

CONVENTION

Between

The Fisheries Research and Studies Centre, S.C.A.R.L, called "C.I.R.S.PE" below, resident in No.21- Gigli D'ORO Ave. 00186 Roma, represented by the president, Dr. Massimo GUERRIERI, resident in No.21 Gigli d'Oro Ave. Roma

And

The Asian Fisheries Technology & Management Co. Ltd. nominated "the company" below situated in Unit 22, No. 23,27th St., Alvand St., Arjantine Sq., Teheran –Islamic Republic of Iran, its director: Mr Esmaili resident in Unit 22, No. 23,27th St., Alvand St., Arjantine Sq., Teheran.

Introductory Statement

-Referring to the finance of the project of Aquaculture in Sistan-Baluchestan Province of Islamic Republic of Iran which is presented by the Italian Ministry of Foreign Affairs - the General Directorate of Cooperation of the Development,

-Referring to the presentation of the above emission from the Italian Government to the United Nations Development Project (UNDP) in Teheran based on a reciprocate agreement on the subject,

-Referring the direct intervention of SHILAT, Iranian Fisheries Organization, in both administration and operation of the project in order to respect the technical and professional contribution of Iranians that is the principal of the Italian Cooperation in the Development.

-Referring to the existence of professional Iranian resources based on their experience, the expected activity of the project will be executed.

-Referring to guarantee the whole involvement of SHILAT-Iranian Fishers Organization, In the technical structure of the project in Sistan-Baluchestan .

-Referring to the Shilat decision to concentrate the productive effort on the native freshwater species of Hamun Lake (*Schizothorax*) and considering that this represents the priorities for Shilat in Zabol Area , taking into account anyway the all difficulties of this technical approach.

-Referring also to the importance of this approach both from scientific and pilot consulting, that will be organized by CIRSPE;

both parts agree on and draw up what follows:

Article 1

The Asian Fisheries Technology & Management Co. Ltd subscribes the agreement on carrying out the below mentioned activities with its personal structure. The activities will be done in Sistan-Baluchestan Province concentrating on the production of a species of *Schizothorax* in Zahak Hatchery, Zabol area, relating to the necessity to increase the knowledge on its biology for the re-stocking in lakes of Zabol area.

The activities are determined as below:

1) Management:

- a) Starting and management of the production with the installation of the equipment in the field of the project purchased by the resources of UNDP budget.
- b) Organization and control of the personnel in ZAHAK hatchery; The staff will be composed as follows:
 - 1 Technical manager selected by CIRSPE;
 - 5 graduate trainers for on job training activity, introduced by SHILAT;
 - 5 workers for the daily farm management;
- c) Maintenance of the equipments related to the breeding;
- d) Studies of the private sector of Zabol area for a technical and economical analysis.

2) Fish Biology and production;

- a) *Schizothorax* Broodstock management;
- b) Propagation procedure (hormones type and dosage) (eggs quality control);
- c) Nursery management;
- d) Water parameters;
- e) Feeding management.

The described activities will start on the 21st of February 2006 with the restoration of the hatchery and other useful buildings referring to the inquiries of the project by SHILAT. The above activities will end on the 21st of June 2006.

The Asian Fisheries Technology & Management Co. Ltd is responsible for:

- A) Informing C.I.R.S.P.E. about all the matters related to the management of the breeding in order to be used in the processing of the technical reports which should be sent to the Italian Embassy, Italian Ministry of Foreign Affairs in Roma, SHILAT and UNDP.

- B) Execution of the activities in a tight collaboration with SHILAT and the technical responsible of C.I.R.S.P.E., based on the main aim of the Italian Cooperation.

Article 2

For the described activities, the company undertakes to task Dr. S. D. Gupta as the technical manager and also as the responsible of the preparation of the technical papers. In any case of impossibility for him to take duty, the company shall delegate another person with equivalent skills.

Article 3

This contract is stipulated for duration of 4 months which will be started from 21st of February 2006 up to the end of 21st of June 2006.

This contract can be suspended when the Company can not carry out his above mentioned duty. In that case the C.I.R.S.P.E. will pay the work done up to that moment.

Article 4

The Asian Fisheries Technology & Management Co. Ltd, because of its services will be paid 36,000,00 Euro by C.I.R.S.P.E. as follows:

- a) An advance payment of 19.000,00 Euro after signing the contract and before the arrival of the team in the hatchery. The beneficiary shall provide an official receipt for receiving the advance payment;
- b) The second payment shall be 10.000,00 Euro after submitting the first intermediate report. The beneficiary shall provide an official receipt for receiving the payment;
- c) Third payment shall be 7.000,00 Euro, submitting the final report, by CIRSPE approval. The beneficiary shall provide an official receipt for receiving the payment.

Article 5

The Asian Fisheries Technology & Management Co. Ltd, will cover the all cost related to living expenses such as food, transportation and accommodation of the team.

The Team of Asian Fisheries Technology & Management Co. Ltd, shall stay in the hatchery hostel during production period.

Article 6

The payments will be done by C.I.R.S.P.E. with a bank remittance to the following bank account N°:

CORRESPONDENT BANK: Credit Suisse (Head Office)- Zurich (USD, CHF, GBP)
SWISS CODE: CRESCHZZ80A

BENEFICIARY'S BANK: Export Development Bank of Iran;
Central BR, Code 1301
SWIFT CODE: EDBIIRTHCEN
IN FAVOUR OF: Fanavari Varahbary Abzian Asia Co.
A/C N°: 010410304

Article 7

The executer has to send his team after 2 weeks from the receiving of the advanced payment.

Article 8

All the papers and technical matters produced within the project will be at disposal of the Steering Committee of the project and C.I.R.S.P.E., therefore, has the right to publish and divulgate a part or the integral version of the papers referring to their institutional aims.

Article 9

C.I.R.S.P.E. can suspend the convention whenever it is needed a precaution in situations like war, natural disaster or similar conditions which change the present situation at the subscribing of this convention and make impossible or

inopportune the continuation of the project and the company. SHILAT will be certainly informed with a letter.

Article 10

C.I.R.S.P.E. can rescind this contract in case of violation of the Article 2 and, in case of inobservance on replacing the expert with a person with equivalent skills in a short period of time. In this case, referring to the interest of the Iranian Government, and the cooperation project, C.I.R.S.P.E. has the right to rescind this contract, ask for money already paid and charge a penalty of the 15% of the total amount of the contract.

Apart from that, if any of the above articles would not be observed, C.I.R.S.PE. has the right to rescind this contract.

Article 11

If any controversy referring to the interpretation and application of this contract happens, both sides agree to try their best to solve the problems of disputes, mutually, otherwise they may refer to SHILAT as the fair part (foreign affairs or NPD). If not solved the Italian judicial court in Rome, has the exclusive right to make establishments.

Article 12

For anything not foreseen, the Italian normative arrangement in force, will take part.

This contract is signed in 4 original copies, 2 in English and 2 in Italian.

Rome, 26 January 2006

For the Asian Fisheries Technology &
Management Co. Ltd

Executive Manager
Mr. E. Esmaeili

For C.I.R.S.PE.

The President
Massimo Guerrieri

The articles mentioned in the articles n° 4, 7, 9, 10, 11 e 12 have been accepted and confirmed.

For the Asian Fisheries Technology &
Management Co. Ltd

Executive Manager
Mr. E. Esmaeili

For C.I.R.S.PE.

The President
Massimo Guerrieri