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| APPLICATION SOFTWARE CONTRACT  **No. 04/2021/VTP-ARABICA/REVERSE AUCTION** |

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| DATED , 2021 |

Between

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| ARABICA VIET NAM TECHNOLOGY APPLICATION JOINT STOCK COMPANY  (THE suplier) |

AND

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| VIETTEL PERU S.A.C  (the operator) |

This Contract is made and entered into on the date of …………………………..., 2021 by and between:

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| **ARABICA VIET NAM TECHNOLOGY APPLICATION JOINT STOCK COMPANY**  **(ARABICA)** | | |
| **Address** | : | Floor 2, number 2F, 200, Vinh Hung street, Vinh Hung ward, Hoang Mai district, Hanoi | |
| **Tel** | : | (+84) 868 92 95 96 | |
| **Represented by** | : | **Mr. Hoang Xuan Manh** | |
| **Title** | : | **Director** | |

**(Hereafter referred to as the “The Supplier”)**

*And*

|  |  |  |
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| **VIETTEL PERU S.A.C**  **(BITEL)** | | |
| **Address** | : | Calle 21 No.878, San Isidro, Lima, Peru |
| **Tel/Fax** | : | 0051-2260919 |
| **Represented by** | : | **Mr. NGUYEN CHI TUAN** |
| **Title** | : | **Commercial Director** |

**(Hereafter referred to as the** “**The Operato**r”)

The Supplier and the Operator shall be referred to as a ‘Party’ independently or ‘Parties’ collectively in this Contract.

Now therefore, the parties hereto, in consideration of the mutual covenants herein expressed, agree with each other as follows:

**ARTICLE 1: DEFINITION AND TERMS**

* 1. In this Contract, the following terms have the following meanings otherwise provided under this Contract:
  2. “**Author copyright**” is the right of an organization or individual to cooperate in products created or owned by such organization or individual.
  3. “**Author related right**” (hereinafter called related right): is an organization’s/ individual’s right of show, audio and video recording, on air program, satellite signal with decoded program.
  4. ‘**Revenue’**: is the total fee paid by the customers.
  5. **“Revenue sharing”:** is defined as Total Revenue.
  6. “**Customers”** these are the operator’s subscribers who use the **REVERSE AUCTION** service.

**ARTICLE 2: INTERPRETATION**

In this Contract:

* 1. Words denoting the singular shall include the plural and vice versa;
  2. Headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Contract;
  3. A reference to a “Law” shall include all applicable laws and regulations as well as all amendments of such Law for the time being in force and any other Law enacted in substitution and all regulations (including decrees, orders and other executive instruments issued by any governmental entity), proclamations, ordinances and articles of association for the time being in force under that Law and any notice, demand, order, direction, requirement or obligation under or pursuant to that Law or those regulations, proclamations, ordinances and articles of association;
  4. Where the consent or approval of a Party to this Contract is required hereunder to any act, matter, or thing, such requirement shall, in the absence of any express stipulation to the contrary herein, mean the prior consent or approval (as the case may be) in writing in the reasonable discretion of such Party;
  5. When calculating a period of time within which or following which any act is to be done or step taken, the date which is the reference day in calculating such period shall be excluded and the period of time shall end on its last day at **11:59 PM**. If this period has to be calculated in Working Days and if the last day of such period is not a **Working Day**, the period shall end on the next day which is a **Working Day**;
  6. The words “in particular”, “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”.

**ARTICLE 3: SCOPE OF CONTRACT**

* 1. The Supplier agrees to provide the **REVERSE AUCTION** service with the technical specification agreed by Parties as specified in Annex 02 on the Operator’s Mobile Network for the mutual benefit of the parties pursuant to the Laws of Peru.

Implementation site: **VIETTEL PERU S.A.C**.

* 1. Address: Calle 21 No.878, San Isidro, Lima, Peru
  2. The following Annexes attached hereto shall constitute integral parts of this Contract:
* ***Annex 01: Scale of charge, Revenue share and payment.***
* ***Annex 02: Technical Specification.***
* ***Annex 03: Contact points.***

Any change/modification and annexes after the signing date of this contract shall be agreed and signed from both Parties.

**ARTICLE 4:** **RESPONSIBILITIES OF THE OPERATOR**

* 1. Invest in the entire system (servers, transmission network devices and information security…) and investment arising in the service deployment process;
  2. Provide **REVERSE AUCTION** service to subscribers;
  3. Apply professional measurement to assure the data security;
  4. Assign qualified staff for implementing, monitoring and tracking the System to ensure system performance and avoid interruptions;
  5. Cooperate with Supplier in comparison; data comparison, payment data confirmation related to the service. The Operator will be responsible for payment with the procedures specified in this contract.

**ARTICLE 5:** **RESPONSIBILITIES OF THE SUPPLIER**

1. Responsible for legitimacy of the copyright, related rights provided to the Operator to exploit for business purpose as agreed in this contract. The Supplier shall be responsible and at his own account to resolve any dispute and lawsuit if any relating to the use of such works and programs by the Operator.
2. Ensure that information provided to the Operator’s mobile network shall not breach law and regulations and incompliance with current laws such as: copyright law, telecommunication law and any other relevant laws and regulations of Peru.
3. Ensure that the content provided to the Operator, legally and simultaneously adhere to applicable laws including but not limited to Law of Press, Law of Copyrights, Law of Intellectual Property Rights and other regulations of Peru;
4. Ensure the content provided on the Operator to meet the suitability of Peru’s culture, habits and customs; not related to matters dealing with politics, religion and ethnic group, etc.
5. Responsible for providing the Operator with the documentary proof of copyrights ownership. In case of any dispute relating to the violation of the Supplier’s copyrights, the Supplier shall take full responsibility to solve such dispute, appeal and damages relating to Operator’s use of the Service.
6. Conduct caring activities, answer customer’s queries on services at customer support system if any.
7. Cooperate with Operator to solve customer’s complaints and response to investigation/inspection from relevant authorities.
8. Supplier shall not assign, delegate this Contract and/or any rights and obligations under this Contract without Operator’s prior written consent.
9. Responsible for provide the software platform for **REVERSE AUCTION** service following by agreement between The Operator and The Supplier.
10. Responsible for following the scenario for **REVERSE AUCTION** service have been accepted by the Operator and The Supplier. The scenario of **REVERSE AUCTION** service only can be changed if The Operator and The Supplier both agree.

**ARTICLE 6: Financial Obligations**

Financial Obligations, Payment procedures and Time Frame shall be as provided under Annex 1.

**ARTICLE 7: CONFIDENTIALITY**

1. Parties shall keep confidential all information related to this Contract during the duration of this Contract and within 6 months after this contract’s expiry date, including extended time specified at Article 10 (if any). Parties shall apply necessary measures for ensuring information confidentiality of this Contract.
2. Each Party shall not disclose any information related to this Contract to any other parties without the prior written consent from the other party or written request by relevant Authorities.
3. Each Party shall apply all necessary and required measures to ensure that none of any staff or anybody under its management shall violate the obligation of non-disclose of confidential information as stipulated under this Article during the term of this Contract and within 6 months after the Contract’s expiry date.

**ARTICLE 8: TERMINATION/CANCELLATION OF CONTRACT**

1. This Contract may be terminated/ cancelled in the following cases:

* Mutually agreed by Parties. In this case, Parties shall discuss to reach contract on specific conditions relating to the termination of this contract.
* Either party goes into insolvent liquidation, disband or bankruptcy, then in this case, the contract shall be terminated by the way agreed by Parties and/or in compliance with current regulations and laws.
* Either Party may terminate/ cancel this Contract by written notice to the other Party if the other Party commits a material breach of this Contract and after the receipt of the written notice that specifies such breach or default, fails to remedy the breach within **thirty (30) days** since the date of receiving written notice.
* A material breach is a failure to perform essential contractual obligation that has a serious effect on the benefit that the **Non-Defaulting Party** would have otherwise derived from the contract.

1. In the event of early termination/ cancellation of this Contract due to the default of a party (the “**Defaulting Party**”), the **Defaulting Party** shall compensate all the damages and pay the **Non-Defaulting Party** a termination/ cancellation penalty in accordance with the current regulations and laws of Peru.

**ARTICLE 9: APPLICABLE LAW AND DISPUTE RESOLUTION**

1. This contract will be governed by and construed and enforced in accordance with the Laws of Peru without regard to conflicts of laws principles.
2. Any dispute, controversy or claims arising out of or relating to this Contract or the breach or termination thereof shall be firstly settled by friendly negotiation and conciliation in good faith.
3. In case such disputes cannot be reached in an amicable manner, either party shall reserve the right to submit the case to the competent Court in Peru.
4. The decision of the Court is the final judgment to the Parties.
5. Lawsuit fees and other charge arising if any will be borne by the losing Party.

**ARTICLE 10: CONTRACT DURATION**

1. This contract comes into effect from the signing date and is valid for **three (03) year**. If neither Party has officially notify in writing the other Party to extend/terminate this Contract within **fifteen (15) days** prior to the contract expiration date, the contract will be automatically extended for the next **one (1) year**.
2. Any supplement or amendment to this Contract shall be made in writing by the legal representative of the Parties.

**ARTICLE 11: MISCELLANEOUS**

1. **Force Majeure**

* All events or circumstances which are beyond the reasonable control of either Parties (the “**Affected Party**”), such as war revolution, insurrection, hostilities, rebellion, riot, civil commotion, earthquake, flood or other natural disaster, fire, explosion, epidemic, strike, (other than those solely affecting the **Affected Party**) lockout or other industrial disturbance, blockade, government interference, technical system troubles etc. shall be considered as cases of Force Majeure.
* In case of Force Majeure, the Parties shall, within **thirty (30) days** from the date of occurrence/ending of the cause, advise each other of the nature, proof and necessary information thereof. In this case, the time stipulated for the performance of the obligations should be extended as agreed by parties.
* In case of Force Majeure, Parties may temporarily suspend their obligations to this contract and such obligations shall be immediately resumed upon the end of Force Majeure.

1. **Notice**

* All notices and contacts relating to this contract shall be sent to addresses provided by Parties in the first paragraph of this contract.
* All notices and any contacts are only valid in writing, including fax and telex and deemed to be sent and received when: (**i**) handed in hand with confirmation note; (**ii**) **seven (07) working days** after sending by post/mail with confirmation note; (**iii**) fax signal of being sent in case of sending by fax or telex during working hours; (**iv**) when actually received if being sent by express mail services, and in any cases, such notices must be sent to the agreed addresses.
* For this purpose, either Party may change the address by valid written notices to the other Party.

1. **Indemnity**

Any violation of any obligations specified in this Contract shall be deemed a breach of Contract. Without prejudice to that the **Defaulting Party** shall compensate all the damages and pay the **Non-Defaulting Party** an indemnity and/or penalty in accordance with the current regulations and laws of Peru.

1. **Copies**

This Contract has been made in **six (06) originals copies**, written in English, of the same legal value. Each Party keeps **three (03) originals**.

1. **Working schedule**

* The Supplier is responsible for following policies of the Operator about working schedule when deploying and operating the **REVERSE AUCTION** service.
* The working time to resolve any issue related to the **REVERSE AUCTION** service is from **8:00 a.m. to 5:00 p.m.**, **UTC / GMT-05:00**(**with daylight saving time**) excluding weekend and holidays. The product manager and technicians of The Supplier must be online during this time to support The Operator in any kind of request.
* If any vital error occurs during this time, each party has the right to contact the given contacts points to resolve the presented error or matter, within twenty four (**24**) hours from the time of the error.

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| **FOR AND ON BEHALF OF**  **THE OPERATOR** | **FOR AND ON BEHALF OF**  **THE SUPPLIER** |

**ANNEX 01: SCALE OF CHARGE, REVENUE SHARE AND PAYMENT**

1. SCALE OF CHARGE, REVENUE DIVISION
2. The charging fee and sharing rate on the services shall be detailed as below:

|  |  |  |
| --- | --- | --- |
| **Sharing Model** | **Sharing Rate** | |
| **The Operator** | **The Supplier** |
| - **Revenue Sharing (1)** = Service Revenue - Product Purchase Cost  - **Revenue Sharing of The Supplier** = 40% x Revenue Sharing (1)  **Note**:  **+ Service Revenue**: total amount of fee collected by the system from customers.  **+ Product Purchase Cost**: total amount spent to buy auction products in the month. | 60% | 40% |

1. The Service is provided under The Operator’s brand and The Supplier is responsible to provide platform including but not limited to Hardware and Software. The Operator is the sole owner over the service and its intellectual property rights over the service and/or its products under the Contract and this Appendix.
2. SERVICE CHARGING

Charges for service utilization via short numbers will be paid right after successful calling to GMSC, sending of message to SMSC or request to USSD system of The Operator.

1. REVIEW AND REVENUE SHARING SCHEME
2. Term explanation, explanation

* Arising data: the data of service volume is recorded at MSC/SMSC/USSD system of The Operator and can be deducted to consumers’ accounts.
* Data for renew: the data of service volume is recorded at the system of Content Provider. This data is used for review of arising data and for revenue sharing scheme.

1. General terms for data review

* Effective time interval: from 00:00:00 of the first day of the month until 23:59:59 of the last day of the month. All services used during this time interval shall be subjected to payment accordingly.
* During the data review process between both Parties, in case the data difference is less than or equal to one percent (1%), the lower data shall be the basis for revenue share. In case the data difference is higher than one percent (1%), further review must be carried out to find out the reason for the difference. If the Parties fail to point out the reason for the difference by the payment due date, the lower data shall be temporarily the basis for revenue share. In case the reason for the difference cannot be found out within 1 month after the last date of data review, the Parties shall negotiate to reach an agreement based mutual cooperation spirit. In case both Parties cannot reach an agreement, the lower data is the final basis for revenue share.
* Calculation formula for charge difference is as bellows:

**ΔX = (X – Y)/X**

ΔX: The difference of service volume data.

X: Arising volume data in The Operator

Y: Arising volume data in The Supplier

* The applicable rate for ΔX is temporarily 1 percent. Once every six months, The Operator and The Supplier shall review and adjust this rate to be comfortable to reality.
* If the difference between arising data and review data is within the permitted limit, a details review of service volume data shall not be carried out.
* The Operator and The Supplier are both liable to monitor and store all service data in order to avoid any loss or damage or unapproved changes to original data. The minimum time for data storage is 12 months.

1. PAYMENT OF SHARED REVENUE

Payment Procedures and timeframe for issuance of invoice by The Operator for The Supplier shall be the followings:

1. Before 8th of every month, The Operator has the responsibility to provide The Supplier with a report on the revenue and transaction data from 00:00 of the 1st day to 23:59 of the last day of the previous month for confirmation.
2. After The Operator, The Supplier agrees on the above report, The Supplier will issue invoices and payment request to The Operator for payment of the revenue due by The Operator to The Supplier.
3. Payment: The Payment shall be made by The Operator within 10 days from the date of The Operator’s receipt of invoices from The Supplier by email.
4. Period of payment: Every month.
5. The Operator shall settle all payments according to the selling rate equivalent to United Stated Dollar at the time and date of settlement based on the rate given by Bank in Peru.
6. The Operator shall settle all payments in United Stated Dollar to The Supplier by directly transferring money to The Supplier’s bank account as follows:

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| **The Supplier** | **ARABICA VIET NAM TECHNOLOGY APPLICATION JOINT STOCK COMPANY** |
| Account No | 19134129990020 |
| Bank | Vietnam Technological And Commercial Joint Stock Bank – Thang Long Branch |
| Address of the Bank | Techcombank Tower, 191 Ba Trieu, Le Dai Hanh , Hai Ba Trung District, Ha Noi |
| Swift Code | VTCBVNVX |

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| **FOR AND ON BEHALF OF**  **THE OPERATOR** | **FOR AND ON BEHALF OF**  **THE SUPPLIER** |

**ANNEX 02: TECHNICAL SPECIFICATION**

1. **System Description**

The Reverse Auctionsis an interactive gameshow service via SMS and USSD system. Every day, the system offers a product for auction, the customer who wins the product is the customer who pays the only and lowest price. Customers do not lose money to receive the winning product.

Commercial effect:

* Express the interest of operators
* Increase operators revenue
* Create a competitive advantage

1.1. Basic characteristic of system:

* The system is designed based on standard technology that makes it easy to integrate and open system.
* The system is environmentally independent (Windows/Linux), so it can be flexibly applied for telco.

Reverse Auctions system is built from the following technologies:

* Open standard technology - HTTP, HTTPS, FTP, SOAP
* Popular technology Oracle, Java, C++.
* Spring framework
* Angular js

1.2. Architecture model:



1.3. Detail functions:

|  |  |  |
| --- | --- | --- |
| **No.** | **Function** | **Object** |
| 1. | Invite to use services | Customer will receive inviting message when they topup balance |
| 2. | Using services | Customer call USSD, SMS and surf Web/WAP for using service. |
| 3. | Report | Export revenue report, KPI. |

1. **Flow USSD, SMS and WEB system.**

2.1 Inviting flow

* When customer topup balance, CallBase push event to Reverse Auctions system. Reverse Auctions system will invite customer to play game
  1. Using flow
* Every day the Reverse Auctions will provide a product for auction
* Subscriber register for the daily package to participate in the auction or can pay by turn
* Subscriber participate in the auction by composing the syntax to send SMS, call USSD or surf Web/WAP
* Reverse Auctions records the customer's auction results and sends back a confirm SMS.
* When the auction end the winner will be announced on the next day.

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| **FOR AND ON BEHALF OF**  **THE OPERATOR** | **FOR AND ON BEHALF OF**  **THE SUPPLIER** |

**ANNEX 03: CONTACT POINTS**

All information, documents or computer data exchanged between Parties relating to the implementation of contents in the Contract must be executed in accordance with the following contact points:

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| --- | --- | --- |
| **RESPONSIBILITIES** | **THE OPERATOR** | **THE SUPPLIER** |
| **General contact** | Mr. Manuel Añorga  Title: VAS Manager  Mobile: +51 931067775  Email: manuel.anorga@bitel.com.pe | Mr. Hoang Van Hoi  Title: Project Manager  Mobile: +84 96 984 00 88  Email: hoihoang@arabicatech.vn |
| **Technical contact** | Mr. Christian Palomino.  Title: IT Staff  Mobile: +51 956 559 489  Email: Christian.palomino@bitel.com.pe | Mr. Hoang Van Hoi  Title: Project Manager  Mobile: +84 96 984 00 88  Email: hoihoang@arabicatech.vn |
| **Reconciliation** | Mr. Manuel Añorga  Title: VAS Manager  Mobile: +51 931067775  Email: manuel.anorga@bitel.com.pe | Mrs. Ta Thi Thu Lan  Title: Chief Accountant  Mobile: +84 38 8801 263  Email: admin@arabicatech.vn |
| **Finance Dept.** | Mr. Manuel Añorga  Title: VAS Manager  Mobile: +51 931067775  Email: manuel.anorga@bitel.com.pe | Mrs. Ta Thi Thu Lan  Title: Chief Accountant  Mobile: +84 38 8801 263  Email: admin@arabicatech.vn |

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