

CONTRACT

SUPPLY CONTRACT FOR EUROPEAN COMMUNITY EXTERNAL ACTIONS FINANCED FROM THE EC GENERAL BUDGET

Ministry of Local Affaires and Environment, Youssef Al-Admeh Square, P.O. Box: 3311, Damascus, Syria, Telephone No. +963-11-2396260, Fax: +963-11-232 0886 ("The Contracting Authority"),

and

of the one part,

Mohamed Ali AlHomsy.

INVEST 4 ALL

Official registration number: 43575, Damascus, Syria.

Victoria Bridge Assia Building, 5th floor. Damascus, Syria. P.O. Box 13195. Phone: +963 11 231 34 41.

Fax: +963 11 231 34 40

("The Contractor")

have agreed as follows:

of the other part,

CONTRACT TITLE: Supply and Installation of Hardware and Software for Syrian Municipalities. LOT 3: Financial Management System.

Identification number: EuropeAid/124331/D/SUP/SY

Article 1 Subject

- 1.1. The subject of the contract shall be the supply and installation of software and staff training in Syria for Lot 3, Financial Management System: This lot is for the development and implementation of a set of fully functioning computer based financial management information systems for Budget Preparation, Budget Execution and Monitoring, Cash Management and Accounting (including Payroll Accounting), Personnel Post/Position Management and Property Management for six municipalities (Damascus, Homs, Tartous, Lattakia, Aleppo and Deir Ezzour), starting with the municipalities of Homs and Lattakia as pilots.

The place of acceptance of the supplies shall be the Municipalities of Syrian cities of Aleppo, Homs, Tartus, Lattakia and Deir Ezzour and the Ministry of Local Administration and Environment; the time limits for delivery shall be 12 months and the Incoterm applicable shall be DDP¹. The implementation period shall run from July 2007 to date June 2008.

¹ DDP/DDU - Incoterms 2000 International Chamber of Commerce.

- 1.2 The Contractor shall comply strictly with the terms of the Special Conditions and the technical annex.

Article 2 Origin

The supplies must originate in one or more of the of the 27 Member States of the European Union and the beneficiary countries of the MEDA Programme (Algeria, Egypt, Gaza and West Bank, Israel, Jordan, Lebanon, Morocco, Syria, Tunisia and Turkey), the three countries of EEA (Iceland, Liechtestein and Norway) and the candidates countries (Croatia and Fyrom).

A certificate of origin for the supplies must be provided by the Contractor at the latest when he requests provisional acceptance of the supplies. Failure to comply with this condition may result in the termination of the contract.

The origin of the goods shall be determined according to the Community Customs Code or the international agreements to which the country concerned is a signatory.

Article 3 Price

- 3.1 The price of the supplies shall be that shown on the financial offer (specimen in Annex IV). The total maximum contract price shall be in euros 45,125.00.
- 3.2 The price referred to in Article 3.1 above shall be the sole remuneration owed by the Contracting Authority to the Contractor under the contract. It shall be firm and shall not be subject to revision.
- 3.3 Payments shall be made in accordance with the General and/or Special Conditions (Articles 26 to 28).

Article 4 Order of precedence of contract documents

The contract is made up of the following documents, in order of precedence:

- the contract agreement;
- the Special Conditions
- the General Conditions (Annex I);
- the Technical Specifications (Annex II);
- the Technical Offer (Annex III [including clarifications from the tenderer provided during tender evaluation];
- the budget breakdown (Annex IV);
- Specified Forms: Financial Identification Form (FIF), Legal Entity File (LEF), Performance Guarantee and Pre-financing Guarantee (Annex V).

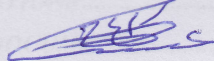
The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they should be read in the order in which they appear above.

SPECIAL CONDITIONS

Done in English in three originals, one original being for the Contracting Authority, one original being for the Contractor and one original for the Delegation of the European Commission to Syria.

For the Contractor

Name: Mohamed Ali AlHomsy
Title: Director
INVEST4ALL

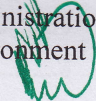


Signature:

Date: 26/07/2007

For the Contracting Authority

Name: Hilal Al-Attrash
Title: Minister of Local
Administration and
Environment



Signature:

Date:

**Endorsed for financing by the
European Community**

Name: Vassilis Bontosoglou

Title: Ambassador of the
Delegation of the European
Commission to the Syrian
Arab Republic

Signature:

Date:



Article 2 - Law applicable
2.1 - Syrian law shall apply to all matters not covered by the provisions of the contract.
2.2 - The language used shall be English.