**OCR and Data Cleaning Solution**

**Contract of Adherence**

This OCR and Data Cleaning Solution Contract of Adherence (Hereinafter referred to as the **“Contract of Adherence”**)is made and entered into by and between:

A Lebanese company registered with the Commercial Register of Baabda under Number /72514/, and with the Ministry of Finance VAT department under No /296116-601/, having its head office located at Parallel Towers, Block 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 “**MIC1**”)

**AND**

**……………………………………………..**, a company incorporated at the ……………………… Trade Register under number /…………………………/, and registered at the Lebanese Ministry of Finance under the number /………………………../, electing domicile at………………………, …………… Floor, ………………. Road, ……………….. Region, Lebanon, represented in this Contract of Adherence by its ……………………………………...

(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, MIC1 is operating the firstmobile network for the account and for the benefit of the Republic of Lebanon, and is in need to purchase an OCR and Data Cleaning Solution including hardware and software in addition to related services being installation, integration, training, maintenance and support (Hereinafter altogether referred to as the **“Solution and Services”**) for enhancing the performance of MIC1’s sales procedures through both physical and digital channels;

To this effect MIC1 has announced for a Request for Proposal to select the best supplier to provide the Solution and Services, whereas at the outcome of the abovementioned Request for Proposal, Supplier (……………………….)was selected to provide MIC1 by the Solution and Services as detailed in specifications and prices within the submitted Proposal(s) annexed hereto as Schedule (1); and according to the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (2), and to the terms and conditions of the RFP General Document and its Appendices issued by MIC1 at the time of launching the said tender;

MIC1 and Supplier wish by the present Contract of Adherence to set out the terms and conditions upon which Supplier shall provide the Solution and Services to MIC1;

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(s) 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 MIC1 with the Solution and Services as detailed in specifications and prices within the submitted Proposal(s) annexed hereto as Schedule (1); and according to the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (2), and to the terms and conditions of the RFP General Document and its Appendices issued by MIC1 at the time of launching the said tender.

**3. Order of the Solution and Services**

**3.1.** MIC1 shall issue a written Purchase Order(s) to the Supplier to order the Solution and Services (Hereinafter referred to as the **“Purchase Order(s)”**).

**3.2.** The Purchase Order(s) shall be forwarded by MIC1 to Supplier through an email on the following email address: …………………………………..

**4. Supply and Delivery of the** **Solution and Services**

**4.1.** Supplier must supply and deliver the Solution and Services as ordered by MIC1 in the relevant Purchase Order(s) issued under this Contract of Adherence, to conform with the specifications and prices detailed within the submitted Proposal(s) annexed hereto as Schedule (1); according to the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (2), and to the terms and conditions of the RFP General Document and its Appendices issued by MIC1 at the time of launching the said tender, all of which being free from any defect whether apparent or hidden.

The term **“supply and delivery”** shall mean the timely supply of any ordered hardware and/or software and the satisfactory implementation of the related services being installation, integration, training, maintenance and support.

The term **“Preliminary Acceptance Certificate (PAC)”** shall mean a preliminary certificate issued by MIC1 evidencing that the Solution and Services have been supplied and delivered to MIC1 without being accepted yet by MIC1.

The term **“Final Acceptance Certificate (FAC)”** shall mean a certificate issued by MIC1 evidencing that the Solution and Services have been totally supplied and delivered to and accepted by MIC1.

**4.2.** A penalty amounting to 0.5% of the total amount of each of the relevant Purchase Order(s) shall be applied on Supplier to the benefit of MIC1 for each five (5) calendar days of delay in the supply and/or delivery of the Solution and Services and shall have a maximum cap of 10 % of the total amount of each of the relevant Purchase Order(s).

The said penalty amount shall be automatically deducted by MIC1 from the amount due to Supplier without the need for any legal claim or action.

**5. Warranty, Liability, Indemnity and Infringement**

**5.1.** Supplier warrants at its own cost and liability that the Solution and Services are timely supplied and provided under this Contract of Adherence and conforming to the specifications and prices listed in the submitted Proposal(s) annexed hereto as Schedule (1) and/or in the relevant Purchase Order(s) placed by MIC1, and timely executed under the terms and conditions of this Contract of Adherence including its Service Level Agreement annexed hereto as Schedule (2) and to the terms and conditions of the RFP General Document and its Appendices issued by MIC1 at the time of launching the said tender.

**5.2.** Supplier, its assigned personnel, and any of its employees involved directly or indirectly in the supply and provision of the Solution and 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 MIC1. Supplier must carry an insurance policy covering all his staff working on site during and in the occasion of the supply and provision of the Solution and Services as well as damages caused by the Supplier’s work on site.

* 1. 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 MIC1 resulting from the works done under this Contract of Adherence.
  2. Supplier will be held liable and shall indemnify MIC1:
* 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 MIC1 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 MIC1 or MIC1’s existing network, for which MIC1 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 supply and provision of the Solution and Services.
* Against any claim, demand, proceeding, damage, cost, charge or expense whatsoever in respect thereof or in relation thereto.
  1. Supplier shall defend MIC1 against any claim that the Solution and Services may infringe on a patent or copyright, granted or registered in the Lebanese Territories, provided that MIC1 promptly notifies Supplier of the said claim. Supplier shall has the sole control of the defense and all the related settlement negotiations, and MIC1 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 MIC1 harmless from any payment which by final judgments in such suits may be assessed against MIC1 on account of such infringement and shall pay resulting settlements, costs and damages finally awarded against MIC1 by a court of law.

1. **Fees and Prices, Invoicing, Payment****s, Performance Bond**

**6.1. Fees and Prices**

The fees and prices for the Solution and Services to be supplied and delivered under this Contract of Adherence shall be determined by MIC1 in each of the relevant Purchase Order(s) issued under this Contract of Adherence and must comply with the fees and prices as listed in the submitted Proposal(s) annexed hereto as Schedule (1).

* + 1. Supplier undertakes to adhere to the fees and prices for the Solution and Services as listed in the submitted Proposal(s) annexed hereto as Schedule (1) 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.
    2. The fees and prices for the Solution and Services as referred to in Clause (6.1.) herein above shall constitute all the financial entitlements of Supplier from MIC1 for the supply and delivery of the Solution and Services under this Contract of Adherence and shall include all expenses that may be incurred by Supplier in this regards.
  1. **Invoicing for the Solution**

The ordered Solution by MIC1 under this Contract must be invoiced under the following scheme:

* ……… % of the amount of the issued Purchase Order(s) upon …………………
* ……….. % of the amount of the issued Purchase Order(s) upon the issuance of the Preliminary Acceptance Certificate by MIC1.
* ……… % of the amount of the issued Purchase Order(s) upon the issuance of the Final Acceptance Certificate by MIC1.
  1. **Invoicing for the Services**

The ordered Services by MIC1 under this Contract must be invoiced on annual equal quarterly basis installments to be issued by the Supplier at the end of each quarter.

* 1. **Payments**

MIC1 shall settle any invoice issued under this Contract within sixty (60) days from the date of its receipt and acceptance by MIC1.

**6.5. Performance Bond**

Within fifteen (15) days from issuing **any** Purchase Order(s) to the Supplier under this Contract, the Supplier shall provide MIC1 with an “on first demand” irrevocable Performance Bond in an amount to be defined in the relevant Purchase Order(s) which shall not exceed 10% of the amount of the said Purchase Order(s), 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 Performance Bond shall provide that the issuing bank guarantees (jointly and severally with the Supplier) the payment of the amount of the Performance Bond to MIC1 upon MIC1’s first request, without any objection or reservation or delay.

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

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

The said Performance Bond shall remain valid and effective from the date of issuance of the relevant Purchase Order(s) up to the date MIC1 issues the respective Final Acceptance Certificate (FAC).

The form and content of the said Performance Bond to be pre-approved by MIC1 prior to its issuance.

1. **Taxes, 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 MIC1 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 four (4) years thereafter.

**8.2.** This Contract of Adherence and/or any Purchase Order(s) issued under it shall be terminated without any liability whatsoever on MIC1 under the provisions of Article (33) of the Public Procurement Law Number 244/2021 dated 19/07/2021, having Article (40) of the said Law to apply herein as well.

The damages in such case and for any case of termination shall be determined to the favor of MIC1 under the terms of the last section of Article (33) of the said Public Procurement Law.

Supplier hereby announces and declares its total awareness of the terms and conditions of the said Articles.

**8.3.** If at the time of expiry or early termination of this Contract of Adherence, Solution and Services ordered by MIC1 as per a given Purchase Order(s) have not been totally supplied and provided, then this Contract of Adherence shall be deemed extended until the full supply and provision of the Solution and Services, and MIC1 shall nonetheless retain its right to request Supplier to pay compensation for such delayed supply and provision if the delay is due to Supplier’s default.

**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 MIC1 towards third parties beyond the scope of MIC1’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 either of the Parties; therefore, either Party retains the full right to contract other parties for same or similar scope of this Contract of Adherence without any objection or reservation from the other Party.

**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 MIC1 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 MIC1 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 MIC1.

However, MIC1 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 MIC1 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.

The Assignee of the present Contract of Adherence shall also have the right of assignment provided for under this Article (12).

**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, MIC1 shall pay to Supplier the part of the terminated Purchase Order(s) which have been fully supplied, delivered and accepted by MIC1.

**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**

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.

**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 ………………………………………………………. **(“Effective Date”)** by their respective authorized representatives in two originals copies each Party keeping one original.

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| --- | --- |
| **For and on behalf of**  **Mobile Interim Company No. 1 S.A.L.**  **Jad Nassif**  **Chairman & CEO**  **Rafic El Haddad**  **Chief Financial Officer** | **For and on behalf of**  **……………………………**  **…………………………….**  **……………………..** |

**SCHEDULE (1)**

**SCHEDULE (2)**

**SERVICE LEVEL AGREEMENT (SLA)**

