U.S. Department of Justice
Washington, DC 20530

Exhibit B
To Registration Statement
Pursuant to the Foreign Agents Registration Act of 1938, as amended

OMB NO. 1124-0004

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. One original and two legible photocopies of this form shall be filed for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: http://www.fara.gov/. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: http://www.fara.gov/.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant	2. Registration No.
The Fratelli Group	5867

3. Name of Foreign Principal

Government of Colombia

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Check Appropriate Boxes:

4. ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.

5. ☐ There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.

6. ☐ The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.

7. Describe fully the nature and method of performance of the above indicated agreement or understanding.

The Fratelli Group will provide public relations services to the Government of Colombia in connection with the U.S-Colombia Trade Promotion Agreement and other interests of the Government of Colombia. These services include conducting outreach to the media on a targeted and as-needed basis and/or preparing communications with representatives of the U.S. government and U.S. Congress. The services will also include meetings with the foreign principal and its consultants from time to time.

8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

The Fratelli Group will engage in the following activities on behalf of the Government of Colombia:

- Contact members of the media in connection with the U.S.-Colombia Trade Promotion Agreement and other interests of the Government of Colombia
- Write and disseminate informational materials
- Provide advice and counsel on media strategy, including monitoring news and coordinating communications strategy with U.S. business community

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

The registrant's activities on behalf of the foreign principal will focus on media relations. These activities may include communications with representatives of various media on behalf of the Government of Colombia relating to legislation and congressional actions, and actions by the Executive Branch and U.S. Government agencies that may affect or relate to the interests of the foreign principal and/or the bilateral U.S.-Colombia/Colombia-U.S. relationship.

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Date of Exhibit B	Name and Title	Signature
2/2/2010	Francis O'Brien, Principal	Francis O'Brien

Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

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CONTRATO DE PRESTACIÓN DE SERVICIOS No. 0 4 3 1 0 CELEBRADO ENTRE EL DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA Y THE FRATELLI GROUP INC

Los suscritos a saber, por una parte, **LILIAN DEL PILAR VÉLEZ PINZÓN**, identificada con la cédula de ciudadanía No. [redacted] expedida en Bogotá D.C., quien en su calidad de Subdirectora, de conformidad con el Decreto número 4973 del 27 de diciembre de 2007, y según las facultades conferidas mediante la Resolución 1725 del 15 de septiembre de 2008, actúa en nombre y representación del **DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA** y **FRANCIS O'BRIEN**, quien estando debidamente autorizado actúa en nombre de **THE FRATELLI GROUP INC.**, sociedad constituida bajo las leyes del Distrito de Columbia en los Estados Unidos de América, de acuerdo con la certificación expedida por el señor William I. Ables, Jr. "Superintendent of Corporations (Department of Consumer and Regulatory Affairs)" del Distrito de Columbia, que hace parte integrante del presente contrato, quien para los efectos de este documento se llamará **EL CONTRATISTA**, hemos acordado suscribir el presente contrato de prestación de servicios previas las siguientes consideraciones: **1)** Que la presente contratación se efectúa con fundamento en las disposiciones consagradas en el Estatuto General de Contratación de la Administración Pública (Leyes 80 de 1993 y 1150 de 2007), el Decreto 2474 de 2008 y demás disposiciones reglamentarias y/o complementarias, en especial de lo consagrado en el artículo 82 del Decreto 2474 de 2008 como causal de contratación directa "... *Para la prestación de servicios profesionales y de apoyo a la gestión la entidad estatal podrá contratar directamente con la persona natural o jurídica que esté en capacidad de ejecutar el objeto del contrato y que haya demostrado la idoneidad y experiencia directamente relacionada con el área de que se trate, sin que sea necesario que haya obtenido previamente varias ofertas, de lo cual el ordenador del gasto deberá dejar constancia escrita...*" **2)** Que mediante comunicación de fecha 22 de diciembre de 2009, el Asesor Presidencial del DAPRE (Jorge Mario Eastman Robledo), elevó ante la Subdirectora de la Entidad la solicitud de contratar los servicios profesionales con la firma **FRATELLI GROUP INC. 3)** Que de conformidad con lo establecido en el artículo 3º del Decreto 2474 de 2008, se elaboraron y suscribieron los estudios previos que soportan la presente contratación por parte del Asesor Presidencial del DAPRE (Jorge Mario Eastman Robledo) y el Asesor del Área Administrativa y Financiera - Contratos. **4)** Que obra en el expediente respectivo el concepto financiero y jurídico sobre la viabilidad para la celebración del presente contrato, así como el pronunciamiento de quien requiere la contratación del servicio sobre la idoneidad y experiencia la firma **Fratelli Group Inc. 5)** Que en cumplimiento de lo establecido en el artículo 77 del Decreto 2474 de 2008, el Departamento Administrativo de la Presidencia de la República, mediante Resolución No. 111 del 12 enero de 2010 justificó la contratación directa con **Fratelli Group Inc.**, para ejecutar el objeto del contrato. Por lo anterior, las partes acuerdan las siguientes cláusulas: **PRIMERA.- OBJETO:** En virtud del presente contrato **EL CONTRATISTA**, se obliga bajo sus propios medios con plena autonomía técnica y administrativa, a prestar los servicios dirigidos a desarrollar y apoyar la ejecución de la estrategia de relaciones públicas y de comunicaciones, adelantada por el Gobierno Nacional en los Estados Unidos de América. **SEGUNDA.- VALOR Y FORMA DE PAGO:** El valor de este contrato es de **TRESCIENTOS MIL DÓLARES DE LOS ESTADOS UNIDOS DE AMÉRICA (US$300.000,oo)**, que **LA ENTIDAD** cancelará a **EL CONTRATISTA** en cuotas iguales, cada una de **VEINTICINCO MIL DÓLARES DE LOS ESTADOS UNIDOS DE AMÉRICA (US$25.000,oo)** con base en los servicios efectivamente prestados, previo cumplimiento de los siguientes requisitos: **a)** Aprobación por parte de la Entidad de la garantía bancaria a primer requerimiento que se obliga otorgar el Contratista. **b)** Presentación por parte del **CONTRATISTA** de un informe de gestión y actividades desarrolladas en virtud del presente contrato. **c)** Presentación de Certificación emitida por el supervisor del contrato respecto de la efectiva prestación del servicio. **d)** Presentación por parte del contratista de la factura o cuenta de cobro respectiva. **e)** Presentación por parte del contratista del recibo de consignación por concepto de pago de los derechos de publicación de este contrato en el Diario Único de Contratación Pública. y, **f)** Trámite de la cuenta respectiva. **PARÁGRAFO PRIMERO:** No obstante la forma de pago, ésta se subordina a la situación de los recursos por parte del Ministerio de Hacienda y Crédito Público. **TERCERA.- DISPONIBILIDAD PRESUPUESTAL:** La realización de los pagos se subordina a las apropiaciones que con tal fin se ordenen con cargo al certificado de disponibilidad presupuestal No. 66 expedido el 5 de enero de 2010 por la Asesora del Área Administrativa y Financiera - Presupuesto del Departamento Administrativo de la Presidencia de la República. **CUARTA.-** El plazo de ejecución del presente contrato será de doce (12) meses y empezará a contarse, una vez se imparta aprobación por parte de la Entidad a la garantía que se obliga a constituir el contratista. **QUINTA.- CESIÓN DEL CONTRATO: EL CONTRATISTA** no podrá ceder total o parcialmente el presente contrato, sin la previa autorización expresa y escrita de **LA ENTIDAD. SEXTA.-**

Libertad y Orden

CONTRATO DE PRESTACIÓN DE SERVICIOS No. 0 4 3 1 0 CELEBRADO ENTRE EL DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA Y THE FRATELLI GROUP INC

OBLIGACIONES DEL CONTRATISTA: Este se obliga a: 1) Asesorar a **LA ENTIDAD**, en el manejo e implementación de una estrategia de relaciones públicas y de comunicaciones para el año 2010, basados en la perspectiva política actual. 2) Desarrollar la estrategia propuesta bajo la implementación de tácticas que permitan: a) Actualización del paquete de información para distribuir a una audiencia clave b) El desarrollo de mensajes estratégicos. c) Campañas de HTML E-Mail para audiencias claves d) El acercamiento a los medios. e) La realización de mesas redondas de Prensa. f) El mantenimiento de las relaciones con los socios. g) Realización de eventos especiales. 3) El contratista debe presentar un informe mensual, el cual debe contar con el visto bueno por parte del supervisor del contrato. 4) Se debe mantener la reserva profesional sobre la información que le sea suministrada para la ejecución del objeto de este contrato. 5) No se debe acceder a peticiones o amenazas de quienes actúen por fuera de la ley con el fin de obligarlo a hacer u omitir algún acto o hecho, informando inmediatamente a **LA ENTIDAD** y demás autoridades competentes cuando se presenten tales peticiones o amenazas. 6) Satisfacer las demás obligaciones a su cargo que se deriven de la naturaleza del presente contrato y aquellas otras que el funcionario designado por **LA ENTIDAD** para ejercer el control de ejecución del presente contrato pueda determinar en cumplimiento del objeto. **SÉPTIMA.- OBLIGACIONES DE LA ENTIDAD:** Esta se compromete a: 1) Cancelar al **CONTRATISTA** el valor convenido en la forma establecida en este contrato. 2) Prestar la colaboración necesaria al **CONTRATISTA** para el cumplimiento del objeto contractual. 3) Ejecutar en general las obligaciones que surjan de la naturaleza de este contrato. **OCTAVA.- GARANTÍA:** Con el fin de garantizar la seriedad de los ofrecimientos, las obligaciones derivadas del contrato y de su liquidación el pago de las multas, de la pena pecuniaria y demás sanciones que, dado el caso, pudieren imponerse, **EL CONTRATISTA**, otorgará garantía bancaria a primer requerimiento, a través de una institución financiera nacional o extranjera. Para que la garantía bancaria a primer requerimiento, que aquí se trata, pueda ser aceptada en su otorgamiento por parte de **LA ENTIDAD, EL CONTRATISTA** deberá acreditar la constitución de la garantía, mediante la entrega del documento privado en original contentivo de la misma, suscrito por el representante legal del establecimiento bancario o por su apoderado y en ella deberá constar: (i) El nombre del DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA (Nit. 899999083-0) como entidad pública beneficiaria de la garantía; (ii) Que se constituye para dar cobertura a los riesgos derivados del incumplimiento de las obligaciones asumidas por **EL CONTRATISTA** por la seriedad de los ofrecimientos y las obligaciones derivadas del contrato y de su liquidación, el pago de las multas, de la pena pecuniaria y demás sanciones que, dado el caso, pudieren imponerse; (iii) Que se constituye por un termino igual al plazo de ejecución de este contrato y cuatro (4) meses más; (iv) El señalamiento claro, expreso y completo de que la entidad bancaria, emisora de la garantía bancaria a primer requerimiento, obrando por cuenta y por orden del **CONTRATISTA**, se compromete en forma firme e irrevocable, autónoma e independiente e incondicional con el **DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA (Nit. 899999083-0)**, en calidad de beneficiaria, a pagar a primer requerimiento, hasta un monto máximo garantizado igual al cuarenta por ciento (40%) del valor total del presente contrato, o la suma de dinero menor y equivalente al valor del perjuicio sufrido por **LA ENTIDAD** como consecuencia del incumplimiento de las obligaciones asumidas por **EL CONTRATISTA**, ante la presentación del acto administrativo en firme que así lo declare. Siendo obligación de la entidad bancaria emisora efectuar el pago dentro de los tres (3) días hábiles siguientes a aquel en que le sea entregado el acto administrativo debidamente ejecutoriado, en el que conste el incumplimiento del contratista y se disponga el cobro de la garantía. **PARÁGRAFO PRIMERO. EL CONTRATISTA** entregará la garantía de que trata la presente cláusula al Área Administrativa y Financiera - Contratos de **LA ENTIDAD**, dentro de los quince (15) días hábiles siguientes a la suscripción de este contrato. **PARÁGRAFO SEGUNDO. EL CONTRATISTA** deberá restablecer el valor de la garantía cuando éste se haya visto reducido por razón de las reclamaciones efectuadas por **LA ENTIDAD**. De igual manera, en cualquier evento en que se aumente o adicione el valor del contrato o se prorrogue su término, el contratista deberá ampliar el valor de la garantía otorgada o ampliar su vigencia, según el caso. **PARÁGRAFO TERCERO:** Una vez iniciada la ejecución del contrato, en caso de incumplimiento del **CONTRATISTA** de la obligación de obtener la ampliación de la garantía o de la obligación de obtener su renovación o de la obligación de restablecer su valor o de aquella de otorgar una nueva garantía que ampare el cumplimiento de las obligaciones que surjan por razón de la celebración, ejecución y liquidación del contrato, la entidad contratante podrá declarar la caducidad del mismo. **NOVENA.- SUPERVISIÓN:** La

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coordinación, supervisión y control de ejecución de este contrato estará a cargo de quien designe la Subdirectora de **LA ENTIDAD**, quien velará por los intereses del DAPRE y tendrá además de las funciones que por la índole y naturaleza del contrato le sean propias y las establecidas en el Manual de contratación, adoptado mediante Resolución 2457 del 31 de diciembre de 2008. **DÉCIMA.- CONFIDENCIALIDAD: EL CONTRATISTA** se compromete a no divulgar, usar o explotar la información a la que tenga acceso para la ejecución del presente contrato y mantenerla bajo la debida reserva profesional, sólo podrá usar dicha información para el desarrollo del presente contrato. También se compromete a no divulgar la información, en cualquier tiempo, a terceros que merezca reserva, sin el consentimiento previo y por escrito de **LA ENTIDAD**. **DÉCIMA PRIMERA.- MULTAS**. En caso de mora o incumplimiento parcial de las obligaciones adquiridas por **EL CONTRATISTA, LA ENTIDAD** cobrará multas diarias y sucesivas equivalentes al uno por mil del valor total de este contrato, por cada día hábil de retardo o incumplimiento, si a juicio de **LA ENTIDAD** de ello se derivan perjuicios para la administración, sin que el monto total de la multa exceda el diez por ciento (10%) del valor total de este contrato, cantidad que se imputará a la de los perjuicios que reciba **LA ENTIDAD** por el incumplimiento. **PARÁGRAFO. PROCEDIMIENTO PARA LA APLICACIÓN DE LAS MULTAS:** Para la aplicación de las multas previstas en la presente cláusula, se seguirá el siguiente procedimiento: En caso de incumplimiento de las obligaciones a cargo del contratista, será obligación del supervisor o interventor requerir por escrito al contratista para que cumpla con las obligaciones en los términos y condiciones pactadas, e informar al Área Administrativa y Financiera - Contratos o quien haga sus veces, cuando los requerimientos no hayan sido atendidos a satisfacción o en forma oportuna, quien a su vez, con el fin de determinar la procedencia de la aplicación de las medidas respectivas y respetar la audiencia del contratista y su derecho de defensa, citará al contratista a una audiencia de descargos, lo anterior de conformidad con lo previsto en la ley. El procedimiento de la audiencia de descargos o de los requerimientos escritos citados anteriormente, aplicará previamente a la imposición de las multas respectivas, la declaratoria de incumplimiento para hacer efectiva la cláusula penal pactada y la declaratoria de caducidad. **DÉCIMA SEGUNDA.- PENA PECUNIARIA:** En caso de incumplimiento de las obligaciones o de declaratoria de caducidad de este contrato, **EL CONTRATISTA** pagará a **LA ENTIDAD** a título de pena, una suma equivalente al diez por ciento (10%) del valor total de este contrato, cantidad que se tendrá como pago anticipado de los perjuicios que reciba **LA ENTIDAD** por el incumplimiento. **DÉCIMA TERCERA.- CAPTACIÓN DE LAS MULTAS Y DE LA PENA:** El valor de las multas y de la pena se tomará del saldo a favor de **EL CONTRATISTA** si lo hubiere, o si no de la garantía otorgada y si esto último no fuere posible, se cobrará ante la Jurisdicción de lo Contencioso Administrativo. **DÉCIMA CUARTA.- EXCLUSIÓN DE LA RELACIÓN LABORAL Y RESPONSABILIDAD SOLIDARIA.- LA ENTIDAD** no concurre en solidaridad con **EL CONTRATISTA**, por lo tanto el personal que éste requiera para la ejecución de este contrato es exclusivamente empleado del **CONTRATISTA** y no tendrá relación laboral alguna con **LA ENTIDAD**. **DÉCIMA QUINTA.- NORMATIVIDAD ESPECIAL:** Además de la posibilidad de terminación de este contrato por mutuo acuerdo de los contratantes, o por parte de **LA ENTIDAD** en el caso de que se verifique que **EL CONTRATISTA** está incurso en antecedentes que generen inhabilidad tales como: en asuntos disciplinarios, la destitución; en los penales, cuando hay pena accesoria de interdicción de derechos y funciones públicas; en los fiscales, cuando se le incluye en el boletín de responsables fiscales. Por estipulación expresa se incluyen las causales de terminación, interpretación y modificación unilaterales y de caducidad por parte de **LA ENTIDAD**, consagradas en los artículos 14 a 18 de la Ley 80 de 1993, así como el sometimiento a las leyes nacionales. Igualmente en cuanto a su liquidación, adición, cesión y responsabilidad de **EL CONTRATISTA**, este contrato se rige por la Ley 80 de 1993 y Ley 1150 de 2007, y en las materias no reguladas por ellas, por las disposiciones de la legislación civil colombiana, y está sometido a la Jurisdicción de lo Contencioso Administrativo. **DÉCIMA SEXTA.- INHABILIDAD O INCOMPATIBILIDAD: EL CONTRATISTA** manifiesta bajo la gravedad de juramento que no se encuentra incurso en causales legales de inhabilidad o incompatibilidad para suscribir este contrato. **PARÁGRAFO: EL CONTRATISTA** manifiesta bajo la gravedad del juramento que no se encuentra en el Boletín de responsables de la Contraloría General de la República, de acuerdo a lo establecido en Ley 610 de 2000. **DÉCIMA SÉPTIMA. INDEMNIDAD:** De conformidad con lo establecido en el artículo 6° del Decreto 4828 del 24 de diciembre de 2008 y 1° del Decreto 931 del 18 de marzo de 2009, **EL CONTRATISTA** se obliga a mantener indemne a **LA ENTIDAD** de cualquier reclamación proveniente de terceros que tenga como causa las actuaciones de la contratista o las de sus subcontratistas o

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dependientes. **DÉCIMA OCTAVA.- MODIFICACIONES, ADICIONES Y PRÓRROGAS:** Las partes convienen que cualquier modificación, adición y/o prórroga a lo pactado en el presente contrato y/o a cualquier documento que haga parte integral del mismo, sólo podrán realizarse mediante acuerdo escrito por las partes. **DÉCIMA NOVENA.- DOMICILIO:** Para todos los efectos legales, el domicilio contractual será la ciudad de Bogotá D.C. **DÉCIMA VIGÉSIMA.- LUGAR DE EJECUCIÓN CONTRACTUAL:** Para los efectos legales de la ejecución del contrato, el domicilio contractual será la ciudad de Washington, (Distrito de Columbia), Estados Unidos de América y su ejecución se llevará a cabo de forma integral dentro del territorio de los Estados Unidos de América. **VIGÉSIMA PRIMERA.- DOCUMENTOS CONTRACTUALES.** Hacen parte integral del contrato los siguientes documentos: **1.** Certificado de Disponibilidad Presupuestal. **2.** La propuesta presentada por parte del contratista. **3.** Cualquier otro documento necesario para la correcta ejecución del objeto contractual. **PARÁGRAFO:** En caso de alguna discrepancia o inconsistencia entre los documentos del contrato y lo estipulado en el presente clausulado, prevalecerá lo dispuesto en el presente contrato. **VIGÉSIMA SEGUNDA.- PERFECCIONAMIENTO Y LEGALIZACIÓN:** Este contrato se entiende perfeccionado con la firma de las partes intervinientes y el registro presupuestal por parte de **LA ENTIDAD** y legalizado, con el pago de los derechos de publicación en el Diario Único de Contratación Pública. Este requisito se entiende cumplido con el pago de los derechos correspondientes, esto es, la suma de $2.671.800.oo. **VIGÉSIMA TERCERA.- EJECUCIÓN: EL CONTRATISTA** sólo podrá iniciar la ejecución de este contrato cuando se haya aprobado por parte de **LA ENTIDAD**, la garantía de que trata la cláusula octava del presente contrato. **VIGÉSIMA CUARTA.- LIQUIDACIÓN:** Una vez terminada la ejecución del Contrato, las partes contratantes procederán a efectuar la liquidación del mismo, dentro de los cuatro (4) meses siguientes a su terminación, sin perjuicio de lo establecido en el artículo 11 de la Ley 1150 de 2007. Para constancia, se firma en la ciudad de Bogotá,

POR LA ENTIDAD **EL CONTRATISTA** 2 5 ENE. 2010

LILIAN DEL PILAR VELEZ PINZON
Subdirectora

FRANCIS O'BRIEN
The Fratelli Group Inc.

Vo. Bo. **LEONOR BARRETO DÍAZ**
Asesora Área Administrativa y Financiera - Contratos

SERVICES CONTRACT No. 043 10 ENTERED INTO BY AND BETWEEN THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC AND THE FRATELLI GROUP INC.

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CONTROL/REGISTRATION UNIT

The undersigned, on one side, **LILIAN DEL PILAR VÉLEZ PINZÓN,** identified with the Citizenship Card No. [redacted] issued in Bogotá, D.C., acting in her capacity of Deputy Director, pursuant to Decree No. 4973 dated December 27, 2007 and in accordance with the faculties conferred upon to her by means of Resolution 1725 dated September 15, 2008, does hereby act in the name and representation of the **ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC**, and **FRANCIS O'BRIEN**, duly authorized, does hereby act on behalf of **THE FRATELLI GROUP INC.**, a company duly organized and existing under the laws of the District of Columbia in the United States of America, in accordance with the certification issued by Mr. William I. Ables, Jr., as Superintendent of Corporations (Department of Consumer and Regulatory Affairs) of the District of Columbia which is an integral part to this agreement, as for purposes of this document shall be hereinafter referred to as "**THE CONTRACTOR**" have agreed to enter into a Services Contract contained in the following clauses, subject to the following considerations: **1)** Whereas this contract is hereby executed in accordance with the provisions set forth in the General Contracting Statute of the Public Administration (Laws 80 of 1993 and 1150 of 2007), the Decree 2474 of 2008 and other regulatory and/or ancillary provisions, specially what is provided in Article 82 of the Decree 2474 of 2008 as a ground for direct contracting "*...For the provision of professional and support services to the management, the State entity may direct contract with the individual or legal entity having the capacity to execute the purposes of the contract provided that such person has shown its appropriateness and experience in direct relation with the relevant area of contracting; without the need to previously obtain various offers of which the entity ordering the expense shall provide written declaration...*" **2)** Whereas by means of a communication dated December 22, 2009, the Presidential Advisor to the Administrative Agency of The Presidency of The Republic (DAPRE – in Spanish) (Jorge Mario Eastman

SERVICES CONTRACT No. 043 10 ENTERED INTO BY AND BETWEEN THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC AND THE FRATELLI GROUP INC.

Robledo), requested to the Sub-Director of the aforesaid Governmental Body to enter into a Professional Services Agreement with the FRATELLI GROUP INC; 3) Whereas in light of the provisions of article 3 of the Decree 2474 of 2008, the preliminary studies to support this contracting were drafted and signed by the Presidential Advisor to the Administrative Agency of The Presidency of The Republic (Jorge Mario Eastman Robledo) and the Advisor of the Administrative and Finance Area – Contracts. 4) Whereas, the relevant files show the legal and financial concept regarding feasibility for the execution of this contract and the statement of who requires the service on the subject of the qualifications and experience of FRATELLI GROUP INC. 5) Whereas in light of article 77 of Decree 2474 of 2008, the Administrative Agency of the Presidency of the Republic, by means of Resolution No. 111 of January 12, 2010 justified the direct contracting with FRATELLI GROUP INC., to execute this contract. In the light of the aforementioned, we hereby agree the following clauses: **FIRST – PURPOSE: THE CONTRACTOR** by means of this contract binds itself with its own means with full technical and administrative autonomy to provide the services to develop and support the execution of the public relations and communications strategy pursued by the National Government in the United States of America. **SECOND – VALUE AND METHOD OF PAYMENT:** The value of this agreement is **THREE HUNDRED THOUSAND DOLLARS OF THE UNITED STATES OF AMERICA (US$300,000.00),** which is to be paid by **THE ENTITY** to **THE CONTRACTOR** in equal installments, each one for the amount of **TWENTY FIVE THOUSAND DOLLARS OF THE UNITED STATES OF AMERICA (US$25,000.00),** based on the services effectively rendered and upon compliance of the following requirements: a) Approval by the Entity of the first demand bank guarantee that the Contractor is obliged to provide; b) Presentation by **CONTRACTOR** of a management report and activities developed under this contract; c) Presentation of the Certification issued by the contractor supervisor in regard to the effective provision of services; d)

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Presentation by contractor of the relevant invoice or account receivable; e) Presentation by the Contractor of the payment receipt of the publication fees of this contract in the Sole Daily Newspaper of Public Contracting *(Diario Único de Contratación Pública)*; and f) arrangement of the relevant account. **FIRST PARAGRAPH:** Notwithstanding the method of payment, it shall be subject to the situation of the resources by the Ministry of Finance and Public Credit. **THIRD – BUDGET AVAILABILITY**: The payments are subject to the budget appropriations ordered with charge against the certificate of budget availability N° 66 issued on January 5, 2010 by the Advisor of the Administrative and Finance Area – Budget of the Administrative Department of the Presidency of the Republic; **FOURTH – DURATION:** . The Period of performance of this contract shall be twelve (12) months and shall begin once approval is given by the Entity to the guarantee the contractor is obliged to grant. **FIFTH – ASSIGNMENT OF THE CONTRACT: THE CONTRACTOR** cannot assign totally or partially this contract without the prior express and written authorization of **THE ENTITY. SIXTH - CONTRACTOR'S OBLIGATIONS: THE CONTRACTOR** binds itself to: 1) Advise **THE ENTITY** in the management and implementation of a public relations and communications strategy for the year 2010, based on the current political perspective. 2. Develop the aforementioned strategy based on the implementation of tactics, allowing: a) Update the information packet for distribution to key audiences. b) Development of key messages. c) HTML and E-mail campaigns directed to key audiences. d) Approaching media; e) Execution of news conferences. f) Maintaining relations with partners. g) Conducting special events. **3)** The contractor shall submit a monthly report that shall have the approval of the supervisor of the contract. 4) To keep professional confidence regarding the information provided for the execution of this contract. 5) Not to consent to unlawful petitions or threats made with the purpose of forcing it to make or omit any act or fact, by informing immediately **THE ENTITY** and the any other corresponding authorities at the time said petitions or threats arise. 6) To fulfill the rest of its obligations

arising out of the nature of this contract and those other obligations that the officer appointed by **THE ENTITY** to supervise the execution of this contract may determine to comply with the purpose of the contract. **SEVENTH – OBLIGATIONS OF THE ENTITY:** It binds itself to: 1) Pay **THE CONTRACTOR** the compensation agreed in the form herein established. 2) Provide **THE CONTRACTOR** with the necessary collaboration to comply with the purpose of this contract. 3) Execute the obligations arising out of the nature of this contract. **EIGHTH– GUARANTEE:** To guarantee the seriousness of the offers, full and timely fulfillment of the obligations stipulated herein, the payment of fines, penalties and other sanctions that might be imposed; **THE CONTRACTOR** shall grant a first demand bank guarantee by a national or foreign financial institution. In order for said guarantee to be accepted by **THE ENTITY, THE CONTRACTOR** shall prove the issuance of the guarantee by delivering the original private document containing said guarantee, duly signed by the legal representative of the financial or banking institution or its attorney-in-fact, and in said document it shall be stated: (i) the name of **DEPARTAMENTO ADMINISTRATIVO DE LA PRESIDENCIA DE LA REPÚBLICA** (THE NATION AND/OR THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC) (NIT. 899999083-0) as public entity beneficiary of the guarantee. (ii) That said guarantee is aimed to cover the risks that may arise out of the breach of the obligations stipulated herein by **THE CONTRACTOR** for the seriousness of the offers and obligations arising out of this contract and of its liquidation, the payment of fines, penalties and other sanctions that, might be imposed; (iii) That it is issued for the same terms than the term of execution of the contract plus four (4) additional months; (iv) The clear, express and complete statement that the banking institution issuing the first demand bank guarantee acting in the name and on behalf of **THE CONTRACTOR**, binds itself in a final and irrevocable form, autonomously, independently and unconditionally with the **DEPARTAMENTO ADMINISTRATIVO**

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DE LA PRESIDENCIA DE LA REPÚBLICA (THE NATION AND/OR THE ADMINISTRATIVE DEPARTMENT OF THE PRESIDENCY OF THE REPUBLIC) (NIT. 899999083-0), as beneficiary, to pay on first demand, up to a maximum guaranteed amount equal to the forty percent (40%) of the total value of the contract, or the lower amount of money and equivalent to the value of the damages suffered by **THE ENTITY** as a consequence of the failure to comply with the obligations by **THE CONTRACTOR**, upon presentation of the FINAL administrative act so deciding. The issuer banking entity shall be obliged to effect payment within the three (3) working days after the presentation of the final administrative act above-mentioned in which it is stated the failure to comply or breach of obligations of the contract by **THE CONTRACTOR** and it is ordered the execution of the guarantee. **FIRST PARAGRAPH: THE CONTRACTOR** shall deliver the respective guarantee to the Administrative and Financial Area – Contracts of **THE ENTITY,** within the fifteen (15) working days following the execution of this contract. **SECOND PARAGRAPH: THE CONTRACTOR** shall reinstate the value of the guarantee when it is reduced due to the claims placed by **THE ENTITY**. Likewise, at any time in which the value of the contract is increased or reduced or its term is extended, the contractor shall increase the value of the guarantee or extend its term, as applicable. **THIRD PARAGRAPH**: Once the execution of the contract commences, if **THE CONTRACTOR** fails to obtain the increase of the amount of the guarantee, or its renewal, or the obligation to reinstate the guarantee's value or of granting a new guarantee covering the fulfillment of the obligations arising from the execution, performance and termination of the contract, the entity may declare the expiration of the contract. **NINTH: SUPERVISION:** The coordination, supervision and control of the performance of this contract shall be exercised by the person designated by the Deputy Director of **THE ENTITY**, who shall take care of the interests of DAPRE and shall also have other powers that due to the nature and importance of the contract are proper of his position as well as

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those that are established in the Contracting Manual adopted by means of Resolution 2457 of December 31, 2008. **TENTH: CONFIDENTIALITY: THE CONTRACTOR** agrees not to disclose, use or exploit the information it may obtain during the execution of this contract and to maintain said information under professional secrecy; it may only use said information for the performance of said contract. **THE CONTRACTOR** also agrees not to disclose this information to third parties at any time without the prior written consent of **THE ENTITY. ELEVENTH. FINES:** In case of delay or partial failure to comply with the obligations herein acquired by **THE CONTRACTOR**, **THE ENTITY** shall charge daily and consecutive fines equivalent to the one per thousand of the total value of this contract, per each working day of delay or non-compliance, if at the discretion of **THE ENTITY**, damages for the administration are derived thereof, provided that the total amount of the fine shall not exceed ten percent (10%) of the total value of this contract, amount which shall be attributed to the indemnity amount for damages suffered by **THE ENTITY** due to non-compliance. **PARAGRAPH: PROCEDURE FOR IMPOSITION OF FINES:** The following shall be the procedure for the imposition of fines set forth in the clause above: In case of non-compliance of the obligations by **THE CONTRACTOR**, the supervisor or auditor shall be obliged to request in written to **THE CONTRACTOR** the compliance and fulfillment of its obligations in the terms and conditions agreed in the contract and to inform to the Administrative and Financial Area – Contracts, or whoever is acting in its stead, when such request have not been properly or opportunely satisfied, in which case, said Area/division will call **THE CONTRACTOR** to a defense hearing in order to determine the merits for the application of the relevant measures and respect the rights of **THE CONTRACTOR** to a hearing and to exercise its right to defense, all in accordance with the laws. The procedure of defense hearings or of the written requirements before mentioned shall apply prior to the imposition of any fines, the declaration of non-compliance to execute the liquidated damages clause and the declaration of termination of

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the contract. **TWELFTH: MONETARY PENALTY:** In case of non-compliance of the obligations acquired or termination of this contract, **THE CONTRACTOR** shall pay **THE ENTITY**, as a penalty, an amount equivalent to ten percent (10%) of the total value of this contract, amount which shall be considered as an advance and partial payment for damages that may affect **THE ENTITY** due to the non-compliance. **THIRTEENTH – COLLECTION OF FINES AND PENALTY:** The value of the fines and penalties shall be deducted from the balance in favor of **THE CONTRACTOR**, if any, or from the guarantee provided, and if the latter were not be possible, it shall be collected before the Contentious-Administrative jurisdiction. **FOURTEENTH – EXCLUSION OF THE LABOR RELATIONSHIP AND JOINT AND SEVERAL LIABILITY: THE ENTITY** is not jointly and severally liable with **THE CONTRACTOR;** therefore, the personnel that **THE CONTRACTOR** requires for the execution of this contract shall be considered solely employees of **THE CONTRACTOR** and shall not have any labor relationship with **THE ENTITY. FIFTEENTH – SPECIAL REGULATIONS:** Besides the possibility to terminate this contract by mutual consent of the contracting parties or by **THE ENTITY** in the case it is proved that **THE CONTRACTOR** is engaged in any of the practices that would require his recusal or disqualification, such as: in disciplinary proceedings, the destitution; in criminal proceedings, when there is an accessory punishment of interdiction of rights and public functions; in tax matters, when it is included in the bulletin of tax responsible. By means of express pact, it is herein included as grounds of termination, interpretation and unilateral amendment and expiration by **THE ENTITY** contained in articles 14 to 18 of the Law 80 of 1993, as well as the submission to local laws. Likewise, concerning liquidation, amendment, assignment and liability of **THE CONTRACTOR**, this contract is governed by the Law 80 of 1993 and the Law 1150 of 2007, and in the matters not covered by said laws, by the provisions of the Colombian civil laws and it is subject to the jurisdiction of the Contentious-Administrative. **SIXTEENTH –**

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CONFLICTS OF INTEREST AND DISABLEMENT: THE CONTRACTOR hereby declares under oath that it does not fall in any of the clauses of ineligibility or incompatibility stated when signing this contract. **PARAGRAPH: THE CONTRACTOR** hereby declares under oath that it is not listed in the Bulletin of liable persons issued by the General Comptroller's Office of the Republic pursuant to the provisions stated in Law 610 of 2000. **SEVENTEENTH – INDEMNITY:** In accordance with the provisions of article 6 of the Decree 4828 dated December 24, 2008 and article 1° of Decree 931 dated March 18, 2009, **THE CONTRACTOR** agrees to hold harmless **THE ENTITY** of any third party claims arising out of the performance of **THE CONTRACTOR** or its subcontractors o agents. **EIGHTEENTH – AMENDMENTS, ADDITIONS AND EXTENSIONS:** the parties agree that any amendment, inclusion or extension to this contract and/or any document that is part of the same, shall only be made by written agreement between the parties. **NINETEENTH – DOMICILE:** As for all legal purposes, the contractual domicile shall be the city of Bogotá D.C. **TWENTIETH - PLACE OF EXECUTION:** As for legal purposes regarding the performance of this contract, the contractual domicile shall be the city of Washington (District of Columbia), United States of America, and its performance shall be fully carried out within the territory of the United States of America. **TWENTY-FIRST – CONTRACTUAL DOCUMENTS:** The following documents shall be considered as part of this contract: 1. Certificate of Budget Availability. 2. Proposal presented by **THE CONTRACTOR**. 3. Any other document needed for the proper performance of the purposes of the contract. **PARAGRAPH:** In case of differences or inconsistencies between the documents of this contract and the provisions of this contract, the stipulations of this contract shall prevail. **TWENTY-SECOND: PERFECTION OF THE CONTRACT:** This contract shall become fully binding upon its signature by the parties thereof and the budgetary registration by **THE ENTITY** and legalized with the payment of publications fees in the Sole Daily Newspaper of Public Contracting *(Diario*

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Único de Contratación Pública.) This requirement shall be fulfilled with the payment of the corresponding fees, that is to say the amount of ($2,671,800.00). **TWENTY-THIRD: PERFORMANCE: THE CONTRACTOR** may commence the performance of this contract only once **THE ENTITY** has approved the guarantee referred in clause eight above. **TWENTY-FOURTH - LIQUIDATION:** Once the performance of this contract has been completed, the contracting parties shall proceed to effect its liquidation within the following four (4) months after its termination, notwithstanding the provisions of article 11 of the Law 1150 of 2007. As for the records, this contract is hereby executed in the city of Bogotá.

BY THE ENTITY,
LILIAN DEL PILAR VELEZ PINZON
Deputy Director

BY THE CONTRACTOR,
FRANCIS O'BRIEN
The Fratelli Group Inc.

Approval LEONOR BARRETO DIAZ
Advisor to the Administrative and Financial Area – Contracts

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