

AGREEMENT

Made by and between

Company name: AAM Management Information Consulting Private Company Limited by Shares
 Registered seat: Capital Square Irodaház, Váci str. 76., 1133 Budapest, Hungary
 EU tax number: HU13012252
 Registry Court of Registration: Company Registry Court of Budapest - Capital Regional Court
 Registration number: 01-10-044908
 Bank account number: 11600006-0000-0000-48682499
 Bank name and address: Erste Bank Hungary Zrt., 1138 Budapest, Népfürdő str. 24-26, Hungary
 IBAN: HU53 1160 0006 0000 0000 4868 2499
 SWIFT Code: GIBAHUHB
 hereinafter referred to as the **Leader, or AAM**

and

Company name: **Lechner Non-profit Ltd.**
 Registered seat: Budafoki str. 59., 1111 Budapest, Hungary
 Tax number: 24225221-2-43
 Registry Court of Registration: Company Registry Court of Budapest - Capital Regional Court
 Registration number: 01-09-996479
 Bank account number: 10032000-00332921-00000017
 Bank name and address: Magyar Államkincstár, 1139 Budapest, Váci str. 71.
 IBAN: HU46 1003 2000 0033 2921 0000 0017
 SWIFT Code: HUSTHUHB
 hereinafter referred to as **Member, or Lechner**

together hereinafter referred to as **Parties**
 now it is hereby agreed on the date written below, under the following contracting terms.

1. PREAMBLE

The Consortium formed by Parties was awarded with the Project **"Technical design and quality control for property data digitisation and data improvement"** with Publication Reference 'EuropeAid/140683/DH/SER/AL' published by the Contracting Authority (the *European Union, represented by the European Commission on behalf of and for the account of the Republic of Albania*).

The Main Agreement is concluded by and between the Consortium and the Contracting Authority. Based on the Main Agreement, the Consortium shall be responsible for the execution of the Project for the **State Cadastre Agency** (Address: Rruga "Dora D'istria", Nr. 2, Tirana, Albania 1001) hereinafter referred to as **Beneficiary**.

2. DEFINITIONS

The definitions of the terms used throughout this Agreement are laid down in the General Conditions (Annex 2), which forms an integral part of this Agreement.

3. CONSORTIUM, GENERAL RIGHTS AND OBLIGATIONS

3.1 The Consortium is composed of the following members:

- Leader: AAM
- Member 1: Lechner
- Member 2: Netherlands' Cadastre, Land Registry and Mapping Agency (Kadaster), and

- Member 3: ikubINFO sh.p.k.

- 3.2 Consortium members are jointly and severally liable for the implementation of the Project.
- 3.3 The Main Agreement shall be signed by the authorised representative of the Leader, or as requested by the Contracting Authority.
- 3.4 Leader will receive Project payment instalments from the Contracting Authority on behalf of the Consortium.
- 3.5 Parties undertake the implementation of the Main Agreement, managing the Tasks assigned to them as included in this Agreement and as further detailed in Annex 1 of this Agreement, with professionalism and in due time.
- 3.6 Parties shall be liable to inform each other immediately about any important issue concerning the performance of Tasks that may prevent the proper execution of contractual obligations.
- 3.7 Parties shall commit themselves to confidentiality regarding all business and company secrets of other members that come to their knowledge in the course of the joint execution of the contract during the project implementation, and shall not make use of this knowledge or impart it to third parties even after the termination of the contract.
- 3.8 Parties shall have access to all relevant Project reports and documents.

4. DURATION OF THE AGREEMENT

- 4.1 This Agreement enters into force upon its due signature by the Parties, and when the 'Main Agreement' will be concluded between the Contracting Authority and the consortium led by the Leader.
- 4.2 The Consortium is formed until the implementation of the Project is completed. The Project start date will be agreed with the Contracting Authority and the Beneficiary, and will last until the Final Report is approved by the Beneficiary and the Contracting Authority, and the final payments are fully received by the Parties. At the end of this period, the contractual relationship ends without any prior notice of termination being required.
- 4.3 In case the period of project implementation is extended by the Contracting Authority without modifying the approved project budget, duration of this Agreement shall be modified without changing any other conditions laid down in this Agreement.

5. REPRESENTATION

5.1 Representatives of the Leader - AAM

Representative with power to conclude, modify and terminate the Agreement	Name of representative: Dr. Gábor Kornai Telephone: +36 1 465 2070 E-mail: international@aam.hu
Representative with power to give orders or instructions and accept delivery of tasks (hereinafter referred as Project Director)	Name of representative: Hunor Bencze Telephone: +36 70 430 2706 E-mail: hunor.bencze@aam.hu

5.2 Representatives of the Member – Lechner

Representative with power to conclude, modify and terminate the Agreement	Name of representative: József Kolossa E-mail: jozsef.kolossa@lechnerkozpont.hu
Representative with the responsibility to manage assigned tasks	Name of representative: Varga Felicián Telephone: +36 20 347 7484 E-mail: felician.varga@lechnerkozpont.hu

6. FEES AND COSTS

- 6.1 Member undertakes the implementation of its assigned Tasks for the fee shown in the table below, with the conditions detailed in Article 6 and 7 of the present Agreement.

Short description of assigned Tasks	Member's budget
Provision of Output 3 (/Component 3) Lead Expert: Mr Gyula Iván Estimated min. 65 working days* The Expert shall be obliged to perform the Tasks of the Output 3 (Component 3) Lead Expert as defined in the Tasks of the Consultant (Annex 1), the Terms of Reference (ToR, Annex 3), and the Technical Offer (Annex 4), including professional responsibility for ensuring approval of the deliverables of Output 3, as per the Work Plan. Schedule of the activities is defined in the Work Plan (included in Annex 4), which is integral part of the present Agreement and can be revised only in agreement with the Beneficiary and the Contractor during Project implementation.	30 000 EUR
Provision of other experts (estimated min. 110 working days*) to support the Lead Expert in delivering Output 3 deliverables as per the Work Plan.	49 500 EUR
Organizing and hosting a study visit in Hungary as follows <ul style="list-style-type: none"> - Preparing and conducting professional programme for min. 2-3 days, hosting approx. 10-12 visitors (members of the Project team and of the Beneficiary delegation) - Organisation of the study visit, covering all related costs, including as minimum the following: <ul style="list-style-type: none"> o International travel costs between Tirana and Budapest o local travel costs and accommodation in Hungary, and o EU per diem¹ for the Beneficiary delegation members for the nights spent in Hungary. 	20 500 EUR
TOTAL	100 000 EUR

* The number of working days serves only as estimation of the workload of the experts, and may be different during implementation of the actual Project Tasks, not affecting the agreed lump sum budget.

- 6.2 Member shall not replace the agreed Output 3 (/Component 3) Lead Expert without the approval of the Leader, the Beneficiary and the Contracting Authority.
- 6.3 Member acknowledges that the fee paid by the Leader includes all taxes and costs of the experts delegated by the Member (including insurance, accommodation, local travel, living costs, travel costs between the place of their residence and the Project office in Tirana, and all related extras). Furthermore, the experts have to use their own mobile phones and laptops for the implementation of their designated Project Tasks.
- 6.4 Any additional Project related expenses can only be covered with the prior approval of the Leader, and in line with the instructions of the Leader.

7. TERMS OF PAYMENT

- 7.1 Member shall receive payment instalments according to Art 7.3, upon receipt of the signed 'Letter of Acceptance' (Annex 5) from the Leader. The 'Letter of Acceptance' shall be signed as sign of approval

¹ https://ec.europa.eu/international-partnerships/system/files/per_diem_rates_20191218.pdf

by the Leader's Project Manager, and it shall explicitly list the specific completed milestones within the applicable Project period. The 'Letter of Acceptance' will be issued when the Leader receives corresponding payment instalments from the Contracting Authority, on the condition that Member's experts duly contributed to the preparation of the subject deliverables.

7.2 Deliverables and reports shall be considered approved when formal note is received from the Beneficiary. Leader can refuse the approval if non-performance or negligent performance is proven and documented, or the Member is in breach of the Agreement, as detailed in Article 10.2 of Annex 2: General Conditions.

7.3 Payment schedule and instalments are according to the following:

Nr	Instalment Phases	Fee EUR	Conditionality (Milestones)	Estimated payment date (from Project start)	
1	Study visit linked payment	20 500	Member is entitled to issue an invoice upon organizing and holding a study visit in Hungary , as per Art 6.1.	Month 7	
2	Yearly interim payments, where payments are linked to approval of Annual Interim/Final Reports	Member is entitled to issue consecutive invoices according to the schedule the Leader receives payment instalments from the Contracting Authority, envisaged on a yearly basis. Payment instalments are linked to the approval of deliverables as specified in the list below . First yearly interim invoice shall be issued after the approval of the Interim Report (as per ToR at the end of the 12 th month of implementation of the contract), and then second yearly (envisaged final) invoice after the approval of the Final Report , after the Leader receives the corresponding payment instalments from the Contracting Authority. Leader shall inform Member of this fact within 5 working days, and will send the corresponding 'Letter of Acceptance' (Annex 5) on the condition that Member duly contributed to the preparation of the Reports, and the subject deliverables.		Month 14, then Month 26	
3					
			Expected Month of approval		
			Y1		Y2
		10 000	D3.1.1 - Specification of a WEB GIS toolset for the cadastre maps' digitisation and improvement		M7
		10 000	D3.1.3 - Cadastre map digitisation methodology, including a roadmap and standards for digitisation		M7
		10 000	D3.2 - Scanning and indexing procedures and standards of property rights supporting documents		M8
		30 000	Estimated TOTAL 1 st yearly payment		
		9 750	D3.1.4 - Legal recommendations		M7
	39 750	D3.3 - Methodology, roadmap, and standards for existing property data quality improvement, including a Manual for Data Improvement		M14	
	49 500	Estimated TOTAL 2 nd yearly payment			
Total		100 000			

7.4 After obtaining the 'Letter of Acceptance' from the Leader, Member prepares his invoices according to the applicable financial legislation. The currency of the invoices shall be in Euro.

7.5 Parties agree that if despite the above agreed terms, Member would issue an invoice sooner than eligible, then the payment deadline shall be automatically extended with the period that elapses between the payment deadline, and the date of payment from the Contracting Authority credited on the account of the Leader. By signing this Agreement, Parties explicitly confirm that the agreed payment deadline is not considered as unilateral or unreasonable contracting term for the detriment of the

Member nor unfair violation of requirements of good faith and fairness.

- 7.6 Upon receipt of the invoices, Leader shall check them. If the invoices do not meet the requirements, a written notice of completion shall be sent to the Member within 3 days from the receipt. If correction is necessary, the term of payment agreed in point 7.8 will only begin once the Leader receives the corrected documents.
- 7.7 The original invoices have to be sent to the registered seat address of the Leader. Leader informs the Member about receipt within 3 days.
- 7.8 The payments shall be transferred within 30 calendar days from receiving the originals. Payment is fulfilled on the day the Leader's account is debited. If the payment expiration falls on an official holiday in the country of the Leader, the performance period shall expire on the next working day. Parties share their own costs of bank transfer, i.e.: each party pays their own bank charges resulting from the bank transfer.
- 7.9 In case there would be questions, comments, remarks, etc. related to the delivered services or outputs of the Member and its experts after the delivery of the Services, Member shall stay available to handle and answer them.
- 7.10 In case the Contracting Authority does not approve ex-post (e.g. at a later audit) the performance of the Member already paid to the Member, Leader will address a written notice to the Member, on the basis of which the Member is obliged to make out a credit note of the non-approved tasks.
- 7.11 In case Leader fails to fulfil its obligation to pay in time, default interest shall be paid as defined by the European Central Bank: <http://www.ecb.int/stats/monetary/rates/html/index.en.html>.

Annexes to the present Agreement

Parties will carry out the Tasks on the terms and conditions set out in this Agreement, which comprises, in order of precedence, this Agreement and the following annexes:

Annex 1: Tasks of the Member

Annex 2: General Conditions of this Agreement

Annex 3: Main Agreement (Service Contract) and its annexes as follows:

- Annex I: General Conditions for service contracts financed by the European Union
- Annex II: Terms of reference
- Annex III: Clarifications to the tender dossier received from the Contracting Authority

Annex 4: Technical Offer (selected relevant parts of it), including the Work Plan

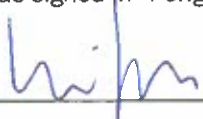
Annex 5: Letter of Acceptance template

In case of any contradiction between the above documents, their provisions shall be applied according to the above order of precedence.

Parties hereby declare that the signatories to the Agreement are empowered to represent the Parties and have signing authority.

This Agreement is made in English and Hungarian, each having equal legal force. In case of discrepancy between the Hungarian and the English version of the Contract, the English version prevails.

This Agreement was signed in 4 originals, two originals for each Party.



 Leader
 Dr. Gábor Kornai, President
 AAM Consulting Ltd.
 13.09.2021



 Member
 József Kolossa, Managing director
 Lechner Non-profit Ltd.
 13.09.2021