C O N T R A C T

between
the Swiss Confederation, represented by
the Swiss Federal Department of Foreign Affairs,
acting through ESPRIT 29

and
Esprit1

concerning the granting of a federal contribution
regarding the following project: Esprit2

Phase ESPRIT3 from ESPRIT3 to ESPRIT3
t.... ESPRIT4
ESPRIT5
* * * *

The Swiss Confederation, represented by the Swiss Federal Department of Foreign Affairs, acting through ESPRIT 30 (hereinafter referred to as “FDFA”), and Esprit 1 (hereinafter referred to as “the organisation”) agree as follows:

Article 1 Object of the Contract

1.1. FDFA grants to the organisation a contribution of the maximum amount of CHF Esprit7 as a participation in the realization of the project Esprit8 (hereinafter referred to as “the project”) in accordance with the description of the project (annex) and with the budget (annex).

1.2. The contribution of FDFA is intended to cover at the maximum Esprit9 % of the total budget of the organisation to the project as accepted by FDFA and in accordance with the budget. The financing of the remaining Esprit10 % is assured by the organisation and/or by third parties.

1.3. Optional: FDFA grants to the organisation an aggregate amount as a contribution to the administrative costs fixed at CHF ESPRIT11 for the entire contract. This sum is comprised in the amount set down in Article 1.1. The stipulations in point 3.3. of the general conditions for contracts concerning federal contributions for projects (cf. annex) apply.
Article 2 General Provisions

The general conditions for contracts concerning federal contributions for projects (GCC for federal contributions), attached to the present contract as an annex, constitute an integral part of the present contract. The organisation confirms to have read the GCC for federal contributions and commits to comply with them. Any amendment to and/or eventual derogations from the GCC for federal contributions must be expressly mentioned in the present contract.

Article 3 Payments/Procedures and Conditions

3.1. The contribution is paid into the account of the organisation in the following manner:

   a) a first instalment of CHF ESPRIT12 after signing the present contract by both parties and under the reserve of article 3.1. of the GCC for federal contributions;

   b) a second instalment of CHF ESPRIT13 after the receipt and approval by FDFA of the document no. X ESPRIT14 in accordance with article 3.4.;

   c) a third instalment of CHF ESPRIT15 after the receipt and approval by FDFA of the document no. Z ESPRIT16 in accordance with article 3.4.;

   d) a final instalment of a maximum of CHF ESPRIT17, under deduction of possible gross interests, after the receipt of the operation report and the financial report, in accordance with articles 6.1. a) and 6.2. b) of the GCC for federal contributions and approval of this documents by the FDFA.

3.2. The contribution has to be booked by the organisation into the specific account named: “assigned contribution”. This account has to refer to the present contract which governs the administration of the contribution according to the norms of the Swiss GAAP RPC/FER 21.

3.3. A detailed presentation of the assigned contribution’s utilization has to be established by the organisation and enclosed in the external annual financial review’s frame.

3.4. The organisation undertakes to submit to FDFA for approval the following reports, accounts and budgets within the following time limits:

<table>
<thead>
<tr>
<th>Report/Account/Budget</th>
<th>For the Period from</th>
<th>to receive at the latest</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>ESPRIT18</td>
<td>ESPRIT19</td>
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<tr>
<td>X Account</td>
<td>1.1.01 30.6.01</td>
<td>30.9.01</td>
</tr>
<tr>
<td>Y Account</td>
<td>1.7.01 31.12.01</td>
<td>31.3.02</td>
</tr>
<tr>
<td>Z Account</td>
<td>1.1.02 30.6.02</td>
<td>30.9.02</td>
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<tr>
<td>A Operation report</td>
<td>1.1.01 31.12.02</td>
<td>30.6.03</td>
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<tr>
<td>B External financial review</td>
<td>1.1.01 31.12.01</td>
<td>30.6.02</td>
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<td>C External financial review</td>
<td>1.1.02 31.12.02</td>
<td>30.6.03</td>
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<tr>
<td>D Annual Budget</td>
<td>1.02 31.12.02</td>
<td>30.11.01</td>
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3.5. The instalments mentioned in article 3.1. above may be modified by FDFA in function of the advancement of the project, of the expenses incurred and of the balance of the intermediary accounts. If the receipts exceed the costs, FDFA shall deduct from the final instalment the part of the excess of the receipts in proportion to its contribution. In addition, the GCC for federal contributions apply, in particular articles 3, 4, 5, 6 and 7.
Article 4 Annexes, Order of Priority

The following annexes form an integral part of the present contract:

- Description of the project
- Budget
- General conditions for contracts concerning federal contributions for projects (version ESPRIT 32)
- Accounting form
- Contribution in administrative costs ESPRIT21
- Sample specifications for external financial review of the project accounts at the organisation’s head office
- Sample specifications for local financial review (TOR for financial review, agreed-upon procedures engagement)
- Specific agreements ESPRIT23

The present contract has priority over all the annexes, unless any exceptional, derogating stipulations.

Article 5 Anti-discrimination clause

The organisation must generally refrain from incitement to violence or hatred, and from discrimination on the grounds of race, ethnic origin or religion. Such obligation applies to all activities undertaken by the organisation, including those falling outside the framework of the present contract. Any breach of the above-mentioned obligation justifies the immediate termination of the present contract by FDFA, and entitles the FDFA to demand the full reimbursement of its effective contribution.

The above-mentioned obligation shall be contractually imposed on any subcontractor working towards the execution of the present contract.

Article 6 Duration

The present contract covers the period from ESPRIT24 to ESPRIT24 (term of the project). It enters into force upon signature by both parties and ends when each of the parties has fulfilled all of its contractual obligations in accordance with article 11 of the GCC for federal contributions.

The present contract may be terminated in accordance with article 10 of the GCC for federal contributions.

Any modification of the present contract and of its annexes must be done in a written form.
Article 7 Applicable Law and Forum

Swiss public law is the applicable law. The forum of jurisdiction is Berne.

Signed in Berne on ESPRIT25 in ESPRIT27 on

SWISS FEDERAL DEPARTMENT OF FOREIGN AFFAIRS
ESPRIT31 ESPRIT28

ESPRIT 33

ESPRIT 34