

General Conditions of Contract

1. LEGAL STATUS

The Service Provider shall be considered as having the legal status of an independent Service Provider vis-à-vis ARMAC. The Service Provider's personnel shall not be considered in any respect as being the employees or agents of ARMAC.

2. SOURCE OF INSTRUCTIONS

The Service Provider shall neither seek nor accept instructions from any authority external to ARMAC in connection with the performance of its services under this Contract. The Service Provider shall refrain from any action which may adversely affect ARMAC and shall fulfill its commitments with the fullest regard to the interests of ARMAC.

3. SERVICE PROVIDER'S RESPONSIBILITY FOR EMPLOYEES

The Service Provider shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

4. ASSIGNMENT

The Service Provider shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Service Provider's rights, claims or obligations under this Contract except with the prior written consent of ARMAC.

5. SUB-CONTRACTING

There shall be no sub-contracting accepted.

6. OFFICIALS NOT TO BENEFIT

The Service Provider warrants that no official of ARMAC has received or will be offered by the Service Provider any direct or indirect benefit arising from this Contract or the award thereof. The Service Provider agrees that breach of this provision is a breach of an essential term of this Contract.

7. INDEMNIFICATION

The Service Provider shall indemnify, hold and save harmless, and defend, at its own expense, ARMAC, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Service Provider, or the Service Provider's employees, officers or agents, in the performance of this Contract. This provision shall extend, inter alia, to claims

and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Service Provider, its employees, officers, agents and servants. The obligations under this Article do not lapse upon termination of this Contract.

8. INSURANCE AND LIABILITIES TO THIRD PARTIES

- 8.1 The Service Provider shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment acquired under this Contract.
- 8.2 The Service Provider shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.

9. ENCUMBRANCES/LIENS

The Service Provider shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with the ARMAC against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Service Provider.

10. TITLE TO EQUIPMENT

Title to any equipment and supplies that may be furnished by ARMAC shall rest with ARMAC and any such equipment shall be returned to ARMAC at the conclusion of this Contract. Such equipment, when returned to ARMAC, shall be in the same condition as when delivered to the Service Provider, subject to normal wear and tear. The Service Provider shall be liable to compensate ARMAC for equipment determined to be damaged or degraded beyond normal wear and tear.

11. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

ARMAC shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At ARMAC's request, the Service Provider shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to ARMAC in compliance with the requirements of the applicable law.

12. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF ARMAC

The Service Provider shall not advertise or otherwise make public the fact that it is a Service Provider with ARMAC, nor shall the Service Provider, in any manner whatsoever use the name, emblem or official seal of ARMAC, or any abbreviation of ARMAC in connection with its business or otherwise.

13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

- 13.1 All maps, drawings, photographs, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Service Provider under this

Contract shall be the property of ARMAC, shall be treated as confidential and shall be delivered only to ARMAC authorized officials on completion of work under this Contract.

- 13.2 The Service Provider may not communicate at any time to any other person, Government or authority external to ARMAC, any information known to it by reason of its association with ARMAC which has not been made public except with the authorization of ARMAC; nor shall the Service Provider at any time use such information to private advantage. These obligations do not lapse upon termination of this Contract.

14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

- 14.1 Force majeure, as used in this Article, means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force which are beyond the control of the Parties.
- 14.2 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Service Provider shall give notice and full particulars in writing to ARMAC, of such occurrence or change if the Service Provider is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Service Provider shall also notify ARMAC of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. The notice shall include steps proposed by the Service Provider to be taken including any reasonable alternative means for performance that is not prevented by force majeure. On receipt of the notice required under this Article, ARMAC shall take such action as, in its sole discretion, it considers to be appropriate or necessary in the circumstances, including the granting to the Service Provider of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.3 If the Service Provider is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, ARMAC shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

15. TERMINATION

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Settlement of Disputes" below shall not be deemed a termination of this Contract.
- 15.2 ARMAC reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Service Provider, in which case ARMAC shall reimburse the Service Provider for all reasonable costs incurred by the Service Provider prior to receipt of the notice of termination.
- 15.3 In the event of any termination by ARMAC under this Article, no payment shall be due from ARMAC to the Service Provider except for works and services satisfactorily performed in conformity with the express terms of this Contract. The Service Provider shall take immediate steps to terminate the works and services in a prompt and orderly manner and to minimize losses and further expenditures.
- 15.4 Should the Service Provider be adjudged bankrupt, or be liquidated or become insolvent, or should the Service Provider make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Service Provider, ARMAC may, without prejudice to any other right or remedy it may have, terminate this Contract forthwith. The Service Provider shall immediately inform ARMAC of the occurrence of any of the above events.

16. SETTLEMENT OF DISPUTES

16.1 Amicable Settlement

Both parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof.

16.2 Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration at a hearing in the presence of the representative from ARMAC Steering Committee. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17 TAXES

The Service Provider authorizes ARMAC to deduct from the Service Provider's invoice any amount representing taxes (excepting personal income tax), duties or charges, unless the Service Provider has consulted with ARMAC before the payment thereof and ARMAC has, in each instance, specifically authorized the Service Provider to pay such taxes, duties or charges under protest. In that event, the Service Provider shall provide ARMAC with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

18 CHILD LABOUR

18.1 The Service Provider represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

18.2 Any breach of this representation and warranty shall entitle ARMAC to terminate this Contract immediately upon notice to the Service Provider, at no cost to ARMAC.

19. OBSERVANCE OF THE LAW

The Service Provider shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

20. AUTHORITY TO MODIFY

No modification or change in this Contract, no waiver of any of its provisions or any additional contractual relationship of any kind with the Service Provider shall be valid and enforceable

against ARMAC unless provided by an amendment to this Contract signed by the authorized official of the ARMAC.

21. LANGUAGE OF THE CONTRACT

The official language of the Contract and that of annexes and documents relating to the Contract will be in English.