

ENGAGEMENT AGREEMENT

On this day of January 27, 2017, this Engagement Agreement (the “**Agreement**”) is entered into by and between:

Agenzia Italiana per la Cooperazione allo Sviluppo di Tirana, duly existing under the Laws of Italy, with its registered office in Albania at Rr. Abdi Toptani, Torre Drin, 5th Floor, Tirana, Albania, NIPT J61912009P, duly represented by the Director Mr. Nino Merola, hereinafter referred to as the “**Client**”

and

KALO & ASSOCIATES SHPK, an Albanian law firm, practicing commercial law, duly organized and existing under the Laws of the Republic of Albania and registered with the commercial registry of Tirana First Instance Court by Decision no. 33260, dated 29.03.2005 with its registered office at Kavaja Avenue, G-KAM Business Center, 4th Floor, represented Mr. Përparim Kalo, hereinafter referred to as “**Counsel**”.

WHEREAS:

- (a) The Client wishes to appoint a legal advisor for providing legal services in Albania, and sets out the conditions upon which the Counsel shall provide its legal services;
- (b) The Counsel wishes to accept such appointment as legal advisor to the Client in providing the requested legal services;
- (c) The Counsel assures the Client that each member, associate and employee of the Counsel will do his/her best to fulfill the needs of Client in a responsive, professional and timely manner; and
- (d) The Counsel confirms that its willingness is to establish and maintain a long-term relationship with the Client to provide legal services which are intended to be of the highest quality, as well as cost-effective;

the Parties agree as follows:



Article 1 - Scope of Work

- 1.1 The Client intends to retain Counsel to provide legal services related to the activity of the Client in Albania, and specifically related to the following areas of law:
- (i) Corporate
 - (ii) Employment
 - (ii) Tax law
 - (iii) Contract Law
- and any other areas that may be deemed necessary by the Client related to the Scope of Work as defined herein.
- 1.2 Scope of Work for purposes of this Engagement Letter includes the following:
- (i) **Preparation of a consolidated Memo**, which will cover issues related to the type of contracts that may be used, with various categories of individuals having nationalities different from the Italian nationality; the Memo will include references to the relevant provisions of the Albanian law, relevant legal interpretations and an outline of the possible legal options and/or solutions. To avoid any misunderstanding this Memo will not cover any analysis of advice related to immigration issues.
 - (ii) **Drafting of 1 (one) contract template**, governed by Albanian Law and dedicated to the non-Italian expats coming from non-EU Countries.
- 1.3 This Agreement constitutes an agreement which allows Client to simply authorize Counsel for any of the above services, and which constitutes the formal document that serves as engagement of the Counsel.

Article 2 – Duration and Termination

- 2.1 This Agreement will come into force once it is signed by the Counsel and the Client and will be effective for three months from the date of its signing and is renewable tacitly, if either party fails to serve a termination notice 15 (fifteen) days prior to termination date.
- 2.2 The Client's confidentiality obligations under Article 5 below shall survive termination and Client's obligation to pay legal fees and expenses properly incurred up to the effective time of termination shall also survive such termination.



Article 3 – Fees, Timing and Invoicing

- 3.1 The Client has agreed that all services and works provided by the Counsel to the Client shall be invoiced by the Counsel as capped fees (excluding VAT and expenses, if any) as follows:
- For preparation of the consolidated Memo capped fee 1,200 EUR
 - For drafting of 1 (one) contract template (as provided herein) capped fee 400 EUR
- 3.2 For the sake of clarity, in addition to the relevant service fees, the Counsel shall charge the VAT that may be applicable to legal services and any expenses that may be incurred in relation with this assignment. Client may also decide to reimburse the expenses directly upon presentation of proof of disbursement by Counsel.
- 3.3 The Counsel undertakes to finalize the deliverables as provided herein in the Scope of Work according to the below stated schedule:
- For the delivery of the Consolidated Memo by Feb 3rd, 2017
 - For drafting of 1 (one) contract template (as provided herein) by Feb 3rd, 2017
- Note the above stated timing does not consider any delay that may be caused beyond the control of the Counsel, considering that the signing date of this Agreement is not later than January 27th, 2017.
- 3.4 The invoice should be issued for each specific assignment with a description of the legal services rendered and the identity of the person performing the services.
- 3.5 The invoice must be paid by the Client within 30 (thirty) days after the end of the month it is received.
- 3.6 It is agreed that overtime charges and long distance calls and travel and lodging will require prior Client approval. The Client is also entitled to request documentary proof of any given expense charged.

Article 4 - Representations and Warranties of Counsel

- 4.1 Counsel represents and warrants to the Client that attorneys of Counsel providing services under this Agreement are authorized to practice law in Albania and are currently in good standing in Albania.
- 4.2 Counsel is insured for professional indemnity insurance and holds a valid insurance policy for indemnification of claims of a value up to 3 (three) million Euros.



Article 5 - Confidentiality Obligation

- 5.1 All conversations, documents, files, correspondence and other communications or information regarding the Client, or produced by the Counsel on behalf of the Client, (the "Confidential Information") will be kept strictly confidential by the Counsel and its personnel.
- 5.2 Except as may be required by law, the Counsel shall not, without the Client's prior consent disclose to any person any of the Confidential Information. The obligation of confidentiality will survive termination of this Agreement by the Counsel or the Client.

Article 6 - No Conflict of Interest

- 6.1 The engagement of Counsel implies that Counsel will not act for Client if a conflict of interest exists or is likely to exist.
- 6.2 Counsel has the obligation to notify the Client of any actual or potential conflicts of interest.
- 6.3 Client will decide on the waiver of the conflict of interest or not on case basis.

Article 7 - Manner of Work

- 7.1 Counsel will provide services through specialised lawyers who are supervised by the respective Partners of the firm. Team Leader, Partner and/or Managing Partner will be responsible for quality assurance of the work product.
- 7.2 All reports and information sent to the Client shall be in the English language.

Article 8 - No Amendments or Modifications

No amendments or modifications of this Agreement shall be valid or effective, if not in writing and signed by both Parties to this Agreement.

Article 9 - Governing Law

This Agreement is to be interpreted, applied, and enforced in accordance with the laws of Albania.

Article 10 - Dispute Resolution

All disputes arising under or relating to the interpretation, application or enforcement of this



Agreement, or the termination thereof, shall be subject to the Albanian competent court.

Article 11 - Entire Agreement

This Agreement contains the entire understanding of the Parties hereto with respect to the subject matter contained herein. There are no restrictions, promises, warranties, covenants or undertakings other than as explicitly set forth herein.

Article 12 - Prevalence of Agreement

This Agreement supersedes all prior agreements and understandings between the Parties with respect to such matters.

For and on behalf of Counsel

For and on behalf of Client

KALO & ASSOCIATES SHPK

Agenzia Italiana per la Cooperazione allo Sviluppo

Represented by

Represented by

Mr. Përparim Kalo
(Signature)

Mr. Nino Merola
(Signature)

