CONTRACT for the Implementation of a solution for production of BIOMETRIC DOCUMENTS of the REPUBLIC OF THE GAMBIA

BETWEEN:

The Republic of The Gambia represented by the Permanent Secretary, Ministry of Interior of the Islamic Republic of The Gambia, having its registered office at 5 Forster J Street, Banjul, The Gambia, hereinafter referred to as "the GOVERNMENT"

AND:

The company SEMLEX EUROPE SA, with its registered office at 384 Avenue Brugmann, B-1180 Brussels, Belgium, represented by its General Manager, Sales M. Ralph Hajjar hereinaster referred to as "SEMLEX".

Where the context so requires, the GOVERNMENT and SEMLEX are jointly referred to as the "Parties" and individually as a "Party"

WHEREAS:

1. SEMLEX is offering to implement biometric systems for diverse documents and databases, and to produce such documents in the Republic of the Gambia,



- 2. The GOVERNMENT is interested in implementing SEMLEX's biometric system for the purpose of permitting the reliable identification of persons living in the Republic of The Gambia
- 3. The biometric systems require a great amount of skills and resources. The GOVERNMENT has requested that the implementation of the system be conducted in the form of an investment by SEMLEX, with SEMLEX operating the project in the Republic of The Gambia with the GOVERNMENT creating the conditions necessary for such operations to run smoothly.
- 4. In reply to this request, SEMLEX undertakes, as part of the ongoing necessary investments, to implement all hardware and software resources, to build its team, and to carry out the supervision and training of the officials involved in the project.
- 5. The project consists of the building, implementation and transfer of a biometric system in one phase consisting of three dimensions:
 - Production of ID CARD, DRIVING LICENSE, VISA STICKERS & RESIDENT PERMIT using biometrics for identification and authentication. This list may be amended with the written consent of the GOVERNMENT.
 - Implementation of national databases used to register the persons concerned.
 - · Implementation of landed border control systems

Within 12 months from the date of entry into force of this Agreement, the Government agrees to grant SEMLEX the exclusivity for the production of the biometric documents comprised in the Financial and Technical Proposal in Appendix 1. This list may be amended with the written consent of the GOVERNMENT.

THEREFORE, the Parties hereby agree as follows-

ARTICLE 1. DEFINITIONS AND INTERPRETATION

1. The following terms, printed below in lowercase bold italics and in quotes, have ROA the following meanings when printed in uppercase in the body of the Contract:

- "contract documents" shall mean all the documents specified in Article 1.4 below.
- "date of entry into force" shall mean the date of finalisation of Contract documents
- "infrastructure" shall mean the whole hardware and software infrastructure, including the databases, required for the PROJECT and created within the PROJECT;
- "intellectual property" shall mean all industrial and intellectual property rights relating in particular to software used in the context of or related to the PROJECT and/ or official documents produced in any part of the world, and to patents, trademarks or brand names of products or services, designs, design rights, know-how and copyrights (in each case whether registered or not), and the application thereof, also including any intellectual property licenses for use within SEMLEX, by third parties or by SEMLEX for third parties, including: (i) patents (ii) trademarks for goods or services (even if not registered) and trademarked applications, and (iii) all copyrights exclusively concerning SEMLEX, owned by SEMLEX and which SEMLEX is free to make use of;
- "know-how" shall mean all rights to use inventions, discoveries, improvements, designs, technical processes, computer programs and all other processes and information (under the conditions existing for the usage rights including, without prejudice to the general nature of the foregoing, algorithms, technical processes, designs, characteristics, diagrams, lists, parts, manuals, instruction code, instructions, catalogues contained therein or derived from them) used in the context of or related to the PROJECT;
- "legislation" shall mean all laws, decrees and regulations (national, regional, Municipal or local government) and all statutory instruments, rules, commands, statutes, regulations, edicts, codes and instructions;
- "licenses" shall mean all licenses, authorisations and approvals (including but not limited to environmental permits and operating licenses) required for PROJECT execution;



- "official documents" shall mean all official documents (such as national ID cards, cards for foreign residents, and may include other documents as specified in any contract between the parties) produced by SEMLEX in accordance with the specifications to be agreed upon between the parties;
- "project" shall mean (i) the building of the INFRASTRUCTURE (ii) the creation, updating and maintenance of the databases and (iii) the production, introduction and sale of the OFFICIAL DOCUMENTS in the Republic of The Gambia for the duration of this Contract;
- "technicalin formation" shall mean all technical information and know-how available in tangible and intangible form, including skills, knowledge, diagrams, formulations and characteristics of products, technical files on such products, operating and testing procedures and instruction manuals (when owned by SEMLEX or for which SEMLEX has a license pursuant to a license agreement) relating to the PROJECT.
- 1.2. The terms in this Contract are used for convenience only and shall not affect its structure.
- 1.3 References made in the singular include the plural and vice versa, as required by the context.
- 1.4 The following documents shall be deemed to form, to be read and construed as part of this Contract, viz:
- a) This Contract Agreement and its Addendum (if any);
- b) The Technical Specifications; including Service Level Agreement(SLA)
- c) The Financial Details and Investment Plan

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1.5 In the event of any ambiguity or conflict between the Contract documents listed above, the order of precedence shall be the order in which the Contract documents are listed above.





ARTICLE 2: RIGHT TO USE THE PROJECT - SERVICE MANAGEMENT

- 2.1. The Government accords SEMLEX as from the date on which the Technical Specifications, Financial Details and Investment Plan have been agreed upon by both Parties, the right to implement the project. The Government shall not appoint any other person or entity to implement the PROJECT for the duration of this Contract.
- 2.2. From the date foreseen in Article 2.1 and for the period specified under Article 2.7 of this Contract, SEMLEX shall implement and operate the INFRASTRUCTURE on behalf of the GOVERNMENT, bearing all costs, apart from those to be borne by the GOVERNMENT as explicitly specified in Articles 2.4, 4, 5, 7 and 8 of this Contract, associated with maintenance by Government, of the INFRASTRUCTURE needed to prepare, produce and deliver the OFFICIAL DOCUMENTS as agreed between the parties.
 - 2.3. For the duration foreseen in Article 2.7 of this Contract and subject to the provisions, SEMLEX shall similarly carry out the necessary work and bear all associated costs, apart from those to be borne by the GOVERNMENT as explicitly specified in Articles 2.4, 5, 7 and 8 of this Contract, to prepare, produce and deliver the OFFICIAL DOCUMENTS in accordance with the technical data described in the financial & technical proposal in Appendix 1 of this Contract, and to create, update and maintain the associated databases.

2.4. The GOVERNMENT shall:

2.4.1. Take the steps necessary to guarantee the total security of the INFRASTRUCTURE, of all agents working on the project and the security of the moneys collected by SEMLEX under Article 2.6 below.

2.4.2. Do everything necessary to foster the awareness of applicants of OFFICIAL DOCUMENTS, informing them on dates and places of enrolment, and mornioring them with a view to ensuring intensive use of

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the FACILITIES, with a sufficient level of attendance at the places of enrolment.

- 2.5. Should the number of OFFICIAL DOCUMENTS or the development of operations be inferior to the conditions specified in the financial & technical detail in Appendix 1 of this Contract, SEMLEX shall remedy within a timely manner and at its own cost.
- 2.5. The commitment of SEMLEX foreseen in this Article 2 shall come into force only when all LEGISLATION and/or REGULATIONS imposing a legal obligation to acquire OFFICIAL DOCUMENTS and setting the fees payable for obtaining them has been duly published in the OFFICIAL GAZETTE of the Republic of The Gambia.
- 2.6 During the implementation of this project, SEMLEX shall collaborate and work with the task force identified for these purposes by the GOVERNMENT.
- 2.7. The rights and obligations of SEMLEX and the GOVERNMENT forescen in this Article 2 shall remain in force for a period stipulated in Article 2.1 of this Contract and ending on the fifth anniversary of its signing. This contract may be renewed for a period not exceeding two years upon written consent of the Partics.
- 2.8. This Contract is subject to the fulfilment of the conditions specified in Article 2.1. In the event that any such conditions are not fulfilled by one of the Parties, the other Party may terminate this Agreement without further obligation.

ARTICLE 3: RIGHTS AND FACILITIES FOR THE PROJECT

- 3.1. The GOVERNMENT shall ensure that project operations are not disrupted by any change in the LEGISLATION regarding OFFICIAL DOCUMENTS.
- 3.2. The GOVERNMENT shall facilitate the LICENSES needed for the installation of the INFRASTRUCTURE and the execution of the PROJECT.
- 3.3. For the duration of this Contract, the GOVERNMENT shall caccord SEMLEX the right to use designated land, roads and other essential provide

facilities as are necessary for the execution of the PROJECT, at no cost to SEMLEX.

- 3.4. The GOVERNMENT shall at its expense make available to SEMLEX, the land and buildings required for implementing the PROJECT, for the SEMLEX headquarters in the Republic of The Gambia and for PROJECT-related locations. All such PROJECT-related locations shall, at the expense of the GOVERNMENT, be equipped with electric power enabling permanent air-conditioning of the premises. SEMLEX shall bear the cost of rent (where government facilities are not available), electricity and water.
- 3.5. The GOVERNMENT will also bear the cost of GOVERNMENT's agent travels and IT equipment shipment inside the country (shipment from/to the headquarters to/from the provincial centres).
- 3.6 The PROJECT shall be subjected to a mid-term review three (3) years after the date of signing of this Contract.

ARTICLE 4: REVENUE SHARING

- 4.1 SEMLEX and the GOVERNMENT shall share the total revenue generated from the PROJECT on a 70:30 basis. This may be varied by the Parties subject to Article 2.1.
- 4.2 GOVERNMENT shall be responsible for the issuing and collection of fees for all Official Documents generated.
- 4.3 The fees so collected shall be lodged into a collection account to be opened at a bank to be agreed upon by the Parties. There shall be a standing order on this account for the monthly automatic distribution of revenue to bank accounts to be nominated by either party in the manner described in 4.1 above. Neither party shall have the ability to make direct withdrawals from the collection account.





ARTICLE 5: TAX AND CUSTOMS EXEMPTIONS

- 5.1. The GOVERNMENT shall issue SEMLEX with a special investment certificate.
- 5.2. The GOVERNMENT shall not deduct any withholding tax at source on the transfer out of the Republic of The Gambia of any income deriving from the execution of the PROJECT.
- 5.3. The GOVERNMENT shall not deduct any withholding tax at source on the payment of royalties or interests outside the Republic of The Gambia in conjunction with the execution of the PROJECT.
- 5.4. SEMLEX shall be exempted from paying any customs duties or taxes on equipment, machinery, accessories, materials or supplies (including motor vehicles) imported temporarily or permanently into the Republic of the Gambia for purposes related to the design, building, maintenance and operation of the INFRASTRUCTURE and the PROJECT.

To facilitate such imports during the contract period, lists of exempt imports shall be submitted by SEMILEX for approval by the MINISTRY OF FINANCE, listing all equipment described in the financial & technical detail in Appendix 1 of this Contract and other property necessary for the implementation and due functioning of the PROJECT (vehicles, furniture, office equipment, generators, air conditioning, fans, consumables, spares, electrical and, replacement computer equipment, security equipment, etc)

<u>ARTICLE 6: CURRENCY CONVERSION - CAPITAL IMPORTS -</u> <u>REPATRIATION OF PROFITS</u>

6.1. SEMLEX and all investors involved in the project shall be entitled, without restriction, to import into the Republic of the Gambia, the capital necessary for PROJECT implementation.

6.2. SEMLEX shall be authorised to repatriate profits deriving from the PROJECT, at any time and without restriction.

ARTICLE 7: STAFF - WAIVER OF FEE FOR WORK PERMITS

- 7.1. The GOVERNMENT shall make available to SEMLEX sufficient qualified staff to allow the execution of the PROJECT. Such staff shall be paid by the GOVERNMENT. However, SEMLEX shall be authorised to pay bonuses to staff made available by the GOVERNMENT.
- 7.2. SEMLEX shall provide comprehensive training to the staff provided in 7.1 above. SEMLEX shall be allowed to hand back to the GOVERNMENT at any time any staff whose performance and/or behaviour is detrimental to the PROJECT upon consultation with Government.
- 7.3. Work permits shall be granted to foreign staff on gratis.

ARTICLE 8: FINANCING ARRANGEMENTS

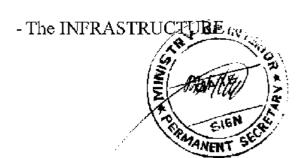
SEMLEX shall have full freedom (i) to determine the forms of PROJECT financing, be it via its own equity capital, loans, grants or any other financing instrument, (ii) to select investors and lenders willing to invest in the PROJECT, and (iii) to negotiate with investors and lenders. The GOVERNMENT shall not interfere in any way in negotiations with potential investors and/or the execution of investment or loan contracts.

ARTICLE 9: PLEDGING AND MORTGAGING THE CAPITAL

When required, SEMLEX shall be permitted, without restriction, to pledge the rights deriving from this Contract and existing or future PROJECT revenues, provided that SEMLEX shall give written notice of such pledge within a reasonable time frame before said pledge being made.

ARTICLE 10: TRANSFER TO THE GOVERNMENT

10.1 At the end of the contractual period defined in Article 3.6 of this Contract, SEMLEX shall transfer to the Government:





- The KNOW-HOW
- The TECHNICAL INFORMATION
- Intellectual Property rights strictly limited to the designs of the Official Document
- 10.2 SEMLEX shall conduct, at its own expense and in agreement with the GOVERNMENT, the work necessary to restore and upgrade, if need be, the facilities belonging to the INFRASTRUCTURE to a normal state of operation and maintenance, taking into account their nature and use as defined in the financial & technical proposal.
- 10.3 SEMLEX shall allow the GOVERNMENT, within six months prior to the end of the contractual period to conduct a system audit and verification of the INFRASTRUCTURE and shall allow the Government the right to access and inspect the INFRASTRUCTURE, the KNOWHOW and TECHNICAL INFORMATION, for verification prior to the transfer.
- 10.4 Upon the conduct of the system audit and verification specified in Article 10.2 and where the system audit and verification reveals that the conditions specified in ARTICLE 10.2 have not been satisfied, the GOVERNMENT shall reserve the right to request an upgrade of the INFRASTRUCTURE to a normal state of operations from SEMLEX.
- 10.5 Should it be deemed necessary by the GOVERNMENT, SEMLEX may enter into an agreement with the GOVERNMENT on maintenance, updated technical assistance and training, thereby facilitating the Government's management of the transferred INFRASTRUCTURE and ensuring the continuity of operations relating to the databases and preparation, production and issuing of OFFICIAL DOCUMENTS.

ARTICLE 11:TECHNOLOGY TRANSFER

11.1. SEMLEX undertakes and warrants to provide technology and transfer of skills to the GOVERNMENT at all technical levels, within two years from the effective date of the contract.



- 11.2. At year five (5) of the contractual period, the GOVERNMENT shall have full control of the Project.
- 11.3 At year six (6) SEMLEX shall provide a refresher training for all technical staff of the GOVERNMENT in accordance with terms and conditions agreed to by the Parties. The obligations envisaged under this section will survive even after the expiry of this Agreement,

ARTICLE 12: OWNERSHIP OF DATA

- 12.1 All data relating to the PROJECT shall be owned by the GOVERNMENT.
- 12.2 All software and licenses relating to the PROJECT shall be taken out in the name of the GOVERNMENT and shall not be of an embedded nature.
- 12.3 SEMLEX undertakes and warrants that, it shall treat the PROJECT data confidential and without prior written approval of the GOVERNMENT, it shall not possess, analyse, sell or transmit the PROJECT data to third parties including its investors.

ARTICLE 13: SYSTEM INTEGRITY AND SECURITY

SEMLEX undertakes to provide optimal security standards during the execution and implementation of the PROJECT.

ARTICLE 14: TERMINATION

14.1 Should the GOVERNMENT or SEMLEX terminate the contract without cause, the terminating Party shall be required, without delay, to pay to the other Party, a compensation amounting to the sum total (i) of the cost of creating and implementing the INFRASTRUCTURE; (ii) the profit due on sales of OFFICIAL DOCUMENTS for the duration of this Contract.

14.2. A Party who terminates this Contract in accordance with Article 14.1 shall not be entitled to any compensation.

- 14.3. A termination in accordance with Article 14.1 by SEMLEX shall not affect its obligations to transfer the INFRASTRUCTURE, KNOW-HOW AND TECHNICAL INFORMATION specified in Article 11.
- 14.4. In the event that either Party shall be in material default of its obligations under this contract for a period in excess of ninety (90) days, and such failure shall not be rectified or treated within sixty (60) days after written notice thereof from the non-defaulting Party, the non-defaulting Party may terminate the Agreement without liability upon giving thirty (30) days written notice to the other Party but without prejudice to any right of action or remedy that either Party may have against the other in respect of any breaches prior to the termination.

ARTICLE 15: INTELLECTUAL PROPERTY

This Contract provides for the transfer to the GOVERNMENT of the right to use the technology in accordance with Article 10 of this Contract. This in no way involves any transfer whatsoever, subject to Article 10.1, of the INTELLECTUAL PROPERTY of SEMLEX to the GOVERNMENT or any of its agencies.

In respect to any intellectual property of SEMLEX under the Project, SEMLEX shall accord user rights to the GOVERNMENT during the transfer of INFRASTRUCTURE as specified in Article 10.

ARTICLE 16: DECLARATIONS AND GUARANTEES GIVEN BY SEMLEX

Vis-à-vis the GOVERNMENT, SEMLEX declares and guarantees that, on the date this Contract was signed:

16.1. SEMLEX is a company duly established and existing under the laws of the Kingdom of Belgium, and has the capacity and the full and complete authority to enter into this contract and any commitments given herein, and to conclude the transactions foreseen by this Contract. This Contract has been duly validated by SEMLEX and constitutes SEMLEX 1891 and binding and fully enforceable Contract.

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16.2. The execution of this Contract does not constitute any breach of any provision of the statutes of SEMLEX or of any legislation or regulations in force in the Kingdom of Belgium.

ARTICLE 17: FORCE MAJEURE- INSTITUTIONAL CHANGE

In the case of force majeure, war or civil war, SEMLEX may go ahead with temporarily halting contract execution.

The validity and continuity of this Contract shall not be affected by any institutional change within the Republic of The Gambia.

ARTICLE 18: ENTRY INTO FORCE

The DATE OF ENTRY INTO FORCE of this Contract is the date on which it is signed by both parties. The Parties shall endeavour to satisfy the conditions specified in Article 2.1 within three (3) monthsfrom the date of signing of the contract. Unless otherwise expressly agreed by the Parties, in the event that the Parties are unable to satisfy the conditions specified in Article 2.1, this contract shall be of no legal effect.

ARTICLE 19: ESTABLISHMENT OF THE LEGISLATION AND REGULATIONS

The GOVERNMENT shall, without delay, arrange for the adoption of all LEGISLATION and regulatory measures required to implement the PROJECT and operate it properly.

ARTICLE 20: AMENDMENTS

No change, amendment or modification of this Contract shall be valid or shall have any effect on the Parties unless such changes, amendments or changes are made in writing and are duly approved by both Parties.





ARTICLE 21: INAPPLICABILITY - INELIGIBILITY

Should any provision or commitment foreseen in this Contract become inapplicable or illegal, then such provision or commitment shall become ineffective only to the extent of such inapplicability or ineligibility and shall in no way affect the applicability or eligibility of the remainder of such a provision or other provisions or commitments contained in this Contract.

ARTICLE 22: ENTIRETY OF THE CONTRACT

This Contract and its addendum if any, together with its technical requirements, financial and investment details, constitutes the entire Contract and supersedes all offers, draft agreements or exchanges between the parties prior to signing this Contract.

ARTICLE 23: JURISDICTION AND ARBITRATION

- 23.1. The validity, construction and implementation of this Contract shall be governed in all respects by the laws of The Gambia, which shall be the law assigned to this Contract.
- 23.2. The Parties shall endeavour to resolve all disputes or controversies arising out of or in connection with the contract amicably within sixty (60) days of upon receipt of notification of breach by a Party to the Other Party.
- 23.3. Where the Parties are unable to reach an amicable solution, all disputes arising out of or in connection with this contract shall be submitted to the International Court of Arbitration of the International Chamber of Commerce and shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.





DONE at CANDUL on Lot 2016, in five original copies, of which the Government acknowledges the receipt of four copies and SEMLEX one copy.

For SEMLEX

For the Government

DATE

SIGN

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