Execution Contract

THIS EXECUTION CONTRACT is made

the 26ᵗʰ day of September, 2016

BETWEEN

(1) **Central Bank of the Republic of Armenia**, having its principal place of business at 6 Vazgen Sargsyan Str., Yerevan, 0010, Republic of Armenia (hereinafter called "the Purchaser"), of the one part, and;

(2) **ICS "QSystems" SRL,** a corporation duly organised and existing under and by virtue of the laws of the Republic of Moldova, having its registered office at Bernardazzi 66 str., 4B, Chisinau, MD2004, Republic of Moldova (hereinafter referred to as "QSystems"), of the other part:

WHEREAS

(1) the Purchaser and the Contractor have agreed to work together for the Implementation of the Armenian Remittance Unified System (ARUS) in the Republic of Armenia; and

(2) the Purchaser desires to engage the Contractor to provide specific IT Products and Services appearing below in this Execution Contract.

NOW IT IS HEREBY AGREED as follows:

Article 1 (Price)

1.1 The Purchaser hereby agrees to pay to the Contractor the Price in consideration of the performance by the Contractor of its obligations under the Contract. The Price shall be the aggregate of:

(a) Four Hundred Twenty Thousand United States Dollar (USD 420,000) for Implementation and Custom Software Cost; plus

(b) Six Hundred Thirty Thousand United States Dollar (USD 630,000) for Recurrent Costs, as specified in Appendix 1

Article 2 (Scope of Work)

2.1   The Contractor shall provide the IT Product to the Purchaser, as specified below:

    (a)   All software components except Watch List Filtering Module, including integration and customisation

2.2   The Contractor shall provide the Services to the Purchaser, as specified below:

    (a)   Support of requirements identification and clarification

    (b)   Support of software design

    (c)   Project management for software development

    (d)   Other responsibilities specified in the Schedule of Requirements, including but not limited to, warranty, maintenance, training, documentation, testing, etc.

2.3   The Contractor shall be present in the Project Sites to conduct requirements identification and clarification for at least five (5) working days, and to conduct testings, trainings and after-go-live support for at least thirty (30) days.

Article 3 (Maintenance)

3.1   The Contractor shall provide maintenance services for ten (10) years starting from the day after the end of warranty period.

3.2   No later than forty five (45) days prior to the end of the 5th maintenance year, the Purchaser may request for discussion, in writing, to the Contractor about further maintenance conditions with the exclusion of contracted Price. In such event, the Purchaser and the Contractor shall evaluate the performed services and discuss about the remaining maintenance, and when duly agreed in writing by both parties, maintenance conditions may be changed.

3.3   The Purchaser can terminate the Contract earlier than stipulated in Article 3.1 if the Contractor brakes terms and conditions of the Contract or does inadequate scope of works stipulated in Article 2. Each time the Purchaser shall inform in writing the Contractor about accrued inadequacy and the Contractor should in reasonable time eliminate the inadequacy by his own expenses.

Article 4 (Liability)

4.1   The Contractor shall indemnify the Purchaser against any expenses, costs, losses, penalties, damages or any other financial commitment relating to or otherwise connected with the IT Product and Services specified in Article 2.1 and 2.2 or its use infringing the intellectual property rights of another person with respect to the scope of work specified in Article 2.1 and 2.2.

5.2 Beyond the liabilities explicitly falling on the Contractor in accordance with Article 4.1 of the Contract, the Contractor shall have no other liabilities

Article 5 (Cooperation)

5.1 The Contractor shall cooperate with the Purchaser closely for successful implementation of the whole Project.

5.2 The Contractor shall cooperate with KFTC in the stage of requirements identification and clarification and software design. Any information, data and documents shall be provided to KFTC if they are deemed necessary for software analysis and design. The Contractor shall use its best endeavours to assist KFTC in understanding the Contractor's pre-packaged software components, if any, and integrating them into an overall software architecture.

5.3 The Contractor shall provide its opinions, confirmation or modification, from time to time, on a draft software design to be made by KFTC.

5.4 The Contractor shall work closely with KFTC whenever necessary for efficient execution of the Contract. The Contractor shall designate a communication manager and coordinator who will facilitate timely and efficient communication with KFTC.

IN WITNESS WHEREOF the Purchaser and the Contractor have caused this Execution Contract to be duly executed by their duly authorized representatives the day and year first above written.
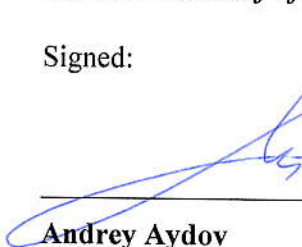

For and on behalf of __the Purchaser__

Signed:

__Arthur Javadyan__

Chairman of Central Bank of the Republic of Armenia

For and on behalf of __the Contractor__

Signed:

__Andrey Aydov__

Managing Director of ICS "QSystems" SRL

Appendix: Payments Schedule of the Recurrent Cost

Year	Amount to be paid
Year 1	63,000
Year 2	63,000
Year 3	63,000
Year 4	63,000
Year 5	63,000
Year 6	63,000
Year 7	63,000
Year 8	63,000
Year 9	63,000
Year 10	63,000

* The first maintenance year shall start from the following day of the end of the Warranty period.

* The specified amount for each year represents present monetary value at each pay-out point in time. The amounts shall not be changed upwardly or downwardly, unless otherwise agreed.