* 1. Pursuant to the present Contract, all Notifications shall be regarded as properly delivered if delivered in person against signature (receipt at the Company shall be acknowledged by signature of the Company’s employees, members of the executive bodies, or other persons authorised by the Company), or shall be sent to the addresses specified above by registered mail or courier, or to the specified email address with proof of receipt by the other Party. Each Party shall notify the other Party of any changes to its address, bank account, or other details specified in the present Contract no later than within [*number of days*] days after the relevant change. In case the Party fails to inform of any change in the address, sending the Notifications to the last known address shall be regarded as appropriate.
1. **Final Provisions**
	1. The present Contract shall enter into force on the date of its signature, and remain valid until the earlier of the following dates:
		1. the expiry of the Board Member’s term as a member of the Company’s Board; or
		2. the Board Member is recalled from the Company’s Board, or the entire Board is recalled; or
		3. the Board Member resigns or becomes incapable of continuing his or her duties; or
		4. the Board Member ceases his or her service on the Company’s Board on other grounds.
	2. The Contract provisions concerning intellectual property, confidentiality, compensation of damages, applicable law, and resolution of disputes shall remain in effect after the expiry of the present Contract for an indefinite period.
	3. Upon request of the Company, no later than by the date of the expiry of the Contract, the Board Member undertakes to transfer to the Company (a) all paper copies of documents obtained during his or her service (including, but not limited to, correspondence, notifications, contracts, other documents, computer discs, USB sticks and cards, computer software, and other optical or electronic data carriers which the Company had transferred to him or her under a transfer and acceptance certificate) and which constitute a commercial (industrial) secret and/or confidential information, as well as (b) all passwords transferred for the management and/or use by the Board Member in connection with his or her service on the Board (excluding electronic passwords, and cases where such passwords have been transferred by other electronic means of communication), keys, stamps, credit cards, property owned by the Company or controlled on other grounds, and other items. Upon the Company’s written request, the Board Member undertakes to submit a written confirmation as to the proper performance of the duties specified in this clause.
	4. Any amendments or additions to the present Contract shall be made in writing and signed by both Parties.
	5. The present Contract shall be subject to the law of the Republic of Lithuania in terms of the interpretation of the terms and conditions hereof, its application, as well as its breach, validity or invalidity.
	6. All disputes, disagreements, or claims arising in connection with the present Contract, or related to the present Contract, its breach, termination, or validity shall be settled by way of negotiations. In case of failure to resolve a dispute amicably within 30 (thirty) calendar days, it shall be settled by the court of the Republic of Lithuania based on the registered office address of the Company.
	7. In case any of the terms and conditions of the present Contract is or becomes invalid, either in full or in part, due to its conflict with the applicable legislation, or due to any other reason, the rest of the terms and conditions of the present Contract shall remain in full effect In the latter case, the Parties shall negotiate in good faith and strive to replace the fully or partly invalid term with a new, valid term, which would allow, to the extent possible, for the achievement of the same legal and economic effect as the term of the present Contract which will be replaced in the above manner.
	8. Neither of the Parties shall transfer their rights or duties specified in the present Contract, with the exceptions clearly and unambiguously provided for in the present Contract.
	9. The provisions of the present Contract shall be confidential, and shall not be disclosed to any third parties without a written consent of the other Party. In case one of the Parties discloses the terms of the present Contract absent a written consent of the other Party, the offending Party shall compensate the injured party for any damages incurred due to that.

**In witness whereof, the Parties have signed the present Contract:**

**On behalf of the Company: The Board Member:**

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[*name, surname of the undersigned person*] [*name, surname*]

[*job title of the undersigned person*]