

SIM cards

Frame Agreement

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This Framework Agreement is signed between:

Mobile Interim Company 1 S.A.L, a Lebanese joint stock company established under the laws of Lebanon, duly registered at Baabda Commercial Register under n°/72514/, and with the Ministry of Finance VAT department under No/296116-601/, having its head office located at Parallel Center, Bloc A, Dekwaneh, Beirut, Lebanon and represented by its Chief Financial Officer Mr. Rafic el Haddad and its Chairman & CEO, Mr. Jad Nassif,

Hereinafter referred to as the “**Client**” or “**MIC1**”

and

xxxxxxxxxx, a company incorporated under the laws of xxxxxxxx under n° xxxxxxxxxx, having its head office at xxxxxxxxxx represented by its Managing Director, xxxxxxxxxx

Hereinafter referred to as the “**Supplier**” or “**xxxxxx**”

Collectively, the two parties are herein referred to as the “**Parties**” and individually as “**Party**”.

Preamble

Whereas, the Supplier is, inter alia, an experienced manufacturer and provider of telecommunications chip cards and related software and services,

Whereas, the Client is managing one of two mobile networks for the benefit of the Republic of Lebanon / Ministry of Telecommunications,

Whereas, the Supplier has agreed to provide the Client, who has agreed to purchase SIM cards on the terms and conditions set forth in this Frame Agreement, its appendixes and the RFT document.

Therefore, the Parties mutually agree on the following:

Article 1 Integrity

The above-mentioned preamble and the enclosed appendixes are an integral part of the Frame Agreement. All Orders (as defined hereinafter) shall be subject to this Frame Agreement as well as the terms and conditions that may be contained in any of the Client's order.

In case of any inconsistency between the terms and conditions of any document part of this Frame Agreement, the terms and conditions of the document shall take precedence

in the following order: (1) RFT Document, (2) this Frame Agreement, (3) the Appendices in the order in which they appear.

This frame agreement is subject to the provisions of Public Procurement Law (PPL) 244/2021 effective 29/7/2022 and its amendments thereof.

Article 2 **Scope of work**

The Supplier shall provide the Client with SIM cards ordered by the Client and accepted by the Supplier, according to the specifications set forth in the Appendixes during the term of this Framework Agreement with second-stage competition to be awarded and signed with 2 Suppliers based on the Open Tender results ref#. 0208-24.

2.1 Work schedule

A- Phase 1- Creation of approved samples

- a) The Supplier shall send the form of the electrical profile.
- b) The Client shall send back the electrical profile.
- c) The Client shall send the Supplier artwork CD by express courier or through a link by mail, which includes graphical layouts of the SIM card and its corresponding pack.
- d) The Supplier shall deliver the test cards to the Client within a maximum period of one (1) week starting from the date of receiving the electrical profile.
- e) The Supplier shall deliver the e-proof of the SIM card to the Client within a maximum period of one (1) week starting from the date of receiving the artwork CD or files transmission.
- f) The Client shall validate the Products after the reception of the test cards.

B- Phase 2- Order

- a) The Client shall send a purchase order ("**Order**") by fax or e-mail signed by an authorized person, and by e-mail the encrypted input files ("**Input Files**"). Any and all Orders and Input Files given by the Client are subject to individual written acceptance of the Supplier.
- b) The Supplier shall deliver the Cards Carriage and Insurance Paid to (CIP Incoterms 2010, ICC publication n°715) Beirut International Airport and accordingly the risk shall pass to the Client. Risks of Cards damage while unloading the Products from the aircraft shall be borne by the Client.
- c) The final delivery (to Beirut International Airport) for the below mentioned cards: Half Sized Plain MultiSim card 3in1 form factors or Iso Sized M2M 3 form factors, shall be done by the Supplier, with all its reasonable efforts, within a maximum period of three (3) weeks after written acceptance of the Order and receipt of The Input Files from the Client.

- d) The final delivery (to Beirut International Airport) for Half Sized MultiSim card wrapped in transparent nylon (3 in1 form factors), shall be done by the Supplier, with all its reasonable efforts, within a maximum period of four (4) weeks after written acceptance of the Order and receipt of The Input Files from the Client.
- e) The delivery timelines set out in Clause (c) and (d) above are subject to prior Artwork Acceptance and Electronic Profiles Acceptance.
For this Frame Agreement and this clause:
 “Artwork Acceptance” means acceptance by the Client of the compliance of the artwork necessary to produce the cards; and
 “Electronic Profile Acceptance” means acceptance by the Client of the compliance of the electronic profile of personalized cards’ specimens necessary to produce the Cards.
- f) The Supplier advises that, for security reasons, the output files must be sent to the Client one (“1”) week prior the Products are delivered to the Client. The encrypted output files should be sent through the SFTP. Should the Client request that the output files be sent before shipment of the related Products, the Client acknowledges and agrees that the Supplier shall not be liable towards the Client (or towards any third party, including end user clients of Client) for any loss or damage resulting from such anticipated sending (including activation and/or fraudulent use of such Cards).

C- Penalties

- a- In case of delay of delivery due to Supplier, the Supplier shall be liable for a penalty of 1.5% per day of delay which shall not exceed 10% of the amount of the corresponding delayed order, except if the delay is due to Force Majeure where no penalty shall be due from the Supplier.
- b- In case of defective SIM cards, the Supplier shall replace all defective items free of charge, within the limits and in the manner as mentioned in clause D below.
- c- If the Client is in default with any payment, then, without prejudice of other Supplier’s rights accruing by law or by the present Frame Agreement:
 - All sums due from the Client to the Supplier shall become due and payable immediately without demand.
 - The Supplier may suspend the provision of any further Products to the Client.

D- Warranty

- a) Any Cards delivered hereunder shall be deemed accepted by the Client upon arrival at its delivery destination unless written notice of their rejection is received by the Supplier within ten (10) working days after arrival of the Cards as per relevant Incoterms. Once accepted, the Client’s exclusive remedy is limited to the warranty sets forth below.
- b) The Supplier warrants that the Cards are, for the period of twenty-four (24) months from the date of delivery of the Cards (“Warranty Period”), free from defects in

design, workmanship or materials. The Supplier will at its discretion, repair or replace or credit or reimburse the Client with the Order price of any Cards which are proved defective provided that the Client has given the Supplier written notice of the defect within the Warranty Period.

- c) If the Client gives the Supplier notice of such defect, error or failure within the Warranty Period it shall provide the Supplier with all information regarding said defect, error or failure which the Supplier may reasonably require and comply with any reasonable suggestions or instructions which the Supplier may offer with a view to the diagnosis and/or remedy of such defect or error.
- d) If the Supplier is unable to remotely remedy any defect or error in the Cards the Supplier shall arrange, at its cost, for the return of the defective Cards and (unless a credit or refund is given) the delivery of the repaired or replacement Cards to the Client.
- e) If the Supplier establishes that a reported defect, error, or failure is not covered by the warranties given under this clause D, the Client shall be liable for the costs of the Supplier's investigative and remedial work and the repair or replacement of the Cards at the Supplier's then current prices, and for all associated carriage and insurance costs.
- f) The Supplier shall not be liable for any failure of the Cards (i) caused by the use of the Cards in conjunction with any other equipment or software which has not been provided by the Supplier, (ii) or caused by any use of the Cards other than for the purpose for which they were designed, (iii) which are the result of the Cards being subjected to unusual physical or electrical stress, neglect, abuse, accident, misuse, (iv) caused by compliance to specifications required or approved by the Client or to any laws, statutes, ordinances, administrative orders, rules and regulations, (v) which could not be envisaged according to state-of-the-art or state-of-the-industry level of knowledge at the signing date of this Frame Agreement.
- g) The warranties given under this clause D shall be void if any party other than the Supplier or its nominated repair service organization has modified, altered, added to or repaired the Cards or has attempted to do so.
- h) The warranties given under this clause D are subject to the Client complying with the provisions of this clause D and are given in lieu of and to the maximum extent permissible by law exclude all other guarantees, conditions and warranties implied by law including without limitation as to satisfactory quality, non-apparent defects, fitness for purpose or correspondence to description or sample.
- i) The remedies provided by this clause D are subject to the Client complying with the provisions of this clause D and shall be the Client's sole remedies in respect of any breach of warranty to the exclusion of all other remedies.
- j) The Supplier warrants that the Cards' software, which means any and all program or software (including firmware) embedded in the Cards, are for the period of twelve (12) months from the date of delivery of the Products, compliant to the relevant agreed written specifications.

2.2 Liability

- a) Before delivery of the Cards, the Supplier shall take all necessary precautions beforehand to protect Cards and keep them undamaged. The Supplier shall be liable for any damage whatsoever caused, within the limits set forth below, before delivery. The risk of loss, damage or destruction of the Cards shall then pass to the Client as soon as the Cards are delivered in compliance with clause 2.1.B.
- b) The Supplier shall be solely liable for irregularity committed by any of its employees against the Client, within the limits set forth below.
- c) The Supplier shall solve any reported vulnerability on the Cards.
- d) To the maximum extent permitted by Law, the Supplier's aggregate liability for any loss, damage, costs or expenses under or in connection with this contract or any order and/or in connection with the Cards provided by the Supplier howsoever arising, including without limitation loss, damage, costs or expenses caused by breach of contract, negligence or breach of statutory or any other duty shall in no circumstances exceed the price the Client has paid to the Supplier under the applicable order. That limit applies irrespective of the number of claims or events giving rise to them. No indemnification by the Supplier beyond the said order price shall be due.

2.3 Security measures

Supplier declares that he is certificated by SAS, EAL4+ and EMV co, and his production physical and IT network environment are compliant with the corresponding SAS requirements and other security rules and policies. Production site is complying with the highest security standards and are audited every year by regulatory bodies from governmental and telecom activity sectors.

Supplier should protect customer's data by the following procedure:

Physical and logical access

Stored in a closed area with controlled and audible access, under 24/7 CCTV surveillance. Only authorized people have the right to access. Access to the customer data must follow the need-to-access principle and implies the user fulfillment of obligations regarding access rules, compliance with access limits and/or privileges, use of information processing resources, etc.

Restricted logical access to computers and networks must follow the same rules as physical access restrictions. The computer used during the elaboration or storage of customer data may be connected to Supplier secured network (e.g. VPN, behind production firewall).

The Supplier undertakes to do all its reasonable endeavours to be in conformity with the following security measures:

- Security during Production and transportation of USIM's plus access to USIM's during transportation shall be considered.
- Multiple administrative security levels: The Supplier shall provide a high degree of flexibility in the structuring of the administrative secret codes as agreed by the Parties.
- For security during personalization, the Supplier shall offer standard levels of security as agreed by the Parties.
- Security Audits: The Client shall be allowed to perform security audits, during normal working hours, once a year, at the Supplier's premises, subject to prior written notification at least five (5) days prior to any audit, to verify if the integrity and confidentiality are maintained at all times during the production process. Access to the Supplier's premises shall be granted to a maximum of six (6) people and shall not be granted to any commercially sensitive nor confidential information not related to the Client.
- The security audit may include site visits and interviews with the Supplier/vendor staff to collect information pertaining to the production process which shall be treated as confidential. The Client acknowledges that lead times for the Products set out in this Frame Agreement might be altered because of security audits site visits and interviews.
- To make available audit trails for each event related to card printing and packaging, and any information on events concerning card rejects and bad production.

If the Supplier does not meet these obligations, it shall remain responsible for such default and shall, nevertheless, be held responsible for all its other contractual obligations, without prejudice to the Client's right to terminate, this Frame Agreement according to article 7.

Supplier shall provide a low level description of the SIM cards security

Supplier declares that he is certificated by GSM SAS UP and provide a copy of the certificate and its scope

Supplier declares that he is certificated by PCI CP and provide a copy of the certificate and its scope

Supplier declares that he is certificated by ISO/27 and provide a copy of the certificate and its scope

Supplier declares that he is certificated by EAL4+ and provide a copy of the certificate and its scope

Supplier declares that he is certificated by EMV co and provide a copy of the certificate and its scope

"For hashing:

- Generally use SHA-2 algorithms (SHA-256 recommended)
- Use SHA-1 only for SHA-2 incompatible clients (some web browsers)
- Disable all other hashing algorithms (e.g. MD5)

In case of partial compliance, state the non-compliant point(s) from the above."

"Cipher suites:

- Only cipher suites with SHA256 (or above) message authentication algorithms must be used
- NULL encryption must not be permitted, and implementations must not negotiate with cipher suites with NULL encryption.
- RC4 encryption must not be used.
- CBC must not be used. Where this is not possible, CBC must be placed below GCM cipher suites, and a risk raised against the platform.
- EXPORT ciphersuites must not be implemented or enabled.
- Symmetrical cipher suites must be at least 128-bits in length –any symmetrical ciphersuites with at least 256-bits in length must be preferred over 128-bit symmetrical cipher suites."

"Exchange Protocols:

ECDHE/DHE must be prioritised over RSA and ECDHE must be prioritised over DHE.

- Key exchange protocols based on ECDHE protocols must not support keys that are less than 256-bits in length
- Key exchange protocols based on DHE or RSA protocols must not support keys that are less than 2048-bits in length.
- PSK, DSA, ECDH, and ECDSA implementations must not support the following keys lengths:

PSK not less than 128-bits in length

DSA not less than 2048-bits in length

Elliptic Curve not less than 256 bits in length

If implemented, these key exchange protocols must be prioritized lower than ECDHE, DHE and RSA"

Supplier to provide regular updates and patches for any discovered vulnerabilities or weaknesses in the SIM Toolkit

SIM cards provided should include a number of features to protect against cloning and other attacks including STK exploitation, Data Extraction...

Supplier shall employ FIPS-validated cryptography (3DES can be used only for AES incompatible clients)

Supplier should declare that his Production site is complying with the highest security standards and are audited every year by regulatory bodies from governmental and telecom activity sectors.

The Supplier shall commit that Customer data must always be stored encrypted and transferred encrypted

The supplier shall accept that Alfa perform security Audits at the Supplier' premises

The supplier shall provide a description on how outfiles are handled and encrypted, and how the encryption keys including transport key are protected inside his premise and when communicated to Alfa

Article 3 **Price and terms of payment**

3.1 Sim Cards Unit Prices

The prices for 4 years are defined as per table here below:

Type	Yearly Quantity
Iso Sized M2M Sim Card 3 Form Factors) M2M	5K
Half Sized MultiSIM (2FF/3FF/4FF) (plain sim cards	100K
Half sized 5G sim card	5K
Half Sized MultiSIM (2FF/3FF/4FF) wrapped with transparent nylon (- Prepaid Sim Cards)	255K

Payments of Purchase Orders shall be made as mentioned in the RFT and as per below:

- 60% down payment on the account upon Purchase Orders signature resulting from the framework agreement, provided that it does not exceed Five Billion Lebanese Pounds. If the said percentage exceeds the amount of Five Billion Lebanese Pounds, the Supplier shall cover this difference by virtue of a bank guarantee letter.

- 40% 1 month within cards and invoices reception and after successful technical testing.

Bank guarantees are subject to the provisions of article 36 of the Public Procurement Law, and the terms of payment are subject to the provisions of article 37 thereof.

- For Local suppliers, payments will be made Fresh in LBP at market rate on payment date.

- For International suppliers not having local presence / office in Lebanon, payments will be made through bank transfer in their local currency.

Contract Award Under this Framework:

MIC1 will be signing the same enclosed Frame Agreement with 2 candidate suppliers depending on best submitted offers for 4 years (Technically & Commercially).

During the contractual period and since this FA involves competition between winners in a second stage, MIC1 will be requesting quotations for each new order that will be

triggered based on demand/need, from both suppliers with whom this Frame agreement is signed based on the RFT Technical and Commercial results.

Second-stage competition will consist of requesting RFQs upon need, expected to be up to six times a year, and related offers will be submitted in sealed envelopes by the selected 2 suppliers within 6 working days from receipt date.

Supplier' selection for each new order will be based on the best submitted unit and subject to article 24 of PPL (Public Procurement Law) where a standstill period of 10 days will be applied. Any new order placed under this framework agreement will be awarded in accordance with its detailed terms and conditions.

MIC1 reserves the rights to launch a new RFT prior to the expiry for the signed Frame Agreements in case both suppliers could not commit or fails to live up to their engagements and obligations as detailed in in the signed Frame Agreements.

Any procurement contract under this framework agreement may be awarded only to a supplier, that is a party to the framework agreement.

3.2 Price Change

During the contractual period of the present Frame Agreement (4 years) suppliers are allowed to modify their prices in below cases:

- Increase of raw material prices as per international indicators (% increase in chip price) provided that a written and official notification including sufficient evidence is provided to MIC 1 allowing us to verify and validate such increase.
- Increase of Freight cost as per international indicators
- Modifications requested by MIC1 regarding card's memory and electrical profile provided the increase does not exceed 15% on top of the agreed upon prices in this agreement.

Price increase should be reasonably aligned with the variable causing the increase.

Article 4 Insurance policy

4.1 The Supplier shall take out and maintain with a reputable insurance company, an insurance policy, relating to the following risks:

- a) Liability insurance covering the Supplier personnel
- b) Insurance cover for damage or destruction during transportation

4.2 The Supplier shall promptly pay all premiums required and deliver a certificate of insurance and its renewal, upon request of the Client.

Article 5 **Effective date and term of the Frame Agreement**

The Frame Agreement shall enter into effect as of signature date shall remain in force for four (4) years from signature date with same terms & conditions. The Frame Agreement is not subject to any extension nor renewal. And it is not subject to any amendment.

Article 6 **Intellectual Property Rights Representations and Warranties**

6.1 Should the Cards /or related info be used by the Supplier for any reason different than the purpose for which they were designed, the Supplier shall be subject to immediate written notification of the claim and in the limit set forth in clause 2.2, shall indemnify the Client against any civil direct damages which may be finally and definitely sentenced against the Client by the court of competent jurisdiction determining that the Cards themselves (i.e.: not in combination with any other product, system or network) directly infringe any third party's patent, copyright, trade secret, trademark or other intellectual or industrial property right.

6.2 Should the Cards infringe third parties' rights according to clause 6.1. or would the Supplier consider such infringement as possible, the Supplier shall, depending on the feasibility of each solution and at its option (i) modify the Cards to remove the infringement, or (ii) replace the Cards with other non-infringing ones with substantially equivalent functions and performance, or (iii) obtain from the third party a right to use the Cards, or, if none of the above mentioned solutions are practicable, (iv) terminate the Frame Agreement, such termination implying for the Client to return any Cards still in stock to the Supplier who shall reimburse their already paid price as well as pre-agreed return expenses.

6.3 Clauses 6.1 and 6.2 above provide for the entire the Supplier' obligations with respect to infringement of third party's intellectual or industrial property rights and, in the limit permitted by Law, replace any other warranties and/or obligations, expressed or implied.

Article 7 **Early termination**

7.1 If one Party infringes its material obligations under this Frame Agreement and fails to remedy such infringement within thirty (30) days after written notice from the other Party, the other Party shall have the right to terminate this Frame Agreement without any remedy or need for a Court decision.

7.2 Either party may terminate this Frame Agreement a written notice to the other Part upon the occurrence of any of the following events:

- a) the other Part becomes insolvent or ceasing to function as a going concern, declaring bankruptcy, having a receiver for it appointed.
- b) if the other arty suffers a significant change of ownership, or merges or consolidates with any other party with the result that control of such other party vests in a competitor.
- c) Termination of this agreement is subject to the provisions stipulated in article 33 of the Lebanese Public Procurement Law

7.3 The Client shall be entitled to terminate this Agreement with immediate effect upon the request of the Ministry of Telecommunications with no need to any legal recourse, upon providing notification of such request by the said Ministry to the Supplier. Any pending Order will be full paid by the Client to the Supplier once received and successfully tested.

7.5 Termination of this Frame Agreement shall have no effect on the rights and remedies of either Party which have arisen prior to termination.

Article 8 **Confidentiality**

The receiving Party acknowledges that all information delivered by the disclosing Party whether or not marked as confidential under this Frame Agreement is of strictly confidential nature and cannot be disclosed, directly or indirectly, for any purposes other than those permitted under the Frame Agreement, to any third party whatsoever, in whatever manner and by whatever means, even after the termination of the Frame Agreement, unless such disclosure is mandatory in accordance with the legislation in force. This clause shall not apply to any such information which the receiving Party can show is public knowledge or was already known to it at the time of disclosure or subsequently becomes public knowledge other than by breach of the applicable order or subsequently comes lawfully into its possession from a third party who was not restricted from disclosing it. Nevertheless, this obligation shall neither be used against the Republic of Lebanon nor any person or entity designated by it; unless such disclosure is mandatory in accordance with the legislation in force, mainly the Public Procurement law number 244 date 19/7/2021.

Article 9 **Force Majeure**

9.1 **“Force Majeure Event”** means an unforeseeable, extraneous event beyond the control of a party (the “Affected Party”), its sub-contractors and its suppliers which is at the date of this Agreement unknown to and cannot reasonably be anticipated by that party.

9.2 In case an Affected Party is prevented, hindered, or delayed from or in performing any of its obligations under this Agreement by a Force Majeure Event:

9.2.1 The Affected Party’s obligations under this Contract are suspended while the Force Majeure Event continues and to the extent that it is prevented, hindered or delayed; and

9.2.2 As soon as reasonably possible after the start of the Force Majeure Event, the Affected Party shall notify the other Party in writing of the Force Majeure Event, the date on which the Force Majeure Event started and the effects of the Force Majeure Event on its ability to perform its obligations under this Agreement; and

9.2.3 In case the Affected Party does not comply with Article 9.2.2 it forfeits its rights under this Article 9, ‘Force Majeure’; and

9.2.4 The Affected Party shall make all reasonable efforts to mitigate the Force Majeure Event on the performance of its obligations under this Frame Agreement; and

9.2.5 As soon as reasonably possible after the end of the Force Majeure Event the Affected Party shall notify the other Party in writing that the Force Majeure Event has ended and resume performance of its obligations under this Contract.

9.2.6 If Force Majeure continues for a period in excess of ninety (90) days, either Party shall be entitled to terminate the Order forthwith by written notice and without liability for termination.

Article 10 **Applicable Law and disputes**

10.1 The Lebanese laws shall govern this Frame Agreement.

10.2 All disputes arising in connection with this Frame Agreement shall be finally settled in the applicable Beirut (Lebanon) courts.

Article 11 **Non-waiver**

11.1 If one of the Parties does not exercise any of the rights granted to it under this Frame Agreement, the other Party shall not have the right to view or construe this as a waiver of such right.

11.2 In particular, if a Party fails at any time to claim for damages or for termination of this Frame Agreement for breach of obligations, it shall always be able to claim for damages in case of any subsequent breaches.

Article 12 **Assignment**

12.1 The Client has, under a fifteen-day (15) notice delivered either by a registered or notarized letter to the Supplier, an irrevocable right to assign this agreement to the Lebanese Government or to any entity designated by it. In such case, the new entity shall entirely subrogate to the rights and obligations of MIC1 without any cause of action or recourse against the Client by the Supplier, as of the effective date of the assignment.

12.2 Supplier shall not assign this agreement without the prior written approval of the Customer, which consent shall not unreasonably be withheld or delayed.

Article 13: **Anti - Corruption**

Each party shall conduct its business in compliance with all applicable anti-corruption, anti-bribery, and anti-money laundering laws, whether effective in the country where services are performed or internationally, with respect to the project.

Each Party shall employ best efforts to establish policies and procedures to prevent offences related to anti-corruption, anti-bribery, and anti-money laundering laws.

In the context of this Frame Agreement, none of the Parties shall make any payments or transfers of anything of value to the other party that may have the purpose or effect of

public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage.

Each Party hereby covenants and undertakes to the other party that it shall have and maintain adequate anti-bribery processes and procedures in place. Each party shall enforce and maintain its own group anti-bribery policies and procedures to ensure compliance with applicable anti-bribery laws and shall provide a copy of such policies and procedures to the other party on request.

Each Party shall comply with the export laws and regulations of the country where services are performed and of any other applicable jurisdictions in the context of the performance of the Frame Agreement. Without limiting the foregoing, each Party represents that it is not named on any government list of persons or entities prohibited from receiving exports.

Upon breach by either Party (the “**Breaching Party**”) of any of the above obligations or commitments, the other Party may terminate with immediate effect the Frame Agreement without any compensation to the Breaching Party.

Article 14: Software

Supplier hereby grants to MIC1 for the life span of the Cards a non-exclusive non-transferable license to use the software embedded into the Cards solely with and for the operation of those Cards. Any Software provided to MIC1 shall be supplied in object code form only and references to "sale" or "sold" of any software in this Frame Agreement shall be deemed to mean a license regarding such Software, and no ownership or assignment of any intellectual property rights is intended nor shall be implied thereby. Copyright in and title to any Software shall always remain the property of Supplier or its licensors. MIC1 shall not, except to the extent permitted by law, copy, alter, decipher, analyze, decompile, reverse engineer, or replace the Software without Supplier's prior written permission.

Article 15 Domiciliation

The Parties elect domicile at the addresses appearing in the preamble above. Any notification served at these addresses shall be deemed valid unless any of the Parties informs the other of a change in its address by registered letter with notice of receipt.

Article 16 Entire agreement

The present Frame Agreement constitutes the entire agreement between the Parties regarding the subject matter to the exclusion of any other communications, such as the frame agreement entered into between the Parties xxxxxxxxxx which will automatically expire upon the date of coming into force of the present Frame Agreement.

IN WITNESS WHEREOF, the Parties hereto have signed this Frame Agreement to be executed in two (2) original copies.

For MIC1 S.A.L

Name: Jad Nassif

Title: Chairman & CEO

Date and place:

Signature:

For xxxxxxxxxx

Name: xxxxxxxx

Title: xxxxxxxx

Date and place:

Signature:

Rafic El Haddad
Chief Financial Officer

Signature _____

Enclosures

Appendix No. 1: Half sized MultiSim cards(3in1 Form Factors) and M2M cards

Appendix No. 2: Technical specs for Products

Appendix No. 3: Proposed Applications

Appendix No. 4: Half Sized MultiSim wrapped in transparent nylon

Appendix No. 5: Work Schedule

Appendix 1: Half sized MultiSim cards and Iso Sized M2M cards 3 Form Factors

SIM Supplier	xxxxxxxxxxxxxx
Chip characteristics	<p>Every SIM card shall be a unique unit.</p> <p>See Enclosed Appendix 2 for detailed specs.</p>
Material	PVC "high temperature"
Artwork	<p>Maximum number of artwork changes per year is 3.</p> <p>After 3 changes, Supplier can charge the Artwork setup cost.</p> <p>The Client shall finish the remaining stocks.</p>
Printing	<p>Front side: up to 4 PMS colors or 4-colour process</p> <p>Back side: up to 4 PMS colors or 4-colour process</p>
Printing personalization	<p>Laser printing of 4 lines of data</p> <p>1- PIN1 Back side: 4 digits Format: XXXX</p> <p>2- PUK1 Back side: 8 digits Format: XXXX XXXX</p> <p>3- Code Bar of the ICCID (code 128) 12 digits.</p> <p>Also under the code bar the ICCID shall appear in small digits.</p> <p>4- ICCID on the Chip</p>
Wrapping and packaging	<p>*Cards shall be first packaged in cardboard boxes and then in wooden boxes, which protect them against dust and humidity.</p> <p><u>SIM Cards:</u></p> <p>If the cards are delivered without packaging, boxes in the package shall contain 500 Products inserted serially.</p> <p>Outer box contains 2500 cards (5 packages). The outer box label shall specify the first serial and the last serial of the cards placed in the four boxes.</p>

Test cards	<p>BAP Trial cards need to be produced by machine and not manually.</p> <p>Standard lead-time for delivery of Trial Cards upon successful completion of the Client requirements is 2 weeks, also the output files shall be sent immediately after encrypted by e-mail.</p> <p>Software needed for testing the Products is required.</p>
	<p>The testing cards, readers and software shall be free of charge.</p> <p>Up to 5, the readers will be submitted to a quotation.</p> <p>The software to read and modify test cards at POS (SIMAdvisor) is free of charge. Any other required software will be submitted to a quotation.</p>
Training	<p>The Supplier shall provide training for 4 people on Java card, General overview on OTA, Value added services on Products, Test equipment, SIM CARDS personalization and Java Tools.</p>
	<p>The training is free of charge when it occurs at Supplier's premises. If the training is abroad, the bidder shall cover all travel expenses/commodities including hotel and travel cost</p>

Appendix 2: Technical specs for Products

1. General specs

Chip Characteristics	Specifications
General	<p>*Supplier/vendor shall be approved by the GSMA association and shall be ISO 9000 certified,</p> <p>*The features offered shall have the latest commercial release deployed by the supplier</p>
Card Type	<p>*Cards shall be phase 2+, STK/DSTK capable.</p> <p>* Following the implementation of OTA platform, XML files shall be provided as well in soft copy according to shared template.</p> <p>* EEPROM free memory size must be at least 64 KB</p> <p>* Products shall have the electrical and graphical profiles that shall be agreed upon between the Client and the Supplier. The electrical and graphical profiles references shall be specified in the input files.</p>
Handset Compatibility	<p>SIM cards should be compatible using all Handsets (Recognized by GSM association) available in the Lebanese Market.</p> <p>The supplier has to bear all the responsibility.</p>
Procedure to define technical specifications:	<p>*The Client shall send the input files to the Supplier. The file shall be in soft copy.</p> <p>*The Client shall in turn define the electric and graphical profiles and Send them back.</p> <p>*5 test cards configured with the defined profiles shall be sent to the Client for testing and validation.</p> <p>*Two card readers with corresponding latest version of the SW tool that enables testers to read write and save all types of files on the card shall be sent with the test cards.</p>
Training	<p>The Supplier shall provide the Client's staff with detailed technical training. The Supplier shall send a list of the available courses so that the Client can choose the suitable ones.</p>
Technical Support	<p>*The Supplier shall be ready to participate in testing when requested.</p> <p>*The Supplier shall have reactive technical support to support the operator in finding adapted solutions.</p> <p>*The Supplier shall describe the way its technical support team is organized.</p> <p>*The Supplier shall commit to provide support in modifying the electrical profile if required (i.e. file content such as SPN, FPLMN, etc.) and testing the changes through BAP process</p>

2. Commercial SIMs specs

Card Type	<p>*The plug in Products shall be compliant with following the latest versions of following 3GPP specs: GSM 11.11, GSM 03.48 release 99, GSM 11.12, GSM 11.18, GSM 11.14, TS 22.038, TS 22.048, TS 23.003, TS 23.040, TS 23.041, TS 23.048, TS 21.111, TS 31.048, TS 31.101, TS 31.102, TS 31.103, TS 31.111, TS 31.120, TS 31.122, TS 31.115, TS 31.116, TS 31.130, TS 31.133, TS 31.213, TR 31.828, TR 31.829, TR 31.900, TR 31.919, TS 33.102, TS 33.105, TS 33.110, TS 33.203, TS 33.220, TS 33.401, TS 33.402, TS 35.205, TS 35.206, TS 35.207, TS 35.208, TS 35.231, TS 35.232, TS 35.233, TR 35.909, TR 35.934, TR 35.935, TR 35.936, TS 42.017, TS 42.019, TS 43.019, TS 43.048, TS 51.011, TS 51.013, TS 51.014, TS 51.017, TS 55.205</p> <p>* The plug in Products shall be compliant with the latest versions of following the latest versions of following ETSI specs: TS 101 220, TS 102 124, TS 102 127, TS 102 151, TS 102 221, TS 102 222, TS 102 223, TS 102 224, TS 102 225, TS 102 226, TS 102 310, TS 102 240, TS 102 241, TS 102 268 TS 102 412</p> <p>* The plug in Products shall be compliant with the latest version of following Global Platform specs: Global Platform Card Specification Version 2.1.1, Card Remote Application Management over HTTP Card Specification Amendment B, Card Technology Secure Channel Protocol '03' Card Specification – Amendment D, Card Secure Channel Protocol '11' Card Specification – Amendment F, Global Platform Card Specification Version 2.3.1, Card Confidential Card Content Management Card Specification - Amendment A, Card Technology Contactless Services Card Specification - Amendment C, Card Technology Opacity Secure Channel Card Specification – Amendment G</p> <p>*The plug in Products shall be compliant with the latest version of Java Card API specification</p> <p>*The plug in Products shall be compliant with the latest version of Java Card Runtime Environment Specification</p> <p>*The plug in Products shall be compliant with the latest version of Java Card Virtual Machine Architecture Specification</p> <p>*Supplier/vendor shall supply 128K EEPROMs Java 2.2.2 or latest enabled, based on an open Java platform that is interoperable between suppliers and manageable over the air in a standardized way.</p> <p>*Supplier shall upgrade OS/HW/SW version of the SIM cards once released with no extra charges</p>
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Encryption algorithm	<p>*Supplier/vendor shall supply cards that work on MILENAGE algorithm for all technologies (2G, 3G, 4G and 5G if needed)</p> <p>*SIM cards shall support the following algorithms for the encryption of Ki: DES, 3DES and AES</p> <p>*SIM cards shall support the SAGEs MILENAGE standard function set</p> <p>* SIM cards shall support the Comp 128 1,2,3 algorithms even if they won't be used</p>
3 rd party applets	<p>3rd party applets:</p> <ol style="list-style-type: none"> 1-The Supplier should not charge anything for loading the applet on the live SIM Cards. 2- Warranty on hardware will remain as per contract. 3- Warranty/Support on Software of live cards will remain as per contract even when a third-party applet is installed on the proposed SIM cards as long as no issue related and/or caused by third party applet is encountered 4-The Supplier shall anytime provide support to MIC1 for loading a third-party applet via OTA with no extra charges assuming that no licensing, testing, qualification & integration fees are imposed by the third-party supplier 5- The Supplier shall allow to pre-load any third-party applet on new batches of SIM cards with no extra charges assuming that no licensing, testing, qualification & integration fees are imposed by the third-party supplier (BAP process to precede production phase) 6- For plain, prepaid and M2M Muti Sim Cards, the Supplier shall provide a list of applets that can be provided as free of charge while precising their size.

A4 and OTA transport keys	<p>*Following transport key algorithms shall be available:</p> <ul style="list-style-type: none"> • DES in CBC mode • DES in ECB mode • 3DES in CBC mode • 3DES in ECB mode • AES <p>*Transport keys shall be stored in HSM on supplier's side</p> <p>*No one shall have access to the transport keys on supplier's side</p> <p>*Supplier shall provide a secure tool to define any new transport key</p> <p>*Supplier shall make sure that the transport keys exchange is done without compromising them to any single person</p> <p>*Supplier shall abide with operator's following process for the definition of a new transport key:</p> <ul style="list-style-type: none"> • Any new key should be divided into three parts. • Key parts will be defined by 3 different custodians from operator's side • Key parts should be loaded in the secure tool provided by the supplier (key parts should be hidden once entered) • The tool shall generate a file including the keys <p>The file should be pgp encrypted then sent to the supplier to load it from his side on HSM</p>
Features & technology support	<p>*SIM cards shall support proactive commands</p> <p>*SIM cards shall support 2G technology</p> <p>*SIM cards shall support 3G technology</p> <p>*SIM cards shall support LTE technology</p> <p>*SIM cards shall support 5G technology</p> <p>*SIM cards shall include all roaming files</p> <p>*SIM cards shall support CSD</p> <p>*SIM cards shall support STK menu</p>

3. M2M SIM **additional** specs

Crypto Features (ETSI TS 102.225)	CRC16 & CRC32, DES & 3DES, AES
Java Card Crypto APIs	CRC16 & CRC32, DES & 3DES, AES 128 & 256 bits SHA-1 160 bits, SHA-2 (224-256 bits) Random Random, Pseudo-random: SHA-1 FIPS 186-2
Low Power Network R12/R13 features	Poll Interval Negotiation
Authentication application	SIM, USIM ISIM EAP
Over-The-Air (OTA)	CAT-TP SMS
Operating system	500k cycles per page 8M cycles high-stress File area and embedded application control
Hardware Features	32-bit CPU in 90 nm CMOS technology Hardware DES accelerator External clock frequency from 1 to 7.5 MHz Supply voltages range: Class A,B,C Memory Endurance :Up to 500,000 Cycles/page Ruggedized Form Factors Temperature range: Operating -40°C +105°C- Storage -40°C +125°C Data retention: Up to 10 years at 105°C Up to 15 years at 85°C Latest version of ETSI TS 102 671 – JEDEC (2FF): TB-HA-CA-FA-RA-UB
EEPROM size	The minimum free EEPROM size of M2M SIM cards shall be 64K

Appendix 3: Proposed Applications

Application Name	Application Description
SIM phonebook	The user must be able to store/update up to 400 contacts on the SIM card This has to be implemented through ADN1 or through an applet if not possible to extend the ADN1
Info on demand	Application and its menu shall be downloaded via the OTA platform.
Proprietary applets	The Supplier shall advise if any proprietary applet will be pre-loaded on the SIM cards. If yes, the Supplier provide details about the applet and the reason for it
Cost	The defined applications are free of charge.

- All applications shall be java interoperable.
- SIM CARDS shall have based dynamic application management. This functionality provides ease of deployment of up-to-date services to the subscribers which are easily accessible via mobile phone.
- In order to validate the above-mentioned applications, the Supplier shall provide the Client with simulation software or applications for testing purpose, with all necessary visuals and with a Symphonic Composer tool to develop java applications. The tool and training shall be subject to a separate quotation and approval between both parties.
- The supplier undertakes that the WIB browser shall be implemented in ROM. It will be in "sleeping mode". IOD menu download shall be possible and feasible via OTA platform.

Appendix 4: Half Sized MultiSim wrapped in transparent nylon

Prepaid Overview

All these components shall be bundled in a nylon bag. This package shall be in a chain of 25 cards each, without any indications about the MSISDN.

The label carrying the corresponding SIM serial number without its last digit and it shall be readable without opening the package. The package shall be in every case a unique unit. So the quality of the process shall be controlled very strictly. The Supplier guarantees this subject by a suitable documented evaluation. At any time, the Client shall arrange the supervision.

All non-personalized materials, like brochures, shall be procured, stocked and kept available by the Supplier using the released artworks and sample of the Client if both Parties agreed on stocks.

Fulfillment requirements and pricing

1. Package	Specification
Size, format	100% transparent thick nylon bag 60mm x 70mm
Number of different versions	Maximum 10 per year submitted to a quotation.
Maximum number of artwork changes per year	3 The Client shall use the remaining stocks if any.
Material	Good quality
Special quality requirements	Every starter package shall be a unique unit.

2. Things for insertion into the starter pack	Specification
Product	Adequate with the sim card size Mini brochure
Number of colors, front and back	5 colors front and back + acrylic varnish front and back.
Maximum number of artwork changes per year	3 The Client should finish the stocks if any.
Label	BARCODE LABEL SIZE 40*14mm The bar code is the ICCID without its last digit.

3. Other Packaging before loading onto pallet (BOX).	Specification
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Other Packaging	Every 100 starter packs shall be in one box with a label mentioning the number of the box existing in the excel sheet, each 25 having a separator.
Special Request	Every delivery includes a file with all serial numbers referring to the dedicated boxes and pallets.

4. Transportation & Delivery	Specification
Country	Lebanon
Delivery	Delivery term defined in Appendix 7 (Work Schedule). Any delay shall be covered by a penalty.

5. Transportation Insurance	Specification
Insurance	Required

Appendix 5 Work Schedule

<u>Sending new electrical profile and SIM input file</u>	T0
<u>Sending Graphical layouts</u>	T0
<u>Receiving testing SIM & applications</u>	T1= T0 + Two weeks
<u>Purchase Order</u>	T2
<u>Final Delivery</u>	T2 + Three weeks for Half Sized MultiSim (3 Form factors), and Iso Sized M2M sim cards 3 Form Factors T2 + Four weeks for Half Sized MultiSim (3 form factors) wrapped in transparent nylon Delivery shall take place at Beirut International Airport.