

#2469

SERVICE CONTRACT NO. 083.07 EXECUTED BETWEEN THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC AND BURSON - MARSTELLER, LLC.

The undersigned, **LUIS CARLOS GOMEZ JARAMILLO**, identified with citizen card No. 7,496,012 issued in Armenia who, pursuant to Decree No. 253 of January 31, 2007, in his capacity as Assistant Director pursuant to Resolution No. 323 of February 14, 2007 acts in the name and representation of the **ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC**, hereinafter **THE ENTITY** and **ROB TAPPAN** who, in his capacity as legal representative acts on behalf of **BURSON-MARSTELLER, LLC**, a company incorporated under the laws of the State of Delaware, United States of America, pursuant to the certificate issued by the Department of State of the State of Delaware which is an integral part hereof and which, for the purposes of this document, will hereinafter be referred to as **THE CONTRACTOR**, we agreed to execute the service contract contained in the following clauses after the following recitals: 1) The Entity wants to contract services to design, develop, and support the execution of the political and communications strategy as more fully outlined on Exhibit A attached hereto [promoted by the National Government of the United States of America] 2) By letter dated March 9, 2007 signed by the Ambassador of Colombia in Washington D.C., requested the execution of a new contract with the Company Burson - Marsteller, LLC, this contract is signed as indicated in article 13 of Decree 2170 of 2002.

CLAUSE ONE.- OBJECT.- **THE CONTRACTOR** undertakes to render to **THE ENTITY** by its own means, with full technical and administrative autonomy, the services for designing, developing, and supporting the implementation of the political communication strategy as more fully outlined on Exhibit A attached hereto [adopted by the National Government of the United States of America]

CLAUSE TWO.- VALUE AND PAYMENT TERMS.- The value of this contract is Three Hundred Thousand US Dollars National Currency (US \$300,000) which will be paid in twelve (12) equal installments, monthly, on maturity, starting as stipulated in **THE ENTITY'S** budget, each in the amount of Twenty-five Thousand US Dollars National Currency (US \$25,000) payable in advance after presentation of the certification issued by the supervisor to the effect that the object of the contract is being achieved in full. The Entity will also reimburse the Contractor for the Contractor's reasonable out of pocket expenses.

CLAUSE THREE.- BUDGET AVAILABILITY.- The payments indicated are subject to the PAC of the **ENTITY** and the appropriations ordered for this purpose, charging the availability certification No. 385 of March 21, 2007, issued by the Head of the Budget of the Administrative Department of the Presidency of the Republic.

CLAUSE FOUR.- TERM.- The term of this contract will be twelve (12) months from its entry in the budget by **THE ENTITY**

CLAUSE FIVE.- OBLIGATIONS OF THE CONTRACTOR.- It undertakes to: 1) Have the necessary items to fully perform the object of this contract according to the bid prepared by the contractor, dated March 5, 2007. 2) Maintain professional confidentiality on the information provided to it for the performance of the object hereof. 3) Not to give in to requests and threats from persons acting outside the law in order to force it to do or omit an act or fact, immediately informing **THE ENTITY** and other competent authorities in the case of

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such requests or threats. 4) Meet other obligations in its charge, arising from the nature of this contract and legal requirements. 5) Pay the taxes, dues, and withholdings applicable pursuant to Colombian tax legislation. **CLAUSE SIX.- OBLIGATIONS OF THE ENTITY.-** It undertakes to: 1) Pay **THE CONTRACTOR** the remuneration agreed upon in the form established in this contract. 2) In general to perform the obligations that arise from the nature of this contract. 3) To supply to **THE CONTRACTOR** the information necessary for the achievement of the contractual object. **CLAUSE SEVEN.- GUARANTEE.-** To guarantee the suitable and timely performance of the obligations stipulated, the payment of the fines, monetary penalties, and other sanctions that may be imposed if necessary, **THE CONTRACTOR** must post a single guarantee consisting of a policy issued by an insurance company legally authorized to operate in Colombia, in favor of **THE NATION AND/OR THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC (NIT. 899999083-0)** Said guarantee has the object of protecting: **A) PERFORMANCE:** In order to support the performance of the obligations contracted, in an amount equivalent to twenty percent (20%) of the total value of this contract and with a term equal to the term of this contract plus four (4) months, counted from the issuance date of the guarantee. **B) SERVICE QUALITY:** In order to guarantee the quality of the service, equivalent to twenty (20%) percent of the total value of the contract with a term equal to the term thereof plus four (4) months from the issuance of the guarantee. **THE CONTRACTOR** will deliver the respective single guarantee to the Contract Coordination of the entity within forty-five (45) business days after signing this contract. **CLAUSE EIGHT.- SUPERVISOR.-** The coordination, supervision, and monitoring of this contract will be the task of the **AMBASSADOR OF COLOMBIA** before the Government of the United States of America or his replacement. **CLAUSE NINE.- FINES.-** In the event of delay or partial non-performance of the obligations acquired by **THE CONTRACTOR**, **THE ENTITY** will collect daily and successive fines equivalent to one per thousand of the total value of this contract per business day of delay or non-performance if, in the opinion of **THE ENTITY**, it causes damage to the administration; however, the total amount of the fine may not exceed ten percent (10%) of the total value of this contract, which amount will be deducted from the value of the damages received by **THE ENTITY** for non-performance. **CLAUSE TEN.- MONETARY PENALTY.-** In the event of non-performance of the obligations acquired, **THE CONTRACTOR** will pay to **THE ENTITY**, as penalty, an amount equivalent to ten percent (10%) of the total value of this contract, which amount will be deemed paid in advance and partially for the damages received by **THE ENTITY** for non-performance. **CLAUSE ELEVEN.- COLLECTION OF FINES AND PENALTY.-** The value of the fines and penalty will be taken from the balance in favor of **THE CONTRACTOR**, if any, or otherwise from the guarantee posted and, if the latter is not possible, will be collected through administrative litigation proceedings. **CLAUSE TWELVE.- EXCLUSION OF LABOR RELATIONSHIP AND JOINT LIABILITY.-** **THE ENTITY** is not jointly liable with **THE CONTRACTOR**, and therefore, the personnel required by

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the latter to perform this contract is exclusively employed by **THE CONTRACTOR** and will have no labor relationship with **THE ENTITY**. **THE CONTRACTOR** is the only party responsible for social benefits, salaries, and other benefits required by law, such as social security and pension, arising from the labor relation of the aforementioned employees with **THE CONTRACTOR**. In addition, **THE CONTRACTOR** will perform the object of the contract with full technical and administrative autonomy. **CLAUSE THIRTEEN.- SPECIAL REGULATIONS.-** Pursuant to article 13 of law 80 of 1993, this contract is governed by the legal provisions of the State of New York, United State of America, without regard to such State's conflict of laws provisions. **CLAUSE FOURTEEN.- AMENDMENTS AND EXTENSIONS.-** Any amendment or extension of this contract must be made in writing and signed by both parties. **CLAUSE FIFTEEN.- DOMICILE AND PLACE OF PERFORMANCE.-** For legal purposes, the contractual domicile will be the City of New York, United States of America and the performance will be fully within the territory of the United States of America. **CLAUSE SIXTEEN.- PERFECTING.-** This contract, which contains the agreement on the object and consideration is perfected by the signature of the parties and by the budget recording by **THE ENTITY**. **CLAUSE SEVENTEEN.- PUBLICATION.-** **THE CONTRACTOR** will cause the publication of this contract, at its own cost, in the Diario Unico de la Contratación Pública [Sole Journal of Public Contracts]. This requisite is deemed to be met by payment of the corresponding fees, i.e., the amount of **\$2,375,500.00** Colombian pesos. No disbursements will be made by **THE ENTITY** as long as this obligation is not met.

In witness whereof, this contract is signed on [stamp:] March 28, 2007

FOR THE ENTITY

LUIS CARLOS GOMEZ JARAMILLO
Assistant Director

Approved

LEONOR BARRETO DIAZ
Coordinator of Contracts and Acquisitions

THE CONTRACTOR


ROB TAPPAN
Burson – Marsteller, LLC