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Hardware Support Services Contract of Adherence

بيان رقم ٩١٥٣٣٦ تاریخ ٢٥/٣/٢٠١٧
جباً بـ ١٩١,٤٤٠,٠٠٠

قيمة الرسم : ٩١٥٣٣٦
قيمة الغرامة : ١٩١,٤٤٠,٠٠٠
الجموع : ١٩١,٤٤٠,٠٠٠
فقط عالمي (١٩١,٤٤٠,٠٠٠)
سیروت فی ٢٠١٧

الموافق
لليك مسؤول حال



This Hardware Support Services Contract of Adherence (Hereinafter referred to as the "Contract of Adherence") is made and entered into by and between:

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

(Hereinafter referred to as "MIC2")

AND

Computer Business Machines (CBM) S.A.L., a company incorporated at the Baabda Trade Register under number /31692/, and registered at the Lebanese Ministry of Finance under the number /9064/, electing domicile at CBM Building, Street 11, Fanar Region, El Metn, Lebanon, represented in this Contract of Adherence by its Chairman General Manager Mr. Pierre Daoud Abi Jawdeh.

(Hereinafter referred to as the "Supplier")

Each of the two parties is hereinafter referred to as a "Party" and collectively as the "Parties".

Preamble:

Whereas, MIC2 is operating the second mobile network for the account and for the benefit of the Republic of Lebanon, and is in need to purchase Back to Back Hardware Support Services (Hereinafter referred to as the "Services") for the equipment listed in the attached Schedule (1) hereto;

To this effect MIC2 has announced for a Request for Proposal to select the best supplier to provide the Services, whereas at the outcome of the abovementioned Request for Proposal, Supplier (Computer Business Machines (CBM) S.A.L.) was selected to provide MIC2 by the Services to its equipment listed in the Schedule (1) annexed hereto, as



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detailed in specifications and prices within the submitted Proposal(s) annexed hereto as Schedule (2); and according to the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (3) and to the terms and conditions of the RFP General Document and its Appendices annexed hereto as Schedule (4);

MIC2 and Supplier wish by the present Contract of Adherence to set out the terms and conditions upon which Supplier shall provide the Services to MIC2;

NOW THEREFORE, in consideration of the above, it is hereby mutually agreed between the Parties as follows:

1. The Entire Contract of Adherence

The Preamble above, any Schedule annexed hereto and any Purchase Order issued under this Contract of Adherence shall form an integral part of this Contract of Adherence.

2. Scope of the Contract of Adherence

Supplier undertakes to provide MIC2 with the Services to the equipment listed in the Schedule (1) annexed hereto, as per the specifications and prices listed in the submitted Proposal(s) annexed hereto as Schedule (2) and/or in the relevant Purchase Order(s) placed by MIC2 according to the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (3) and to the terms and conditions of the RFP General Document and its Appendices annexed hereto as Schedule (4).

3. Order of Services

- 3.1.** MIC2 shall issue a written Purchase Order(s) to the Supplier for the Services required (Hereinafter referred to as the "**Purchase Order(s)**").
- 3.2.** The Purchase Order(s) shall be forwarded by MIC2 to Supplier through an email on his following email address: cbm@cbm.com.lb
- 3.3.** The Purchase Order(s) issued by MIC2 under this Contract of Adherence shall only be legally and financially effective in favor of Supplier in light of Supplier's good intentions and full commitment to its contractual obligations and the proper fulfillment of such obligations.

Provision of the Services

4.1. Supplier undertakes to provide the Services as ordered by MIC2 in the relevant Purchase Order(s) issued under this Contract of Adherence.

The term "**provide/provision of the Services**" shall mean the satisfactory and full implementation of the Services by the Supplier to the favor of MIC2.

The term "**Preliminary Acceptance Certificate (PAC)**" shall mean a preliminary certificate issued by MIC2 evidencing that the Services have been provided to MIC2 without being accepted yet by MIC2.

The term "**Final Acceptance Certificate (FAC)**" shall mean a certificate issued by MIC2 evidencing that the Services have been totally provided to and accepted by MIC2.

4.2. Supplier undertakes and warrants that the Services provided under this Contract of Adherence are:

- Conforming to all MIC2's required specifications and prices as defined in the submitted Proposal(s) annexed hereto as Schedule (2) and/or in each of the relevant Purchase Orders issued under this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (3) and to the terms and conditions of the RFP General Document and its Appendices annexed hereto as Schedule (4).
- Free of any defect whether apparent or hidden.

4.3. A penalty amounting to 0.5% of the total amount of each of the relevant Purchase Orders shall be applied on Supplier to the benefit of MIC2 for each five (5) calendar days of delay in the provision of the Services.

Such penalty amount shall be cumulative and shall be automatically deducted by MIC2 from the amount due to Supplier without the need for any legal claim or action. The said penalty clause may be excluded from application only in the sole case of mutual consent between the two Parties for its exclusion noting that such consent for exclusion must be expressed only through a written instrument to be signed by both Parties.

5. Warranty, Liability, Indemnity and Infringement

5.1. Supplier warrants at its own cost and liability that the Services provided under this Contract of Adherence are conforming to the specifications and prices listed in the submitted Proposal(s) annexed hereto as Schedule (2) and/or in the relevant Purchase Order(s) placed by MIC2, and executed under the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (3) and to the terms and conditions of the RFP General Document and its Appendices annexed hereto as Schedule (4).

5.2. Supplier, its assigned personnel, and any of its employees involved directly or indirectly in the provision of the Services shall be individually and jointly responsible for the terms and conditions of this Contract of Adherence.

5.3. Supplier is solely and fully responsible for its assigned personnel, their remuneration, allowances, compensations, work hazards and emergencies, and any other rights and obligations that might arise during or in the occasion of their relationship with MIC2. Supplier must carry an insurance policy covering all his staff working on site during and in the occasion of the provision of the Services as well as damages caused by the Supplier's work on site.

5.4. Supplier shall, at its sole expense, defend any suit based upon a claim or cause of action and satisfy any judgment that may be rendered against MIC2 resulting from the works done under this Contract of Adherence.

5.5. Supplier will be held liable and shall indemnify MIC2:

- For any death or personal injury resulting from the acts, misconduct, negligence and/or omission of Supplier Authorized Personnel, employees or agents or contracting parties. Supplier undertakes to settle all damages to any party whatsoever resulting therefrom without any restriction.
- For any physical damage to the tangible property of MIC2 to the extent it is caused by the acts, misconduct, negligence and/or omission of Supplier Authorized Personnel.
- For any damage and/or loss of revenue or traffic caused to MIC2 or MIC2's existing network, for which MIC2 may be liable to the Republic of Lebanon or to any third party, whether such damage and/or loss arises out of any omission, neglect or default of Supplier during or in connection with the provision of the Services.
- Against any claim, demand, proceeding, damage, cost, charge or expense whatsoever in respect thereof or in relation thereto.

5.6. Supplier shall defend MIC2 against any claim that the Services may infringe on a patent or copyright, granted or registered in the Lebanese Territories, provided that MIC2 promptly notifies Supplier of the said claim. Supplier shall have the sole control of the defense and all the related settlement negotiations, and MIC2 shall provide the Supplier by the information and needed assistance for the defense of such claims, all on the Supplier's full expense and responsibility. Supplier must indemnify and hold MIC2 harmless from any payment which by final judgments in such suits may be assessed against MIC2 on account of such infringement and shall pay resulting settlements, costs and damages finally awarded against MIC2 by a court of law.

6. Fees, Invoicing and Payment, Guarantee

6.1. Fees

The fees for the Services to be provided by the Supplier under this Contract of Adherence shall be determined by MIC2 in each of the relevant Purchase Orders issued under this Contract of Adherence and must comply with the fees listed in the submitted Proposal(s) annexed hereto as Schedule (2).

6.1.1. Supplier undertakes to adhere to the fees for the Services as listed in the submitted Proposal(s) annexed hereto as Schedule (2) all through the term of this Contract of Adherence, and must not amend for any reason whatsoever all through the term of this Contract of Adherence unless by reduction where possible.

6.1.2. The fees for the Services as referred to herein above shall constitute all the financial entitlements of Supplier from MIC2 for the provision of the Services under this Contract of Adherence, and shall include all expenses that may be incurred by Supplier in this regards.

6.2. Invoicing and Payment

Invoicing and Payment terms for the ordered Services under this Contract of Adherence shall be made in conformity with the terms defined in each of the related issued Purchase Orders in this regards.

6.3. The Guarantee

Within fifteen (15) days from issuing any Purchase Order to the Supplier under this Contract of Adherence, the Supplier shall provide MIC2 with an "on first demand" irrevocable Bank Guarantee in an amount to be defined in the relevant Purchase Order, to be issued by an accredited Lebanese qualified Bank listed on the Lebanese Central Bank list of Banks, or by a foreign bank that have received a credit rating of at least a "prime" investment grade (BBB or above).

The said Bank Guarantee shall provide that the issuing bank guarantees (jointly and severally with the Supplier) the payment of the amount of the guarantee to MIC2 upon MIC2's first request, without any objection or reservation or delay.

The Guarantor shall guarantee the timely, faithful and satisfactory provision and performance of the Supplier to all of its obligations under this Contract of Adherence.

The Supplier shall bear all costs in relation to the issuance and provision of the said Bank Guarantee.

The said Bank Guarantee shall remain valid and effective from the date of issuance of the relevant Purchase Order up to the date MIC2 issues the respective Final Acceptance Certificate (FAC).



The form and content of the said Bank Guarantee to be pre-approved by MIC2 prior to its issuance.

7. Tax, duties and levies

Either party shall be liable for the taxes, duties, levies and other fiscal charges imposed on it by the Laws and regulations in Lebanon including the stamp duty.

In case the Supplier is a foreign company, it shall be liable for all applicable taxes and duties levied outside the Lebanese Territories in relation to this Contract of Adherence, as well as for the non-resident tax imposed by the Lebanese fiscal authorities on foreign companies doing business in Lebanon, therefore the amount corresponding to the Non-Resident Tax prescribed by the fiscal laws in Lebanon as well as the stamp duty will be deducted from the amount due to be paid by MIC2 to Supplier under this Contract of Adherence.

8. Term and Termination

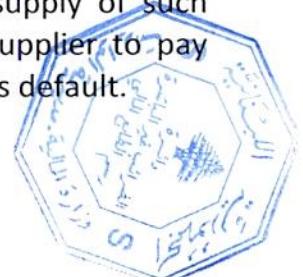
8.1. This Contract of Adherence shall be effective as of the date of its signature herein below (**the "Effective Date"**) and shall remain valid for three (3) years thereafter.

Upon the expiration of the abovementioned term, this Contract of Adherence shall be renewed for an additional term(s) only upon the prior written consent of the Parties.

8.2. MIC2 shall have the right to terminate this Contract of Adherence and/or any Purchase Order issued under it at any time and without having to state the reason(s) for such termination, and without any liability on MIC2, provided that the decision to terminate this Contract of Adherence and/or any Purchase Order issued under it is notified to Supplier thirty (30) days prior to the effective date of termination.

8.3. This Contract of Adherence may be terminated by MIC2 upon a thirty (30) days' written notice with the right to claim compensation if Supplier materially breaches this Contract of Adherence, and fails to cure such breach within fourteen (14) business days after receipt of a written demand for cure from MIC2.

8.4. If at the time of expiry or early termination of this Contract of Adherence the Services ordered by MIC2 as per a given Purchase Order have not been supplied, then this Contract of Adherence shall be deemed extended until the full supply of such Services, and MIC2 shall nonetheless retain its right to request Supplier to pay compensation for such delayed supply if the delay is due to Supplier's default.



A blue ink signature or mark, possibly a personal signature, located at the bottom right of the page.

9. Relationship of the Parties

9.1. The relationship of the Parties established by this Contract of Adherence shall be solely that of independent contractors. Nothing contained in this Contract of Adherence shall be construed to make one party the agent for the other or partner of the other for any purpose. Neither Party shall by virtue of this Contract of Adherence have the right or authority to act for, or to bind the other in any way, or to sign the name of the other, or to represent that the other is in any way responsible for its acts and omissions.

9.2. This Contract of Adherence shall not produce any legal or material obligations upon MIC2 towards third parties beyond the scope of MIC2's relationship with Supplier. Any Party who has not signed this Contract of Adherence is not a party thereto.

10. Non-exclusivity

This Contract of Adherence is not exclusive towards any of its Parties, therefore either Party shall have the right to contract other third parties for same or similar services covered by this Contract of Adherence.

11. Confidentiality

11.1. Supplier shall keep in strict confidence and shall use all reasonable endeavors to bind all of its executives, employees, agents and personnel to keep in strict confidence all the information/documents/ correspondence received, or which it obtains or to which it has access directly or indirectly from MIC2 in connection with this Contract of Adherence and shall not in any time disclose such information/documents/ correspondence to any third party or make use of any such information/documents/ correspondence for any purpose other than as required to execute the object of this Contract of Adherence.

Supplier is aware that MIC2 is entitled to disclose any information/documents/ correspondence relating to this Contract of Adherence to the Republic of Lebanon represented by the Ministry of Telecommunications without obtaining Supplier's approval.

11.2. The confidentiality provisions contained in this Article (11) shall survive the termination or expiration of this Contract of Adherence.



12. Assignment

Supplier shall not assign this Contract of Adherence, totally or partially, or any right or obligation hereunder without the prior written consent of MIC2.

However MIC2 shall have the right to assign, transfer or purport all of its rights and obligations under this Contract of Adherence to the Republic of Lebanon or any of its designees, having given Supplier prior written notice of such assignment but without having to obtain its consent prior to such assignment.

For the avoidance of doubt, Supplier 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 be responsible to Supplier for any of the obligations, liabilities, debts or charges of any kind relating to this Contract of Adherence and in existence as at the date of any such assignment.

13. Applicable Law and Dispute Resolution

13.1 Both Parties agree that the Lebanese Laws and regulations shall apply to any litigation arising out of the application or interpretation of this Contract of Adherence.

13.2 Disputes arising in connection with this Contract of Adherence shall be settled by the competent courts of Law in Beirut.

14. Force Majeure

14.1 Neither Party is liable for delay or failure to perform any of its obligations under this Contract of Adherence insofar as the performance of such obligation is prevented by a force majeure event. Each Party shall notify the other Party of the occurrence of such a force majeure event and shall use all reasonable endeavors to continue to perform its obligations hereunder for the duration of such force majeure event. In case force majeure event exceeded one (1) month period, whether continuously or intermittently, either Party has the right to immediately terminate this Contract of Adherence by means of written notice without bearing any liability whatsoever. In such case, MIC2 shall pay to Supplier the part of the terminated Purchase Order which have been fully provided and accepted by MIC2.

14.2 For the purposes of this Contract of Adherence, 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, always as defined by the Lebanese Laws and Regulations.



15. Waiver and/or Contradiction

15.1 Waiver of any provision herein shall not be deemed a waiver of any other provision herein, nor shall waiver of a breach of any provision of this Contract of Adherence be construed as a continuing waiver of other breaches of the same or other provisions of this Contract of Adherence.

15.2 Any contradiction between any Purchase Order issued under this Contract of Adherence and the terms and conditions of the RFP General Document and its Appendices annexed hereto as Schedule (4), then the terms and conditions of the said Purchase Order shall prevail.

16. Notices

Both Parties have elected domicile at the addresses mentioned beside their respective names in the preamble. Any written notification made to these addresses shall be considered valid unless any Party has notified the other in writing of any change in said address.

IN WITNESS WHEREOF, the Parties have caused this Contract of Adherence to be executed in Beirut with effect as of 07/15/2021 ("Effective Date") by their respective authorized representatives in two originals copies each Party keeping one original.

For and on behalf of
Mobile Interim Company No. 2 S.A.L.

Salem Itani
Chairman General Manager



Nibal Matta Salameh
Chief Financial Officer



For and on behalf of
Computer Business Machines (CBM) S.A.L.

Pierre Daoud Abi Jawdeh
Chairman General Manager

