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**LETTER OF AGREEMENT**

**Between**

**THE UNIVERSITY OF SAM RATULANGI**

**and**

**HUMBER INSTITUTE OF TECHNOLOGY & ADVANCED LEARNING**

**For the**

**SULAWESI ECONOMIC DEVELOPMENT STRATEGY PROJECT  
(SEDS)**

**THIS LETTER OF AGREEMENT** is made on January 16, 2013

**BETWEEN**                    **The University of Sam Ratulangi**  
Jalan Kampus Unsrat, Manado 95115 Indonesia  
(hereinafter called "Unsrat")

**AND**                            **Humber Institute of Technology & Advanced Learning**  
3199 Lakeshore Boulevard West, Room L3000  
Toronto, Ontario, Canada M8V 1K8  
(hereinafter called "Humber")

NOW THEREFORE this Agreement witnesseth that in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto hereby covenant and agree with each other as follows:

**1. PROJECT**

- 1.1 The project shall comprise **SEDS Project** as more particularly described in Schedule A (the "Project") including the roles and responsibilities of the partner and Humber.
- 1.2 The Project is funded by the Canadian International Development Agency (CIDA) and Humber.
- 1.3 The Project shall not be modified without the prior written consent of HUMBER.

**2. CONTRIBUTION**

- 2.1 Subject to the provisions of this Agreement, HUMBER will make financial support available to the partner for the Project. The amount will be agreed in the annual budget at the beginning of each fiscal year according to the Project Annual Work Plan.
- 2.2 The Contribution will be used exclusively by the partner in accordance with the Budget Provisions set forth in Schedule B.
- 2.3 The Contribution shall be advanced by HUMBER to the partner in accordance with the Payment Procedures set forth in Schedule C.

- 2.4 Any amount advanced by HUMBER as part of the Contribution (the "Advance") shall be acknowledged by a receipt from the partner and the partner shall indicate in the local currency the equivalent of the Canadian dollar advance. The gross receipt shall be recorded as an Advance to the partner and any bank fees shall be expensed to the Project. The partner agrees to segregate and keep separate all Advances received by it in trust in a bank account for the Project and such Advances shall not become part of the partner's day-to-day funds.
- 2.5 Where an Advance has been made to the partner, the partner shall disclose in a Financial Report to HUMBER referred to in Schedule D, any incidental interest earned as being part of the Contribution and use such interest exclusively for the Project. Incidental interest earned means the amount of interest earned by the partner on an Advance when, due to changing circumstances, the Advance or balance thereof is no longer required to meet immediate cash flow requirements and has been invested and/or deposited in an interest earning bank account by the partner.
- 2.6 It is understood that the Contribution is funded by CIDA and HUMBER and is subject to the availability of funds from CIDA and HUMBER.

### **3. CUSTOMS AND EXCISE TAXES**

- 3.1 The partner shall use its best efforts to ensure that goods purchased with the Contribution and imported by it for the Project are exempt from customs, duty and excise tax. The partner shall ensure that requisite applications for tax exemptions are prepared and filed and that no such taxes are charged against the Contribution.

### **4. REPORTS**

- 4.1 The partner shall submit, for HUMBER's review and approval, the reports described in Schedule D in the manner provided therein.
- 4.2 When facilities so permit, the partner shall produce all documents, reports, etc., in double-sided format and on recycled paper.

**5. PROCUREMENT OF GOODS AND SERVICES**

5.1 The procurement of goods and services with the Contribution or any part thereof by the partner shall be made in accordance with the Procurement Procedures set forth in Schedule E.

**6. HIRING PERSONNEL**

6.1 The partner shall hire personnel for the Project in accordance with the provisions set forth in Schedule F.

**7. RECORDS**

7.1 The partner shall maintain and retain, commencing on the date of this Agreement until five years after termination of this Agreement, accurate records relating to the Project including in-kind contribution and disbursements and expenditures made against the Contribution including receipts, pay records, cancelled cheques and all shipping and customs documents and other relevant documentation relating to any part thereof and shall have the same available for financial and operational audits at the request of HUMBER. The partner will afford HUMBER and its representatives a proper facilities and access to records required for such audits.

**9. ANNOUNCEMENTS**

9.1 The partner acknowledges the Contribution as being managed by HUMBER and funded by HUMBER and CIDA, and will make such acknowledgement with respect to the project in any references, publications, speeches, press releases or other similar communications.

9.2 HUMBER will acknowledge the Project as being implemented by the partner and make such acknowledgements with respect to the Project in any references, publications, speeches, press releases and other similar communications in Canada and internationally.

**10. COMPLIANCE**

10.1 HUMBER may withhold or cancel any Advance to be made by HUMBER if the partner fails to use the Contribution exclusively for the Project and in accordance with the provisions of this Agreement.

## **11. GENDER EQUALITY AND ENVIRONMENTAL IMPACT**

11.1 In line with CIDA's gender equality and environment policy, and any relevant policies of the government of Indonesia, the partner shall explicitly and systematically integrate gender equality and environmental considerations at all stages of the Project, where relevant.

## **12. FINANCIAL STATEMENTS**

12.1 The partner will provide HUMBER with a copy of its annual audited financial statements for the periods ending during the term of this Agreement and for the period ending in the year prior to the date of this Agreement.

## **13. MONITORING PROGRESS**

13.1 HUMBER is required to monitor the progress of Project against planned results. The partner shall permit HUMBER staff access to its project records, project site and project participants to assess the progress of the Project and to conduct such financial monitoring as HUMBER may require during the term of this Agreement.

## **14. THIRD PARTY CONTRACTUAL COMMITMENTS**

14.1 The partner recognizes that HUMBER shall not be held liable for loans, leases, capital leases or any other contractual commitments entered into by the partner with a third party with respect to the Project.

## **15. DISCLOSURE**

15.1 The partner shall not disclose any matter, information or documents which may come to its knowledge or possession by reason of its participation under this Agreement without prior written approval of HUMBER.

15.2 The partner shall ensure that its personnel, contractors or outside consultants are bound by the provisions of Section 15.1.

15.3 The partner shall refrain from any action which might be prejudicial to the friendly relations between Canada and Indonesia.

**16. TERMINATION**

16.1 Notwithstanding anything contained in this Agreement, HUMBER may, at any time by notice in writing, terminate this Agreement in whole or in part in which event the partner shall have no claim against HUMBER by reason of such termination other than payments of expenses actually committed in accordance with the terms and conditions of this Agreement to the date of such termination, less any sums previously paid on account thereof.

**17. ANTI-CORRUPTION**

17.1 No offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has or will be made to anyone, either directly or indirectly, as an inducement of reward for the award or execution of this Agreement. Any such practices will be grounds for HUMBER to terminate this Agreement or take any other corrective action as required.

**18. ANTI-TERRORISM**

18.1 Funding for the purposes of the Project will not knowingly be used to benefit terrorist groups or individual members of those groups, or for terrorist activities, either directly or indirectly.

**19. INTERNATIONAL SANCTIONS**

19.1 The funding for the purposes of the Project will not knowingly be used, either directly or indirectly, in dealing with countries or persons subject to economic sanctions.

**20. INDEMNIFICATION**

20.1 The partner will indemnify and save HUMBER harmless from and against all claims, demands, losses, damages, cost and expenses which may be sustained or incurred by HUMBER as a consequence of, or arising out of the Project.

**21. GENERAL**

21.1 Unless otherwise indicated, this Agreement is effective from the date of the last signature and expenses incurred by the partner prior to such date are ineligible for Advances or reimbursement hereunder.

21.2 This Agreement shall not be assigned to any other organization by the partner without the prior written consent of HUMBER. Any assignment without such consent is null and void.

21.3 Unless sooner terminated as provided in this Agreement, this Agreement shall remain in effect until September 30, 2017 at which time any part of the Contribution remaining undisbursed by the partner will be returned to HUMBER.

## **22. AMENDMENT**

22.1 This Agreement may be amended by a written agreement executed by HUMBER and the partner.

## **23. NOTICE**

23.1 Any notice to HUMBER or to the partner with respect to this Agreement shall be effectively given if delivered or sent by email addressed to HUMBER or to the partner at its address set forth below or such other address designated in writing:

(a) if to HUMBER:  
The Business School  
Humber Institute of Technology & Advanced Learning  
3199 Lakeshore Boulevard West, Room L3000  
Toronto, Ontario, Canada M8V 1K8  
Attention: Lisa Anketell  
Email: [lisa.anketell@humber.ca](mailto:lisa.anketell@humber.ca)

(b) if to the partner:  
**The University of Sam Ratulangi**  
Jalan Kampus Unsrat, Manado 95115 Indonesia  
Attention: Prof. Dr. Donald A. Rumokoy, SH., MH  
Telephone: +62431863786; +62431863886  
Fax: +62431822568; +62431827532  
Email: [drumokoy@unsrat.ac.id](mailto:drumokoy@unsrat.ac.id)

23.2 Any notice that is delivered shall be deemed to have been received on delivery. Any notice sent by facsimile shall be deemed to have been received when transmitted. Any email shall be deemed to have been received when the sender receives electronic acknowledgement to that effect.

**24. LAW**

24.1 This Agreement shall be governed by and construed in accordance with the laws of the Indonesia applicable therein.

**25. ENTIRE AGREEMENT**

25.1 This Agreement together with Schedules A, B, C, D, E and F constitute the entire agreement between HUMBER and the partner with respect to the Project.

**26. COUNTERPARTS**

26.1 This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

This Agreement has been executed on behalf of HUMBER and the partner by their duly authorized officers.

**FOR THE PARTNER:**

Signature: 

Name: Prof. Dr. Donald A. Rumokoy, SH.MH 

Title: Rector of The University of Sam Ratulangi

Date: Jan 17, 2013

Witness:   
(Signature & Name)

**FOR HUMBER:**

Signature: 

Name: Lisa Anketell

Title: SEDS Canadian Project Manager

Date: Jan 17, 2013

Witness: M.H. White  
(Signature & Name) M.H. WHITE