

## Contract for the provision of Post Warranty Support Services

### "The Contract"

This Contract is made and entered into by and between:

**Mobile Interim Company No.2 S.A.L.**, a company registered under the laws of Lebanon, incorporated at the Trade Register of Beirut under the number /1000382/, and registered at the Lebanese Ministry of Finance under the number /291711/, electing domicile at Beirut Central Building, Bloc B and Bloc C, Fouad Chehab Avenue, Bachoura Region, Beirut, Lebanon;

(Hereinafter referred to as "MIC2")

AND

**BMB smart S.A.L.**, a company registered under the laws of Lebanon, incorporated at the Trade Register of Baabda under the number /1000382/, electing domicile at Baabda, Serail Street, BMB Bldg

(Hereinafter referred to as "BMB")

MIC2, BMB are individually referred to "**Party**" and collectively referred to as "**Parties**".

#### Recitals:

Whereas MIC2 operates the second mobile network for the account and for the benefit of the Republic of Lebanon;

Whereas BMB desire to provide post warranty services to the existing Huawei products in MIC2 network (Hereinafter referred to as the "**Products**" shown in Annex (2),

Whereas MIC2 has accepted that BMB enter into direct contractual relationship

NOW, THEREFORE, in consideration of the mutual premises and covenants, the Parties agree this Contract as follows:

#### Article 1: The entire Contract

- a) The above Recitals and all attachments hereto constitute an integral part of this Contract and supersede all agreements and representations made by either Party, whether oral or written.
- b) BMB has submitted a proposal/offer (SLA and Fees) "Annex 1" for the abovementioned Services and MIC2 has accepted the offer under the terms and conditions of the present Contract;



## **Article 2: The attachments**

The attachments to this Contract consist of the following:

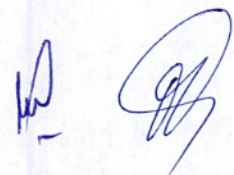
Secure Service Proposal for touch 2023 PWT service "Annex 1" which include the Support Services SLA; and, List of existing equipment (Products): Annex (2). Performance Bond Template (Annex 3)

## **Article 3: Objectives of the Contract**

The Contract covers the provision to MIC2 with Post-Warranty Support Services to the Products as per the terms and conditions provided for in the present Contract.

## **Article 4: Services and Quality**

- 4.1. MIC2 hereby confirms and agrees that BMB shall subcontract the Services under this contract to "Huawei", on BMB's total responsibility and expense.
- 4.2. All Services supplied must:
  - 4.2.1. Be provided diligently, with reasonable skill and care and using suitably skilled and appropriately experienced personnel;
  - 4.2.2. Be provided in accordance with Best Industry Practice;
  - 4.2.3. Be in accordance with all legislative and regulatory requirements;
  - 4.2.4. Comply with business Environmental Social Management Plan (also called ESMP);
  - 4.2.5. Not infringe the rights of any third party or cause MIC2 to infringe any such rights.
- 4.3. MIC2 reserves the right to reject or require re-performance of any Service which is defective or which is otherwise not in accordance with the requirements of this Contract and/or any relevant Purchase Order.
- 4.4. BMB undertakes that the Services provided by Huawei are with the utmost diligence.
- 4.5. BMB shall be accountable/liable/committed to all agreed deliverables, scope and SLA.
- 4.6. MIC2 Technical Team shall be able to contact Huawei Team directly corresponding to all tickets, cases and problems encountered by any technical requirement related to the contracted scope herein. Similarly, Huawei Team shall get back to MIC2 Team in the same way.



## Article 5: Resources and Access

BMB undertakes that If Huawei or any Relevant Personnel shall require access to any:

### 5.1. Premises or Sites of MIC2:

Access shall be made available only at such times as shall be agreed by MIC2 in advance and subject to the Relevant Personnel acting in conformity with MIC2's health and safety, dress, smoking, security and other regulations and policies applicable at those premises at the time of the access. Relevant Personnel who fail to comply with such regulations and policies or whose conduct or appearance is otherwise unacceptable to MIC2 may be excluded from the premises without liability. No Relevant Personnel shall be entitled to have access to any part of the premises or Sites which is not strictly necessary in connection with the provision of the Services or shall take action which may impede or disrupt others working at the premises save as authorized in writing by MIC2;

### 5.2. IT systems or infrastructure of MIC2 (including the Network):

Access shall be made available to Huawei only in such manner and subject to such safeguards as MIC2 shall designate in writing. BMB undertakes on behalf of Huawei to ensure that no viruses are introduced or, save as authorized in writing by MIC2, changes made to such systems or infrastructure and undertakes to notify MIC2 immediately in the event that BMB becomes aware that any non-compliance with this condition may have occurred.

5.3. All personnel shall be Huawei Certified and MIC2 has the right, upon reasonable grounds, to reject and remove unqualified personnel and request their replacement.

### 5.4. Access to network

5.4.1. BMB must not have any access to MIC2 network elements or entities and must not have any user on these network elements preventing them to be aware of any network element IP.

5.4.2. BMB must not have any visibility on any of the network data, configuration data, customer data, raw data and any data including and not limited to traces, logs exchanged while opening tickets, troubleshooting faults, performing checks and activities tackled by BMB team. Additionally, BMB must not request any of such data from MIC2 or Huawei. In other words, BMB can have only high level information on the high level count and type of network elements, high level dimensioning and SW/HW versions without providing any other data such as the data listed above.

5.4.3. Any data including and not limited to customer data exchanged during technical activities or tickets between MIC2 and Huawei for the objective of solving issues or improving the network shall not be forwarded to BMB; hence, BMB team must not be copied in such exchanges. BMB can only receive a notification about the progress of the escalation whether solved or not.

## Article 6: Services Fees, Invoicing and Payment terms.

6.1. The total amount of the annual Post Warranty Support Services is USD /5,064,102.56/ (Five Million Sixty Four Thousand One Hundred Two United States Dollars and Fifty-Six Cents) to be



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settled on a quarterly basis at the beginning of each quarter in Cash LBP at market rate on the date of payment.

- 6.2. The VAT shall follow the tax law of Lebanon.
- 6.3. The post-warranty Support Services yearly fees for the upcoming years shall be agreed upon on a year by year basis.
- 6.4. The above fees constitute all the financial entitlements of BMB from MIC2 under this Contract, and it includes all expenses that may be incurred by BMB in relation to the Contract.
- 6.5. In the event of the expiration of the Contract and the total value of the yearly Services are not paid by MIC2 in full, BMB shall continue to provide the Services with relaxed SLAs and KPIs for a period of one month only, If BMB does not receive full payment by the end of this one month period, the Services shall then be immediately interrupted and BMB shall retain the right to repudiate the renewal of this Contract.

#### Article 7: Term and termination

##### 7.1. Term

The present Contract shall be valid for One (1) year starting from 1<sup>st</sup> of January 2023 till 31 December 2023, and may be renewed or extended upon the written agreement of the Parties hereto.

If at the time of expiry, some obligations have not been accomplished yet, the present Contract shall be deemed extended until the fulfillment of the said obligations upon both parties agreement.

##### 7.2. Termination

7.2.1. Should any Party (the **"defaulting Party"**) commit a material breach of any of the provisions of this Contract, then the other Party (**"the aggrieved Party"**) shall give the defaulting Party a thirty (30) day's written notice to remedy the breach and advising the defaulting Party of the aggrieved Party's intention to terminate the breached Contract in the event of failure to cure the breach.

If the defaulting Party fails to comply with such notice, the aggrieved Party shall be entitled to terminate this Contract or to claim immediate payment of compensation and/or specific performance by the defaulting Party of all the defaulting Party's obligations, whether or not the due date for payment and/or performance has arrived, in either event without prejudice to the aggrieved Party's rights to claim damages.

7.2.2. Either Party has the right to terminate this Contract upon its sole will and discretion and for any reason of its own, without having the obligation to state such reason(s), by providing the other Party with a written notice period of (30) Thirty days without having to pay to the other Party any compensation or indemnity due to such termination. In such



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case, MIC2 undertakes to pay to BMB the price of all Services performed as per the terms and conditions of the Contract to MIC2 until the date of effective termination. MIC2 reserves its right to be reimbursed for the Services that were paid in advance and not provided by BMB until the date of effective termination subject to the terms and conditions of this Contract and prevailing Lebanese laws.

7.2.3. Either Party may terminate this Contract by written notice with immediate effect if one of the following events occur or it has reasonable belief that it is about to occur:

- (i) If bankruptcy or insolvency proceedings are instituted against the other Party and such proceedings are not dismissed within 30 (thirty) days from the date of proceedings, or if the other Party makes an assignment for the benefit of its creditors;
- (ii) If a force majeure event occurs, in accordance with the provisions of Article (12) herein;
- (iii) If an application for winding up or analogous process of the other Party is presented or an order is made or any effective resolution is passed for the winding up of the other Party.

#### **Article 8: Infringement**

8.1. BMB undertakes to defend and hold MIC2 harmless against any claim arising in relation to patent or the Intellectual Property Rights of any Software used by BMB in the provision of the Services under this Contract.

8.2. MIC2 agrees that if BMB provided Software becomes, or in MIC2's opinion is likely to become, the subject of such a claim, MIC2 will request BMB, at its own expense and responsibility, either:

- (i) To procure for MIC2 the rights for continued use of the Software;
- (ii) To modify the Software so that it no longer infringes on any such Intellectual Property Rights; or
- (iii) To replace the Software with an equivalent Software that does not infringe on any such Intellectual Property Rights, or
- (iv) If neither of the foregoing alternatives is available on terms which are reasonable in MIC2's judgment, MIC2 can return BMB provided Software for full credit on the Software that is the subject of the infringement claim.

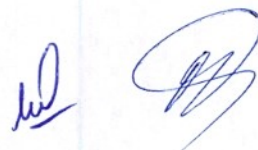
## Article 9: Liability

- 9.2. Neither Party may bring any claim arising out of any alleged breach of this Contract and/or any Purchase Order, regardless of form, more than two (2) years after the cause of action has occurred or should have been known to have occurred by the claiming party.
- 9.3. A Party suffering loss or damages shall take reasonable measures to limit such loss or damage.
- 9.4. BMB's total liability under this Contract and/or Purchase Order to be issued pursuant to this contract for any relevant claim is limited to (125%) of the Purchase Order value.
- 9.5. Notwithstanding any other provision of this Contract and/or Purchase Order, neither Party (nor its Affiliates) shall under any circumstances be liable for any special, Indirect Losses, consequential or incidental damages including but not limited to lost profits, lost opportunities, loss of privacy, loss of security, lost revenues or damages, loss of data, loss of reputation arising under or in connection with this Contract and/or Purchase Order. For the avoidance of doubt, "Indirect Losses" means loss of profit, loss of use, loss of production, loss of data, loss of business, loss of business opportunity, loss of reputation or good will or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis.

## Article 10: Indemnity

BMB undertakes to fully indemnify MIC2 against:

- (i) Any direct loss or damage to tangible property caused to MIC2 or for which MIC2 may be liable to third parties to the extent it arises solely out of any omission, neglect or willful default of BMB or their officers, employees, agents or representatives.
- (ii) Any direct damages caused to MIC2 or MIC2's existing network, and/or for which MIC2 may be liable to the Republic of Lebanon or to any other person, when such damage arises solely out of any omission, neglect or default of Huawei during or in connection with the supply of Services.
- (iii) The Offending Party undertakes, at its sole expense, to defend any suit based upon a claim or cause of action and satisfy any judgment that may be rendered against the other, provided that the Offending Party shall be given (i) prompt notice of any such claim or suit; and (ii) full opportunity to defend such suit, and (iii) that the Offended Party does not settle any claim without prior and written authorization from the Offending Party. The Offended Party may, at its election, participate in the defense and shall cooperate fully in defending any claim or suits. The Offending Party shall pay all reasonable costs, expenses, and legal expenses incurred by the Offended Party in connection with any such claim or suit or in enforcing this indemnity Clause, provided a valid claim is presented. In this Article (10), references to "loss" and "claims" include all associated costs, liabilities and expenses including legal costs.
- (iv) BMB is solely and fully responsible for its assigned personnel, their remuneration, allowances, compensations, work emergencies, and any other rights and obligations that might arise during or on the occasion of their relationship with MIC2. BMB must carry an insurance policy



covering all Huawei staff working on site during and in the occasion of Services provisioning as well as damages caused solely by BMB's representatives' work on site.

#### **Article 11: Confidentiality**

- 11.1. Each Party (hereinafter the "Receiving Party") agrees to keep all Confidential Information received from the other party (hereinafter the "Disclosing Party") in whatever form as strictly confidential and must not disclose it to third parties without the prior written consent of the Disclosing Party. Information must not be used by the Receiving Party for any purpose other than in connection with the purposes of this Contract and/or Purchase Orders. The foregoing obligations do not apply to any Information which: (a) is in the public domain at the time of disclosure or later becomes part of the public domain through no fault of the Receiving Party; (b) was known to the Receiving Party prior to disclosure by the Disclosing Party as proven by the contemporaneous written records of the Receiving Party; (c) is disclosed to the Receiving Party by a third party who did not obtain such Information, directly or indirectly, from the Disclosing Party subject to any confidentiality obligation; (d) is at any time independently developed by the Receiving Party as proven by its contemporaneous written records; (e) is expressly authorized in writing by the Disclosing Party; or (f) is required by law, court order or a governmental agency to be disclosed (in which case the Receiving Party will give the Disclosing Party as much notice thereof as reasonably practicable and which will be done subject to confidentiality protection to the extent reasonably available).

The foregoing obligations do not apply to the Republic of Lebanon, represented by the Lebanese Ministry of Telecommunications, which is not considered as Third Parties to this Contract and are so entitled to access any Confidential Information hereunder.

11.2. **Affiliates.**

The Parties recognize that each of them is part of an organization of multiple legal entities in several jurisdictions and that it may be necessary or appropriate for each Party to provide Information under this Contract to its Affiliates. For this purpose, each Party agrees (both as the Disclosing Party and as the Receiving Party hereunder) that: (a) the Receiving Party may disclose Information to an Affiliate but only to the extent that such Affiliate has a need to know such Information in order to carry out the purpose described herein; (b) disclosure by or to an Affiliate of a Party hereto is deemed to be a disclosure by or to that Party, as applicable; and (c) each Party guarantees the observance and proper performance by all of its Affiliates of the terms and conditions of this Contract.

11.3. **Disclose only on need to know basis.**

Each Party agrees to limit access to Information to those of its employees, representatives, contractors or advisors to whom such access is reasonably necessary or appropriate for the proper performance of obligations under this Contract. The Parties undertake to use their best efforts to procure that any of their employees designated by the other Party enters into a direct confidentiality undertaking with the requesting Party in a form consistent with this Clause which is designated by the requesting Party and shall notify the requesting Party promptly if an employee refuses to do so. If either Party has reasonable grounds to suspect that an employee has placed the other Party in breach of these conditions or refused to enter into a direct



confidentiality undertaking as provided above, such person shall, if the other Party so reasonably requests, be removed promptly from any further involvement in the provision of the Services.

- 11.4. Notwithstanding any other provision of this Contract, MIC2 hereby consents to the disclosure of such information in relation to this Contract or any Purchase Order as may be necessary for BMB to assign any receivables to or disclose relevant information in relation to financing arrangements to any financial institution (but not by way of public offering document) subject to a similar confidentiality restriction being placed on any financial institution looking to acquire BMB's receivables.
- 11.5. The Parties acknowledge that damages may not be an adequate remedy for such a breach and agree that either Party may pursue whatever legal remedy may be available at law to cure such a breach, including injunctive relief.
- 11.6. Nothing contained in this Article (11) shall be deemed to grant any license under any Intellectual Property Right.

#### **Article 12: Force Majeure**

- 12.1. Neither Party is liable for delay or failure to perform any of its obligations under this Contract and/or any relevant Purchase Order insofar as the performance of such obligation is prevented by a force majeure event.
- 12.2. For the purposes of this Contract, a force majeure event means any event which is unpredictable, beyond the reasonable control of the Party liable to affect performance and external to this Party, and shall include but not be limited to government measures, acts of nature, riots, acts of war, acts of terrorism, epidemics, major fire, economic or political sanctions, or natural disasters. For avoidance of doubt, force majeure does not include strikes or other employment disputes of either Party's personnel or such Party's subcontractors' personnel.
- 12.3. Each Party undertakes to notify the other Party of the occurrence of such a force majeure event and undertakes to use all reasonable endeavors to continue to perform its obligations hereunder for the duration of such force majeure event. However, if any such force majeure event prevents a Party from performing all of its obligations hereunder for more than three (3) months, the other Party would have the right to terminate this Contract and/or any relevant Purchase Order by notice to the other Party in writing.

#### **Article 13: Waiver and Cumulative Remedies**

- 13.1. No failure of either of the Parties to exercise, and no delay by it in exercising, any right in connection with this Contract (each a "Right") will operate as a waiver thereof, nor will any single or partial exercise of any Right preclude any other or further exercise of such Right or the exercise of any other Right. Any express waiver of any breach of this Contract shall not be deemed to be a waiver of any subsequent breach.
- 13.2. The Rights provided for in this Contract are cumulative and not exclusive of any other Rights (whether provided by law or otherwise) except as expressly set out in this Contract.

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#### **Article 14: Invalidity**

If any provision in this Contract or in any relevant Purchase Order shall be held to be illegal, invalid or unenforceable, in whole or in part, the legality, validity and enforceability of the remainder of this Contract and the remainder of the relevant Purchase Order shall not be affected.

#### **Article 15: Governing Law**

This Contract and any Purchase Order issued hereunder shall be governed by and construed in accordance with the Lebanese laws and Regulations.

#### **Article 16: Compliance with Laws**

In the performance of this Contract, and any Purchase Order issued under this Contract, both Parties shall comply with all laws, regulations, codes of practice, regulatory requirements, decrees and other ordinances issued by any governmental or other state authority in Lebanon relating to the subject matter of this Contract and any Purchase Order and the performance by the Parties hereto of their obligations hereunder.

#### **Article 17: Dispute resolution & Escalation procedure**

- 17.1. In case of a dispute arising out of the Contract or any Purchase Order (both while in force and after its termination), the Parties will use all reasonable endeavors, acting in good faith, to settle the dispute amicably within fifteen (15) days from the date of the first request made by either party to hold a meeting with the other party in view of such amicable settlement. Such meeting shall be held at the principal place of business of MIC2.
- 17.2. If the Parties fail to resolve their dispute through the escalation procedure, after the elapse of fifteen (15) days from the meeting referred to in above Clause (17.1), then all disputes arising in connection with the Contract shall be finally settled through the competent tribunals in Beirut,
- 17.3. The Parties undertake and agree that all proceedings conducted under this article shall be kept strictly confidential, and all information, documentation, materials in whatever form disclosed in the in the course of such Court proceeding shall be used solely for the purpose of those proceedings.

#### **Article 18: Assignment**

BMB shall not assign this Contract, totally or partially, or any right or obligation hereunder without the prior written consent of MIC2 and such consent shall not be unreasonably withheld or delayed by MIC2. However, MIC2 shall have the right to assign, transfer or purport all of its rights and obligations under this Contract to the Republic of Lebanon or any of its designee, having given BMB prior written notice of such assignment as soon as possible but without having to obtain its consent prior to such assignment. For the avoidance of doubt, BMB irrevocably agrees to grant MIC2 the right to assign and/or transfer and further undertakes not to challenge or oppose any such transfer or assignment provided that the assignee shall



continue to be responsible to BMB for any of its obligations, liabilities, debts or charges of any kind relating to this Contract and in existence as at the date of any such assignment. The assignee of the present Contract shall also have the right of assignment provided for under this Article.

#### **Article 19: Notices**

- 19.1. Any notice or other communication of whatsoever nature under this Contract (including but not limited to the exercise of any option) shall be delivered to the address of the intended recipient as set out below:

For MIC2

Address: Beirut Central Building, Bloc B and Bloc C, Fouad Chehab Avenue, Bachoura Region, Beirut, Lebanon

For BMB

Address: Baabda, Serail Street, BMB Bldg

- 19.2. Any notice or other communication under this Contract shall only be valid and effective if in writing. Nothing in this Article shall affect the right of either Party to serve process in any manner permitted or required by law.
- 19.3. Either Party may inform the other Party in writing of any changes and its details set out in Clause (19.1) above. The change shall become effective on the 4<sup>th</sup> (fourth) Working Day from the deemed receipt of the written notice by the other Party.
- 19.4. Any notice or other communication under this Contract shall be deemed to have been received:
- (i) If delivered by hand to an authorized person and acknowledged during Working Days to the designated physical address, on the date of delivery;
  - (ii) If sent by pre-paid registered post in a correctly addressed envelope to the designated postal address and duly acknowledged by the receiver.
  - (iii) If sent by electronic means, including but not limited to facsimile transmissions, and duly acknowledged by the receiver.

#### **Article 20: Taxes**

Both Parties shall be liable for its applicable taxes levied by Lebanese laws. If MIC2 is required under any applicable law to withhold and pay to the applicable tax authority any taxes on the gross revenue or net income of the Vendors due to Vendors' activities under this Contract, then MIC2 shall withhold such taxes and shall remit the balance of the payment to BMB pursuant to Contract. And MIC2 shall provide BMB official withholding tax clearance certificates from the relevant authority within sixty (60) days after the payment is made.

Should a material change in any of the tax rates, laws or regulations occur in of the Republic of Lebanon during the Term, then both Parties agree to sit and discuss in good faith of finding a solution on an



equitable adjustment of the contract price to protect both MIC2 and BMB from detrimental impact without violation of tax laws or regulations.

#### **Article 21: Performance Bond**

Within fifteen (15) days of the signature of this Contract, BMB undertakes to provide MIC2 with one Performance Bond issued by an accredited Lebanese Bank listed on the Lebanese Central Bank list of Banks or foreign bank, that have received a credit rating of at least a "prime" investment grade (BBB or above), the said Performance bond is for an amount equal to Five percent (5%) of the value of the relevant PO (including VAT if applicable)

The performance bond shall explicitly provide that the issuing bank guarantees, jointly and severally with BMB, the payment of the amount of the guaranty to MIC2 upon MIC2's first request, without any objection or reservation or delay. The performance bond shall remain valid and effective from the date of issuance up to the FAC issuance date related to the FAC issuance date of the implementation Services. BMB undertakes that the Performance Bonds shall be issued as per the template attached hereto (Annex 3).

#### **Article 22: Nature of Relationship**

Nothing in this Contract shall be construed as constituting a partnership between the Parties or as constituting either Party as the agent of the other for any purpose.

#### **Article 23: Publicity**

Neither Party will advertise or publish any information related to the Contract without the prior approval of the other Party, except that BMB may publish its appointment as contractor, subject to agreement by MIC2 of the date of such publication and agreement of the wording to be used.

For the purpose of clarification, BMB may not advertise or publish any information unless agreed by MIC2.

#### **Article 24: Costs**

Each Party shall bear all costs incurred by it in connection with the preparation, negotiation and entry into this Contract.



#### Article 25: Authority to Bind

- 24.1. Each Party hereto warrants and represents to the other that it has taken or caused to be taken all steps, actions and corporate proceedings necessary to cause this Contract to be binding on it.
- 24.2. Any Party shall, if requested by any other Party, furnish to the latter sufficient evidence of the authority of the person or persons who will, on behalf of the Party so requested, take any action or execute any documents required or permitted to be taken or executed by such person under this Contract.

#### Article 26: Signature

In witness whereof, MIC2 and BMB have signed this Contract on 25/07/2023 in two originals, each Party keeping one original.

Mobile Interim Company Number 2 S.A.L.

Salem Itani

Chairman General Manager

Signature

BMB smart s.a.l

Metri Michael Doumit

Chairman General Manager

Signature



 **bmb**  
Smart sal

