

H.F. Desarrollos Interdisciplinarios S.A.

Condominio Abogados Sur, Zapote

Apdo. 1342-1011

SAN JOSE

(Costa Rica)

Basel, 22 February 2001

**Consultancy Agreement N° 424 H 39553**

Subject : COSTA RICA – I.C.E – Switching Program 2000-2001

Dear Sirs,

Following your offer to assist our associated company, ALCATEL CIT (hereunder referred to as the "Associated Company"), in securing a contract in Costa Rica (the "Territory") with I.C.E (hereunder the "Client"), we hereby propose to appoint your company H.F. Desarrollos Interdisciplinarios S.A. as a consultant (the "Consultant") of the Associated Company for such business under the following terms and conditions.

**1. APPOINTMENT**

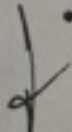
- 1.1 ALCATEL STANDARD SA (hereafter referred to as "STANDARD"), in the name and on behalf of the Associated Company, appoints you as a non-exclusive Consultant to assist STANDARD and the Associated Company in obtaining one or several contract(s) (hereafter the "Contract") in the Territory related to the offer nr CRI-6478 remitted by the Associated Company on November 15, 2000 to the Client for the supply of Alcatel 1000 E10 equipment under the I.C.E Switching Program 2000-2001.
- 1.2 By accepting this appointment, the Consultant warrants to STANDARD that : it has been duly registered in accordance with any and all relevant applicable legislation, has received any and all necessary governmental authorizations to enter into and perform its obligations under this Agreement, and shall maintain the necessary resources to undertake its obligations hereunder.
- 1.3 The Consultant shall at all times be and act as an independent contractor. The Consultant has no authority to act in the name of STANDARD or the Associated Company or take contractual commitments on behalf of the Associated Company.
- 1.4 During the term of this Agreement and any renewal thereof the Consultant shall not act directly or indirectly with any person or company other than the Associated Company.

2. ASSISTANCE

2.1 The Consultant shall exercise its best efforts to promote the offer of the Associated Company by devoting such attention, time and effort as may be reasonably necessary, keep the Associated Company informed of its competitors' activity, provide the Associated Company with all information relating to the business concerned and the Agreement, and assist the Associated Company as may be reasonably required.

Such assistance shall be provided with respect to, but not limited to, the following:

- Undertake market survey and/or market research (general and specific) on products and/or competitors defining all interesting projects and/or requirements of the clients in the Territory in relation to actual and/or future range of products
- Provide advice on the probability of success of current offers including assistance in projecting forecasted sales
- Identify decisive issues in terms of Client evaluation criteria in relation with the current project
- Explain decision making processes and procurement procedures of the targeted Client organization
- Submit recommendations to increase effectiveness of : Client briefings, Associated Company's staff ; visits to the Client and Client's visits to the Associated Company
- Follow up the key decision making process during the targeted Client evaluation and the acquisition process
- Advise Associated Company's personnel on social, cultural, political and economic factors affecting current and potential sales in the targeted market and to the targeted customer.
- Advise of other factors, if any, that should be considered in pursuing recommended programs
- Advise of any administrative or financial changes in local legal or administrative conditions which might affect Associated Company's capacity to perform under any contract
- Provide a review of the experiences of foreign corporations in performing offset in the Territory
- Provide recommendations for Corporate communication strategies to be implemented in the Territory



- Advise and assist the Associated Company's staff in maintaining liaisons with appropriate governmental authorities and agencies on the forecasted project
  - Provide support to the Associated Company's staff for developing : presentations, proposals, offers and providing customer contacts
  - Provision of proposals in respect of media planning and advertising campaign implementation
- 2.2 The Consultant shall prepare and submit all reports as reasonably required from time to time by STANDARD and STANDARD shall be given access to Consultant's files and records as they pertain to STANDARD and the Associated Company in accordance with this Agreement.
- 2.3 The Consultant shall maintain at its cost a place of business where the Consultant can be contacted during regular business hours with a permanent mailing address and an accessible telephone, and will provide STANDARD with written notice promptly upon any change in address.

### 3. COMPENSATION

- 3.1 In consideration of the Consultant's services hereunder, the Consultant shall receive a compensation of 1.25 % (one point twenty five percent) on the total contract amounts of the Associated Company invoices after deduction of all taxes and duties payable by the Associated Company in the Territory or other charges, rebates and discounts relating to the Contract, provided that said Contract, pursuant to the assistance of the Consultant, is signed between the Associated Company and the Client and enters into force during the term of this Agreement or any renewal thereof.
- 3.2 If the Associated Company is required to grant the Client discounts or to make exceptional expenses to obtain the Contract, then STANDARD may reduce the compensation rate as set out in paragraph 3.1 above, in agreement with the Consultant.
- 3.3 No compensation shall be due (i) if the Associated Company does not receive payment under the Contract, (ii) on any portion of the Contract which will have been cancelled by the Client and/or the Associated Company, or (iii) on amounts invoiced to the Client for the repair or replacement of equipment sold under the Contract.
- 3.4 In the event the Associated Company is associated with third parties in a consortium agreement for the completion of the Contract and even if the Associated Company is the leader of said consortium, the Consultant shall be entitled to a compensation calculated only on the value of the portion allotted to the Associated Company under the Contract.

- 3.5 The compensation paid to the Consultant shall be deemed to cover its expenses.
- 3.6 The Consultant shall be liable for all and any taxes which may be imposed on payments made to it pursuant to this Agreement.

4. **PAYMENT OF COMPENSATION**

4.1 The compensation is due within 60 (sixty) days end of month during which the Associated Company receives payments from the Client, provided that relevant invoices as per paragraph 4.3 have been received by the Associated Company. The compensation shall be paid as follows :

- i) 50 % (fifty percent) shall be paid within 60 days (sixty days) following the receipt of the 5 % Contract down-payment,
- ii) the balance of your commission , 50 % (fifty percent), will be based on the progress payments received by the Associated Company and paid within 60 (sixty) days after the end of the month during which Contract payments have been received from the Client by the Associated Company and pro-rated thereto.

4.2 Unless otherwise agreed, compensations shall be paid in the same currency as that in which payment is received by the Associated Company, by way of bank transfers to the specified bank account of the Consultant in its place of registration, and pursuant to Consultant's written payment instructions (including bank SWIFT code) on letterhead paper addressed to STANDARD.

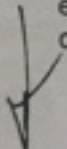
The Consultant warrants that this bank account has been established and shall be operated in accordance with applicable legislation. It warrants that payments made by the Associated Company in accordance with the written instructions shall not be in breach of any currency regulation and currency control regulation.

4.3 All payments shall be made by the Associated Company upon presentation to the Associated Company of the relevant invoices indicating : Agreement reference, amount due and bank account details.

5. **TERM AND TERMINATION**

5.1 This Agreement shall come into force upon its execution by both parties subject to the terms of the last paragraph of this Agreement and shall remain in force until September 30, 2001, unless previously terminated.

This Agreement may be renewed for subsequent period(s) of time upon the written agreement of the parties, formalized in an amendment to be issued by STANDARD thirty (30) days prior to the expiry date of this Agreement. If either party decides not to renew this Agreement or do not agree on the terms of its renewal, then it shall expire automatically on its expiry date.



It shall also expire automatically if, during the term of the Agreement, the project mentioned in paragraph 1 above is declared null and void or if the Associated Company's offer is rejected by the Client for any reason whatsoever, or if the Contract is awarded by the Client to another contractor.

5.2 Notwithstanding the provisions of paragraph 5.1 above, STANDARD may forthwith upon written notice terminate this Agreement upon the occurrence of any of the following events :

5.2.1 If the Consultant attempts or purports to assign or transfer this Agreement to any third party.

5.2.2 If the Consultant changes its equity ownership, or if the power to direct the management or policies of the Consultant is transferred from the present owner or owners of the Consultant or from a majority thereof to the new owner without the prior written consent of STANDARD.

5.2.3 If the Consultant is subject to bankruptcy or liquidation or similar procedure or makes any arrangement or composition with its creditors.

5.2.4 If a Client's letter of intent to enter into the Contract is not obtained before July 31, 2001.

5.3 This Agreement may also be terminated by either party in the following cases:

5.3.1 If any Government regulation, decree, law, action or inaction, civil war, riots or any circumstances whether foreseeable or beyond the control of either party, prevents or substantially impairs any of the parties ability to perform its obligation hereunder.

5.3.2 If any of the parties breaches any of its express or implied obligations hereunder.

5.4 The Consultant shall not be entitled to any further compensation or indemnity by reason of the expiry or early termination of this Agreement.

5.5 The Associated Company's obligation to pay the compensation which would be due under this Agreement shall survive the expiry of this Agreement.

## 6. CONFIDENTIALITY

Neither party shall disclose to any third party the existence or the consent of any provisions hereof or any information of a confidential nature including, without limitation, technical or commercial data, price structures, costs or administrative information made available to it by the other party or which it may have learned in the performance of this Agreement. This provision shall not apply to any information which becomes generally known within the industry other than as a result of the breach of confidentiality by one of the parties. The obligation hereunder shall survive the validity period of this Agreement, as it may be renewed, for a period of five (5) years.

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7. **DISPUTE RESOLUTION**

In the event a dispute arises out of this Agreement or in connection therewith, the parties shall first endeavor to reach an amicable settlement. If the parties fail to reach such settlement within sixty (60) days from the occurrence of the dispute, it shall be finally settled in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce, by three arbitrators to be appointed in accordance with such Rules unless the parties agree on the name of a sole arbitrator.

The arbitration shall be conducted in the English language and shall take place in Geneva in accordance with the procedural rules of the Canton of Geneva.

The applicable substantive law shall be the law of the State of Delaware (USA).

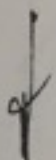
8. **OTHER CONDITIONS**

8.1 The Consultant shall indemnify STANDARD and the Associated Company and hold them harmless from any claims, demands, liabilities, suits or expenses of any kind arising out of Consultant's separate business.

8.2 While acting as the STANDARD's Consultant hereunder, the Consultant shall act in all respects with such care and diligence as it would use and apply if it were acting for its own account, and it shall comply with all applicable regulations and laws in the performance of its obligations under this Agreement.

8.3 The Consultant shall not be authorized to offer, promise or give any undue pecuniary or other advantage to any public official for any purpose which may contravene any applicable laws, including but not limited to those of the Territory and such laws and regulations as may be enacted following the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Further, the Consultant shall indemnify, defend and save harmless STANDARD from any failure by the Consultant to comply with the foregoing.

8.4 Furthermore, if this Agreement, the relationship created hereby or the performance hereof is reasonably considered by STANDARD to be contrary either to (a) the laws, rules or regulations now or hereafter in effect, or (b) Consultant's representations and warranties set forth in this Agreement, then, at the option of STANDARD, this Agreement shall be terminated as per paragraphs 5.3, and in such event the Consultant shall forfeit any compensations paid, and STANDARD will not make, or cause to make, any future compensation payments.



8.5 STANDARD may not assign or otherwise transfer this Agreement or any rights hereunder without the prior written consent of the Consultant unless the assignment and transfer is made to any other company controlled by ALCATEL.

8.6 This Agreement constitutes the entire agreement between the parties. It sets forth all intended rights and obligations and supersedes any and all previous agreements and understandings between the parties with respect to the subject matter hereof.

8.7 If any of the terms and conditions of this Agreement are or shall become unenforceable for any cause or reason whatsoever, the ensuing lack of enforceability shall not affect the other provisions hereof, and in such event the parties shall endeavor to substitute forthwith such other enforceable provision as will most closely correspond to the legal and economic contents of the said terms and conditions.

8.8 All notices, requests, consents, and other communications hereunder must be in writing and will be deemed to have been properly given when actually received by the party to whom sent, at the following addresses:

To : CONSULTANT :  
H.F. Desarrollos Interdisciplinarios S.A.  
Condominio Abogados Sur, Zapote  
Apdo. 1342-1011  
SAN JOSE  
(Costa Rica)  
Tel : 506-224-9950/506-386-1955  
Fax :

*[Please state correct mailing address if different]*

To : ASSOCIATED COMPANY :  
ALCATEL CIT  
10 rue Latécoère  
78140 VELIZY  
(France)  
Tel : 33.1.30.77.30.77  
Fax : 33.1.30.77.97.50

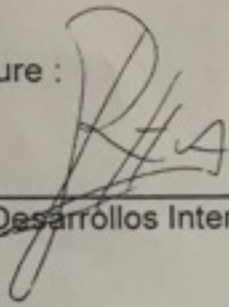
To : STANDARD :  
ALCATEL STANDARD S.A.  
Aeschenvorstadt 52/54  
CH-4010 BASEL POSTFACH  
(Switzerland)  
Tel : 41-61-225 23 23  
Fax : 41-61-225 23 95

8.9 The English text of this Agreement shall prevail over any translation thereof.

If you agree with the foregoing, kindly initial, sign and date the two original copies of this Agreement of 8 pages and return them to us. We shall then counter-execute the Agreement and return one of the copies to you. Our signature will enforce this Agreement and the date of our signature will be the date of the coming into force of the Agreement.

Accepted and agreed to  
this 26th day of February 2001

Signature :



(H.F. Desarrollos Interdisciplinarios S.A.)

Very truly yours,

ALCATEL



By :



**HP BARRAS**

Title : CHIEF EXECUTIVE OFFICER

Date :

14 MAR 2001





