**SMSC Solution and Anti-Spam Platform**

**Contract of Adherence**

This SMSC Solution and Anti-Spam Platform 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 and Bloc C, Fouad Chehab Avenue, Bachoura Region, Beirut, Lebanon.

(Hereinafter referred to as “**MIC2**”)

**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, 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 an SMSC Solution and Anti-Spam Platform including the hardware, software in addition to related services being installation, integration, migration, maintenance and support (Hereinafter altogether referred to as the **“Solution and Platform”**) for its Short Messaging Service Center solution;

To this effect MIC2 has announced for a Request for Proposal to select the best supplier to provide the Solution and Platform, whereas at the outcome of the abovementioned Request for Proposal, Supplier (……………………….)was selected to provide MIC2 by the Solution and Platform, as detailed in specifications and prices within the submitted Technical and Commercial Proposals (Hereinafter together referred to as the **“Proposals”**) annexed hereto as Schedule (1), and according to the terms and conditions of this Contract of Adherence, and under the Service Level Agreement annexed hereto as Schedule (2);

MIC2 and Supplier wish by the present Contract of Adherence to set out the terms and conditions upon which Supplier shall provide the Solution and Platform 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 Solution and Platform as per the specifications and prices listed in the submitted Proposals annexed hereto as Schedule (1) and/or in the relevant Purchase Order(s) placed by MIC2, according to the terms and conditions of this Contract of Adherence and under the Service Level Agreement annexed hereto as Schedule (2).

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

**3.1.** MIC2 shall issue a written Purchase Order(s) to the Supplier to order the Solution and Platform (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 the following email address: …………………………………..

**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.

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

**4.1.** Supplier undertakes to supply and deliver the Solution and Platform as ordered by MIC2 in the relevant Purchase Order(s) issued under this Contract of Adherence.

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

**4.2.** Supplier undertakes and warrants that the Solution and Platform supplied and delivered under this Contract of Adherence are:

* Conforming to all MIC2’s required specifications as defined in the submitted Proposals annexed hereto as Schedule (1) and/or in each of the relevant Purchase Orders issued under this Contract of Adherence, and under the Service Level Agreement annexed hereto as Schedule (2).
* Free of any defect whether apparent or hidden.

**4.3.** The Solution and Platform shall be supplied and delivered to MIC2 in the specifications and prices as listed in the submitted Proposals annexed hereto as Schedule (1) and/or as determined by MIC2 in each of the relevant Purchase Orders issued under this Contract of Adherence, and under the Service Level Agreement annexed hereto as Schedule (2).

**4.4.** 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 supply and/or delivery of the Solution and Platform and shall have a maximum cap of 10 % of the total amount of each of the relevant Purchase Orders.

The said penalty amount 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 and Indemnity**

**5.1.** Supplier warrants at its own cost and liability that the Solution and Platform supplied and delivered under this Contract of Adherence is conforming to the specifications detailed in the submitted Proposals annexed hereto as Schedule (1) and/or in the relevant Purchase Order, and under the Service Level Agreement annexed hereto as Schedule (2).

**5.2.** Supplier shall fully indemnify MIC2, together with its officers, agents and employees, against any claim with respect to damages to property, loss and personal injury, including death, howsoever caused to any personnel, or which may be imposed on or incurred by MIC2 arising directly out of the negligent acts or omissions of Supplier, its agents, or employees during the performance of any work hereunder.

**5.3.** Supplier, its assigned personnel, and any of its employees involved directly or indirectly in the supply and delivery of the Solution and Platform shall be individually and jointly responsible for the terms and conditions of this Contract of Adherence.

**5.4.** 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 supply and delivery of the Solution and Platform as well as damages caused by the Supplier’s work on site.

**5.5.** 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.

1. **Liability, Indemnity and Infringement** 
   1. Supplier will be held liable and shall indemnify MIC2:

* For 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 supply and delivery of the Solution and Platform.
* Against any claim, demand, proceeding, damage, cost, charge or expense whatsoever in respect thereof or in relation thereto.
  1. **Infringement:**

Supplier shall defend MIC2 against any claim that the Solution and Platform 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 has 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.

1. **Fees and Prices , Invoicing and Payment****, Guarantee**

**7.1. Fees and Prices**

The fees and prices for the Solution and Platform to be supplied and dlivered 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 and prices as listed in the submitted Proposals annexed hereto as Schedule (1).

* + 1. Supplier undertakes to adhere to the fees and prices for the Solution and Platform as listed in the submitted Proposals 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 Platform as defined in Clause (7.1.) herein above shall constitute all the financial entitlements of Supplier from MIC2 for the supply and delivery of the Solution and Platform under this Contract of Adherence, and shall include all expenses that may be incurred by Supplier in this regards.

* 1. **Invoicing and Payment**

Invoicing and Payment terms for the ordered Solution and Platform 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.

* 1. **The Guarantee**

Supplier must submit an “on first demand” irrevocable Bank Guarantee for the amount of /…………/, in a form and content to be pre-approved by MIC2 prior to the signature of this Contract of Adherence, that must be valid to cover the full term(s) of the Contract of Adherence.

The issuing bank must be an international recognized bank who has received an international long term credit rating of at least a “prime” investment grade (BBB or above), unless otherwise pre-agreed by MIC2.

The payment of the guarantee shall be made directly into the bank account that MIC2 will indicate.

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 supply, provision and performance of the Supplier to all of its obligations under this Contract of Adherence.

1. **Tax, duties and levies**

Each party shall be liable for the taxes and levies due on it as per the Lebanese laws, rules and regulations (including the stamp duty amount).

**9. Term and Termination**

**9.1.** This Contract of Adherence shall be effective as of the date of its signature herein below **(the “Effective Date”)** and shall remain valid for five (5) years thereafter.

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

**9.2.** 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.

**9.3.** 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.The amount of the said compensation shall equal to thirty (30%) of the total amount of the related Purchase Order to which the breaching acts of Supplier has affected MIC2’s interests.

**9.4.** If at the time of expiry or early termination of this Contract of Adherence the

Solution and Platform ordered by MIC2 as per a given Purchase Order have not been supplied and delivered, then this Contract of Adherence shall be deemed extended until the full supply and delivery of the said Purchase Order, and MIC2 shall nonetheless retain its right to request Supplier to pay compensation for such delayed supply and delivery if the delay is due to Supplier’s default.

**10. Relationship of the Parties**

**10.1.** 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.

**10.2.** 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.

**11. Non-exclusivity**

This Contract of Adherence is not exclusive to Supplier. MIC2 retains the right to contract other parties for same or similar scope of this Contract of Adherence, and Supplier has acknowledged this right without any objection or reservation.

**12. Confidentiality**

**12.1.** 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.

**12.2.** The confidentiality provisions contained in this Article (12) shall survive the termination or expiration of this Contract of Adherence.

**13. 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.

The Assignee of the present Contract of Adherence shall also have the right of assignment provided for under this Article (13).

**14. Applicable Law and Dispute Resolution**

**14.1** 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.

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

**15. Force Majeure**

**15.1** 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 supplied, delivered and accepted by MIC2.

**15.2** 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.

**16. 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.

**17. 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. 2 S.A.L.**  **Salem Itani**  **Chairman General Manager** | **For and on behalf of**  **……………………………**  **…………………………….**  **……………………..** |

**SCHEDULE (1)**

**SCHEDULE (2)**

**SERVICE LEVEL AGREEMENT (SLA)**