

CONTRACT

Know All Men By These Presents:

This Contract and Agreement made and entered into this ___ day of April, 2014, at San Narciso, Zambales, by and between:

PHILIPPINE MERCHANT MARINE ACADEMY, represented herein by its Superintendent, **RADM RICHARD U RITUAL** with office address at San Narciso, Zambales hereinafter referred to as the "FIRST PARTY";

- and -

VIKING LIFE- SAVING SYSTEM PHILIPPINES LTD. CO., company duly registered with the Securities and Exchange Commission (SEC) represented by its General Manager, Delfin Supapo, with office address at Suite 1005,, 20th Drive Corporate Center, 20th Drive Bonifacio, Global City, Taguig City, Metro Manila Philippines and hereinafter referred to as "Second Party"

WITNESSETH:

WHEREAS, FIRST PARTY is operating a maritime training center at its site in San Narciso, Zambales, Philippines;

WHEREAS, FIRST PARTY has a requirement for a Totally Enclosed Lifeboat with Gravity Luffing Arm Davit, to provide Proficiency in Personal Survival Technique training to its students.

WHEREAS, the SECOND PARTY has signified its desire to provide FIRST PARTY One (1) Unit Totally Enclosed Lifeboat with Gravity Luffing Arm Davit, in accordance with specifications required by FIRST PARTY (see Annex A);

WHEREAS, the parties agreed to enter into a sales contract for the supply, delivery, installation, commissioning and follow-on service support and training of FIRST PARTY'S personnel for the handling of the lifeboat and its associated davit system;

NOW THEREFORE, for in consideration of the foregoing premises and mutual covenants, hereafter set forth, the parties agreed as follows:

SECTION1 – RESPONSIBILITY OF THE SECOND PARTY

- 1.1 Supply, Delivery, installation and commissioning of One (1) Unit Class Approved Totally Enclosed Lifeboat with Gravity Luffing Arm Davit (25 person maximum capacity), Construction of Davit base/ Platform, Engineering Design, Drawing, Installation Plan at FIRST PARTY'S training site located in San Narciso, Zambales;
- 1.2 Provide Installation Plans, Manufacturer's product certificates, Training Certificates for Maintenance and Technical Personnel (at least 24) for Operation of lifeboat equipment.

SECTION 2 – RESPONSIBILITIES OF THE FIRST PARTY

2.1 Provide free access to FIRST PARTY'S technical personnel to conduct pre-inspection of the site where Lifeboat and Davit systems will be installed for the conduct of inspection and / or technical evaluation of the site selected.

2.2 Ensure the availability of adequate and appropriate power sources for the operation of the Lifeboat and Davit.

2.3 Provide administrative and other logistic support to FIRST PARTY personnel during the installation and testing of the Lifeboat and Davit system subject to mutually acceptable terms.

2.4 Provide working space for FIRST PARTY'S technical personnel during installation and commissioning of Lifeboat and Davit Systems.

SECTION 3 – CONTRACT PRICE and TERMS OF PAYMENT

3.1 Contract Price Php 4,425,000.00

3.2 Terms of Payment – all payments shall be made payable to Viking Life Saving Systems Philippines Ltd. Co. Payment shall be made upon delivery of the equipment, completion of the installation and commissioning.

SECTION 4 – DELIVERY PERIOD

Delivery and installation shall be 45 days .

SECTION 5 – LIQUIDATED DAMAGES

The parties hereby agree that the damages which FIRST PARTY will sustain as a result of SECOND PARTY'S failure to meet key Contract Milestones are difficult or impossible to determine with certainty and, therefore, have in good faith estimated as fair compensation (and not as penalty) the liquidated damages if SECOND PARTY fails to complete the Work or portion thereof within the time frames, the liquidated damages (in Pesos) per day of delay is 1/10 of 1% of the Contract Sum.

Where both interim and final completion time limits specified are not met, liquidated damages shall be cumulative and shall be deducted in total. The total amount of liquidated damages payable by SECOND PARTY shall not exceed twenty percent (20%) of the Contract Sum.

FIRST PARTY may, at its option, demand payment of the sum of liquidated damages or deduct the sum of such liquidated damages from any monies due or that may become due to SECOND PARTY and if such monies are insufficient, SECOND PARTY shall forthwith pay the deficient amount.

SECTION 6 – WARRANTY/ FOLLOW -ON SERVICES

FIRST PARTY shall issue an unconditional warranty for the Lifeboat and Davit systems and associated equipment for a period of one (1) year reckoned from the date of official acceptance.

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
 PROVINCE OF ZAMBALES)
 MUNICIPALITIES OF SAN NARCISO)

BEFORE ME , a notary public, for and in the province of Zambales, Philippines, personally appeared

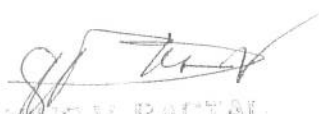
NAME	CTC	DATE/PLACE ISSUED
RADM RICHARD U RITUAL	16781099	Jan.13 ,2014,SNZ
MR DELFIN SUPAPO	_____	_____

Known to me and to me known to be the same persons who executed the foregoing Contract and Agreement and they acknowledged to me that the same is their true and voluntary act and deed and in behalf of the agencies they represent for the uses and purposes herein stated .

I , further, certify that the foregoing instrument consist of four (4) pages including this page on which the acknowledgement is written, duly signed by the parties and their instrumental witnesses at the bottom page 3 of the instrument and on the left hand margins of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal at San Narciso,Zambales,, this 19 day of MAY 2014.

Doc. No. 57 :
 Page No. 34 :
 Boo No. 01 :
 Series of 2014


SATURINO V. BACTAI
 NOTARY PUBLIC
 UNTIL DECEMBER 31, 2015
 PTR N. 26-25517/100-14
 SAN NARCISO, ZAMBALES
 IBF No. 903666/1-3-2014/ ZAMBALES
 PDL NO. 22275
 TIN NO. 117-230-253
 MCLE IV-0005961/ MAY 28, 2012

Republic of the Philippines
PHILIPPINE MERCHANT MARINE ACADEMY
San Narciso, Zambales

LETTER OF AWARD

April 25, 2014

MR DELFIN SUPAPO

General Manager

VIKING LIFE-SAVING SYSTEM PHILIPPINES LTD.CO.

Suite 1005, 20th Drive Corporate Center, 20th Drive ,

Bonifacio Global City, Taguig City, Metro Manila

Dear Sir,

We would like to notify you that the procurement of TOTALLY ENCLOSED LIFEBOAT is hereby awarded to you as the Single Calculated Responsive Bidder at a Contract Price equivalent to FOUR MILLION FOUR HUNDRED TWENTY FIVE THOUSAND PESOS **(Php 4,425,000.00)**.

You are therefore required, within ten (10) days from the receipt of this Letter of Award, to formally enter into contract with us, and to submit the Performance Security in the form and the amount stipulated in the instruction to bidders. Failure to enter into the said contract or provide the Performance Security shall constitute a sufficient ground for cancellation of this award and forfeiture of your Bid Security.

Very truly yours,


- **RADM RICHARD U RITUAL PMMA**
Superintendent

CONFORME:


MR. DELFIN SUPAPO

Date: *14 May 2014*

Republic of the Philippines
PHILIPPINE MERCHANT MARINE ACADEMY
San Narciso, Zambales

NOTICE TO PROCEED

MR. DELFIN SUPAPO
GENERAL MANAGER
VIKING LIFE – SAVING SYSTEM PHILIPPINES LTD. CO.
Suite 1005, 20th Drive Corporate Center, 20th Drive,
Bonifacio Global City, Taguig City, Metro Manila

Dear Sir,

The attached Contract Agreement having been approved, notice is hereby given to MR DELFIN SUPAPO of VIKING LIFE-SAVING SYSTEM PHILIPPINES LTD. CO. that work may proceed on the supply, delivery, installation and commissioning of One Unit Class Approved Totally Enclosed Lifeboat with Davit effective on _____ 2014 after receipt of this notice.

You are responsible to perform the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the Phil. Merchant Marine Academy.

Very truly yours,


RADM RICHARD U RITUAL PMMA
Superintendent

I acknowledge receipt of this Notice on _____ (date receipt)

Name of Bidder: Mr. Delfin Supapo

Signature: 