

Contract Agreement

Contract No: 01-20/ESB-02/BT/L002/1208

THIS CONTRACT AGREEMENT is made

The Fifteen day of December, 2008.

BETWEEN

- (1) Commitment Officer, Work Unit (SNVT) Procurement of Material/Equipment Road and Bridge representing the Directorate General of Highway, Ministry of Public Works, Government of the Republic of Indonesia and having its principal place of business at Jl. Pattimura No. 20. Kebayoran Baru 12110 South Jakarta (hereinafter called "the Purchaser"), and
- (2) PT.Karunia Berca Indonesia, a corporation incorporated under the laws of the Republic of Indonesia and having its principal place of business at CCM Building 6th Floor, Jln. Cikini Raya No. 95 Jakarta 10330 - Indonesia (hereinafter called "the Supplier").

WHEREAS the Purchaser invited bids for certain Goods and Related Services, viz., Prefabricated Steel Bridge Material, and has accepted a Bid by the Supplier for the supply of those Goods and Related Services in the sum of **Indonesian Rupiah Fifty Billion Five Hundred Twenty Nine Million Five Hundred Four Thousand Three Hundred [IDR 50,529,504,300.00]** (Includes VAT 10 %) (hereinafter called "the Contract Price").

The Contract Price Consisting of:

a. Goods:

- Australian Agency for International Development (AusAID) portion (in Local Currency) as amount of 89% (eighty nine percent) of Contract Price excluding Value Added Tax (VAT) is **IDR.40,882,962,570.00** (Indonesian Rupiah Forty Billion Eight Hundred Eighty Two Million Nine Hundred Sixty Two Thousand Five Hundred Seventy).
- Government of Indonesia (GOI) portion (in Local Currency) as amount 11% (eleven percent) of Contract Price excluding Value Added Tax (VAT) is **IDR.5,052,950,430.00** (Indonesian Rupiah Five Billion Fifty Two Million Nine Hundred Fifty Thousand Four Hundred Thirty).

b. Value Added Tax (VAT):

- Australian Agency for International Development (AusAID) portion (in Local Currency) as amount is **IDR.4,088,296,257.00** (Indonesian Rupiah Four Billion Eighty Eight Million Two Hundred Ninety Six Thousand Two Hundred Fifty Seven) which is not collected.
- Government of Indonesia (GOI) portion (in Local Currency) as amount is **IDR.505,295,043.00** (Indonesian Rupiah Five Hundred Five Million Two Hundred Ninety Five Thousand Forty Three).


NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:

- (a) This Contract Agreement
 - (b) Special Conditions of Contract
 - (c) General Conditions of Contract
 - (d) Technical Requirements (including Schedule of Requirements and Technical Specifications)
 - (e) The Supplier's Bid and original Price Schedules
 - (f) The Purchaser's Notification of Award
3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.
4. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
5. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of Indonesia on the day, month and year indicated above.

For and on behalf of the Purchaser

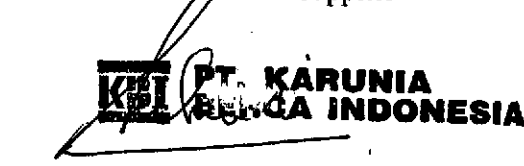


Signed: Ir. Herry Vaza, M.Eng. Sc.

In the capacity of **Commitment Officer, Work Unit (SNVT) Procurement of Material/Equipment Road and Bridge representing the Directorate General of Highway, Ministry of Public Works, Government of the Republic of Indonesia.**

In the presence of

For and on behalf of the Supplier



Signed: Erick Purwanto, M.Eng.

In the capacity of **Director, PT.Karunia Berca Indonesia, CCM Building 6th Floor, Jln. Cikini Raya No. 95 Jakarta 10330 – Indonesia**

In the presence of