

## **PURCHASE CONTRACT**

**PC. 23. AGR. 23243**

**BETWEEN**

**PT PAL INDONESIA  
(AS THE COMPANY)**

**AND**

**PT TRAKINDO UTAMA SINGAPORE BRANCH  
(AS THE VENDOR)**

**HULL NUMBER : W000304**

## PURCHASE CONTRACT

This Purchase Contract ("**Agreement**") made and entered into this 27<sup>th</sup> days of February, 2023 by and between PT PAL Indonesia, an Indonesian company having its principal place of business at Ujung-Surabaya Indonesia (the "**Company**") and PT. Trakindo Utama Singapore Branch, having its principal place of business at 6 Tuas Avenue 2, Singapore 639446 (the "**Vendor**").

The Company and The Vendor jointly herein after shall be referred to as the "**Parties**" and individually referred to as a "**Party**".

## WITNESSETH:

**WHEREAS**, the Company agree to sign the Purchase Contract with the Vendor according to the Contract for Build 2 (Two) Frigate (Ref No. TRAK/54/PLN/IV/2020/AL dated the Thirty day of April Two thousand and Twenty (April 30<sup>th</sup>, 2020) (together with it's amendment, supplements, waivers and modifications thereto shall be referred to as the **Contract**).

**WHEREAS**, the Vendor has agreed to supply the Goods under this Agreement to the Company in accordance with the terms and conditions as stipulated herein, with transaction method as stipulated under the Contract and its amendment if any.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

**Article 1. Sale of Goods**

The Company shall purchase only from the Vendor **Main Diesel Generators & Emergency Diesel Generator** (the "**Goods**") supplied by the Vendor subject to the terms and conditions herein provided. The purchase of such Goods shall be conducted by the following:

- a) The Company shall be the consignee of the Goods purchased from the Vendor;
- b) Any claims for defect of the Goods, shortage of the quantities, warranty, delay in delivery, non-delivery, and any other claims in relation to the purchased of Goods ("**Claims**") shall be made directly by the Company to the Vendor. The Company shall be responsible for late delivery caused by late payment by the Company to the Vendor;
- c) The Company shall obtain advance payment guarantee, performance bond, warranty bond and any kind of documents relevant to this Agreement directly from the Vendor;
- d) The Company shall request Vendor for testing and commissioning for the purchase of Goods as detailed in Exhibit IV; and
- e) The Company shall make payment directly to the Vendor in a timely manner in accordance with the terms of this Agreement for the purchase of the Goods.

**Article 2. Item, Quantity, Unit Price, Specification and Quality**
**2.1. Item, Quantity and Unit Price**

Hull No.	No.	Item	Quantity/ Ship set	Total Price (USD)
KBRS (W000304)	1.	<b>a. Main Diesel Generators</b> - Maker : CATERPILLAR - Quantity : 4 (Four) Sets / Ship - Model : 3512C DITA – 1360 ekW (1700 kVA) at 1800 rpm	4 Units	4,059,725.00
		<b>b. Emergency Diesel Generator</b> - Maker : CATERPILLAR - Quantity : 1 Set / Ship - Type : C9.3 DITA-RAD ; 224EKW / 280KVA @ 1800RPM	1 Unit	158,577.00
		<b>c. Others</b> - Factory Acceptance Test (FAT) & Pre Shipment Inspection (PSI) for Main Diesel Generators - Spare Parts & Tools Detailed specification, scope of supply, etc see ANNEX TO ORDER	Ship Set	Include
<b>TOTAL PRICE</b>				<b>USD. 4,218,302.00</b>
<i>(Say in USD : Four million Two hundred Eighteen thousand Three hundred and Two)</i>				

**2.2. Specification and Quality**

The specification and quality of the Goods are prescribed and specified in **Exhibit I**.

**Article 3. Total Contract Price**

The total unit price of the Goods (as "Total Price") is **USD 4,218,302.00** (*Say in USD : Four million Two hundred Eighteen thousand Three hundred and Two*) / Ship Set which is based on **CIF Surabaya Port (Incoterms 2020)**. The Total Price shall include DRAWINGS, FAT, PRE-SHIPMENT INSPECTION, COMMISSIONING, CREW TRAINING, BASE MAINTENANCE TRAINING, SPARE PARTS AND ILS as stipulated in Exhibit IV of this Agreement.

**Article 4. Payment**


4.1 Except as otherwise agreed by the Parties hereto, all the payment for the Goods shall be made in United States Dollars.

4.2 The Company shall pay the Vendor the amount equivalent to Fifteen per cent (15%) of the Total Price as advance payment ("**Advance Payment**") by telegraphic transfer. Payment shall be received in the Vendor's bank account within Thirty (30) working days after the Company's receipt of Advance Payment Bond. The Vendor shall provide the Advance Payment Bond and the Performance Bond according to Article 20.1 and Article 20.2 hereof. Advance payment is non-refundable.

4.3 The Company shall pay the Vendor the amount equivalent to Eighty percent (80%) of the Total Price of each Goods by a workable and irrevocable sight Letter of Credit and which shall be opened by the Company at least Two (2) Months before the first shipment of the Goods. The Vendor shall furnish the following documents to the Negotiating Bank, as specified under Article 4.7 of this Agreement, in which showing the Consignee shall be as detailed in Exhibit V :

- 4.3.1 Bill of lading (1 Original and 3 Copies)
- 4.3.2 Certificate of Origin (3 Originals and 3 Copies)
- 4.3.3 Commercial Invoice (3 Originals and 3 Copies)
- 4.3.4 Packing List (3 Originals and 3 Copies)
- 4.3.5 Insurance Certificate (1 Original and 3 Copies)

4.4 The Company shall pay the Vendor the amount equivalent to Five percent (5%) of the Total Price by



telegraphic transfer within Five (5) working days after upon the Company receiving the document of the payment from the Vendor, as follows:

- 4.4.1. Original LR Class Certificate,
- 4.4.2. Original Engine Type Approval Certificate
- 4.4.3. Warranty Bonds as amount 5% which issued by the International Bank
- 4.4.4. Certificate of commissioning, Testing and Training (HPP)

4.5 In case there is a penalty charged to the Vendor, the amount of the penalty directly deducted from the Vendor's payment as refer in this article.

#### 4.6 Bank References

**The Company's Bank** : **PT. BANK MANDIRI (PERSERO) TBK**  
 Address : Trade Service Surabaya  
 Gedung Menara Mandiri 6th floor  
 Jl. Basuki Rahmat no 2-4 Surabaya  
 SWIFT CODE : BMRIIDJAXXX

**The Vendor's Bank** : **DBS BANK LTD**  
 Address : 12 Marina Boulevard, Marina Bay Financial Centre Tower 3,  
 Singapore 018982  
 No. Account : 0003-007962-01-1  
 IBAN : N/A  
 SWIFT CODE : DBSSSGSG

### Article 5. Delivery of the Goods

- 5.1. The Goods shall be delivered by the Vendor by **March 15<sup>th</sup>, 2024** at Surabaya Sea Port, CIF Surabaya Sea Port (Incoterms 2020).
- 5.2. The Vendor shall submit the document of certificates: Certificate of Origin, Certificate of Manufacture, LR Certificate or Relevant Certificate, Detail Packing List, Final Drawing, Test Report and Statement Letter of Warranty Spare parts and Tools 20 Years directly to the Company maximum 7 days after the goods arrived at Surabaya seaport.
- 5.3. As informed and requested by the Company, as the consignee shall be as detailed in Exhibit V in this Agreement.
- 5.4. The Vendor agrees to make delivery of the Goods as mentioned in Exhibit II in this Agreement. The Vendor shall inform the Company in writing of the expected shipment date Twenty (20) days prior to shipment of the Goods.
- 5.5. The Vendor should provide free time demurrage of 21 (twenty-one) days.
- 5.6 Other: Port of Loading Any Singapore Seaport, Port of Destination: Surabaya Sea Port, CIF Surabaya Sea Port
- 5.7 Partial shipment is allowed maximum 2 shipments, in which case such arrangements shall be informed in writing by the Vendor to the Company at least 7 (seven) calendar days before the shipment of the Goods.
- 5.8 Trans-shipment is not allowed.
- 5.9 The Parties shall sign a handover certificate as evidence on the full delivery and receipt of the Goods ("**Handover Certificate**").

### Article 6. Late Delivery

- 6.1. In the event that the Vendor delays shipment of the Goods in accordance with the shipment schedule as stipulated in the Article 5 hereof, the Company shall claim for the late delivery to the Vendor directly and the Vendor shall exempt from any liability for the late delivery except for late delivery caused by late payment and / or Open L/C by Company to the Vendor.
- 6.2. The Company has the right to claim liquidated damages for late delivery of the Goods, equivalent to Zero



- Point One percent (0.1%) of each Contract Price of delayed goods per week of delay (to be calculated proportional per day), liquidated damages for delay shall be limited to a maximum of Five percent (5%) of the Contract Price of delayed goods.

**Article 7. Packing and Marking**

The Goods shall be packed and marked in the manner customary for exporting. Shipping Mark, Tags/Identification and Packing shall be as mentioned in Exhibit III.

**Article 8. Insurance and Risk of Loss**

- 8.1. The Vendor shall obtain and pay for insurance as per INCOTERMS 2020 until CIF Surabaya delivery.
- 8.2. Risk of loss and damage to the Goods shall pass to the Company upon delivery CIF Surabaya Seaport in accordance to INCOTERMS 2020

**Article 9. Warranty**

- 9.1 The Vendor shall provide warranty to the Company for the Goods for Twelve (12) months after the handover of the Vessel to the Ministry of Defense of the Republic of Indonesia (Kementerian Pertahanan Republic Indonesia), as the owner, and signing of the Handover Certificate. The hand over date of the vessel is maximum March 2026 for Frigate 1.
- 9.2 The Vendor warrants that at the time of the delivery of the Goods supplied under this Agreement will be brand new and free of any defects in materials and workmanship and conform to the requirements of this Agreement.

**Article 10. Claim**

- 10.1. Notwithstanding anything contained herein to the contrary, the Parties acknowledge and confirm that the Goods to be supplied hereunder is warranted by the Vendor from any defect in Goods and workmanship or any quality issues and its customer for any defects of the Goods, including, without limitation, warranty, after-sales service, non-conformity, product liability, poor quality, non-delivery, delay in delivery, shortage, infringement of intellectual property right, product liability, license, patent, non-acceptance, delay in acceptance, and others arising from or in connection with the Goods under this Agreement, etc
- 10.2. Notwithstanding anything contained herein to the contrary, the Vendor releases the Company from all Claims from other Parties, or from and against any and all losses, damages, costs, expenses, liabilities and legal proceedings caused by the Vendor.
- 10.3 The Company / Vendor shall irrevocably exempt and release the Vendor / Company from all the Claims, and jointly and severally defend at their expenses and indemnify and hold the Vendor / Company harmless from and against any and all losses, damages, costs, expenses, liabilities and proceedings incurred by the Company / Vendor in relation to the Claims (except for late delivery caused by late payment by the Vendor / Company to the Company / Vendor).

**Article 11. Force Majeure**

- 11.1 Except for the payments due for the Goods delivered by Vendor, any party ("**Affected Party**") hereto shall not be responsible to the other party ("**Non- Affected Party**") for non-performance (either in whole or in part) or delay in performance of the terms and conditions of this Agreement, due to war, war-like operations, terror; act of God; riot; strikes, sabotage or other labor disturbances in the manufacturing plant; lockout of the manufacturing plant; epidemics, floods, earthquakes, typhoon; embargoes, laws and regulations of the Company's country or Singapore Government; In case of any such event the terms of this Agreement relating to time and performance shall be suspended during the continuance of the event.
- 11.2 Within five (5) days from the date of commencement of the event, the Affected Party shall advise the Non-Affected Party by fax or email of the date when such delay in performance commenced, and the reasons thereof as enumerated in this Agreement; likewise, within five (5) days after the delay ends, the Affected Party shall advise Non-Affected Party by fax or email of the date when such delay ended, and shall also specify the re-determined time by which the performance of the obligations hereunder

**Article 12. Breach, Indemnity**

- 12.1 In the event that either party breaches any obligation under this Agreement or toward a third party, delays or interferes with the other party in the performance of this Agreement, it shall be liable to the other party for any reasonable direct damages sustained by the other party, but neither party shall be liable, no matter to any other agreement made in this contract or any applicable law, to the other party for any consequential damage or indirect damage, such as loss of profit. In the event a third party commences any proceeding for which a party hereto intends to claim indemnity, such party shall promptly notify the other party and allow suitable participation in all stages of the proceeding and settlement thereof. Failure to promptly notify or allow equitable participation by the other party shall reduce the right of indemnity by the extent of actual resultant prejudice.
- 12.2 It is specifically understood and agreed by the parties hereto that the Company shall be solely responsible for observance of any restriction against importation of the Goods, including antidumping order, imposed by any federal or local authority in Indonesia and shall defend and save harmless the Vendor from any liabilities and obligations under the restriction or any claims arising out of the infringement of the restriction.
- 12.3 It is specifically understood and agreed by the Parties hereto that the Vendor's sole liability is limited to this Agreement and by supplying the Goods under this Agreement, the Vendor shall not become or be considered to become a party of any other Contracts and/or its amendment between the Company, and the Owner, nor any project that is executed by the Company with any third party, and there are no obligations under such agreement/contract or project that are applicable to the Vendor. Any breach or non-performance under such agreement/contract or project shall fully be the responsibility of the Company. The Company hereby release and indemnify the Vendor from any claims and/or suits brought by a third party in relation to such agreement/contract or projects (including any legal costs or fees that may occur due to such claims and/or suits).

**Article 13. Taxes/Duties, Contingent Charges**

Any duties, tariffs for import and export or other taxes or charges which are now assessed or imposed or which may hereafter be assessed or imposed by Indonesian Government in connection with the Goods and/or transactions thereof shall be borne and paid by the Company.

**Article 14. Infringement**

The Vendor shall be liable for and shall indemnify and hold the Company harmless from and against all losses and damages incurred and suits and claims brought by third party due to possible infringement of trademark, patent, copyright or other proprietary rights of the third party in connection with the Vendor and sale of the Goods according to the Specification attached hereto as Exhibit I. The Vendor shall be liable for and shall indemnify and hold the the Company harmless from and against any liabilities, claims and damages arising out of death of or injury to any person or damage to any property alleged to have resulted from a defect in or malfunction of the Goods.

**Article 15. Termination**

- 15.1 This Agreement may be terminated upon occurrence of any of the following events:
- i) Agreement in writing of the parties hereto;
  - ii) By the non-defaulting party, upon default by any of the other party in the performance of any of its obligations under this Agreement, if not remedied within thirty (30) days after receipt of written notice from the non-defaulting party;
  - iii) By the other party, upon either party's (a) making an assignment for the benefit of creditors, being adjudged bankrupt, or becoming insolvent; (b) having a reasonable petition filed seeking its dissolution or liquidation not stayed or dismissed within sixty (60) days; or (c) ceasing to do business for any reason;
  - iv) By either party, if a force majeure condition under Article 11 hereof makes it unreasonable to proceed with this Agreement within 6 months after receipt of written notice to the other parties.
- 15.2 Upon termination of this Agreement, neither party shall be discharged from any antecedent obligations or liabilities to the other parties under this Agreement that may have accrued up to the termination date,



unless otherwise agreed in writing by the parties hereto.

- 15.3 Nothing in this Agreement shall prevent either party from enforcing such remedies as may be available in lieu of termination.
- 15.4 The Vendor has the full right take any legal action deemed necessary, including but not limited to the termination of this Agreement as well as collection of the outstanding payment and any amount of penalty which has accrued up to the date of the termination with seven (7) days calendar prior notification.

**Article 16. Governing Law and Arbitration**

- 16.1 This Agreement shall be governed by and construed in accordance with the laws of the Republic of Indonesia. However, the trade terms shall be construed in accordance with INCOTERMS 2020.
- 16.2 All disputes arising in connection with this Agreement where amicable settlement cannot be reach within 30 (thirty) calendar days following the date of the dispute, then the dispute shall be finally settled by arbitration in Indonesia, in accordance with the Arbitration Rules of the Indonesia (“BANI”). The arbitration award may take the form of an order to pay a sum of money and/or to perform or refrain from an act. The arbitration decision shall be final and binding on the parties concerned, and judgment on the arbitration award may be entered in any court having jurisdiction thereof. The arbitration procedures shall be conducted in Indonesian language.

**Article 17. Assignment**

Neither party shall not assign this Agreement to any other person without a prior written consent of the others.

**Article 18. Non-Waiver**

No claim or right of either party under this Agreement shall be deemed to be waived or renounced in whole or in part unless the waiver or renunciation of such claim or right is acknowledged and confirmed in writing by such party.

**Article 19. Notice**

- 19.1. Unless otherwise agreed in writing by the parties, all notices, demands and other communications required or permitted to be given in this Agreement, shall be written in English and shall be sufficiently given if delivered in person or sent by email, by airmail or by fax, addressed as follows:

the Company	Address : Ujung - Surabaya, Indonesia Telephone : +62 31 3292275 Email : <a href="mailto:ima.vida@pal.co.id">ima.vida@pal.co.id</a> ( Mrs Ima Vida) Fax : +62 31 3292426
the Vendor	Address : 6 Tuas Avenue 2, Singapore 639446 Telephone : 65-63947500 Email : <a href="mailto:whidajat@tusspl.com">whidajat@tusspl.com</a> (Mr. Widjanarko Hidajat) Fax : +65-63947520

- 19.2 Notices sent by letter shall be effective seven (7) business days after sending, and notices by email or fax shall be effective on business day after sending, unless otherwise agreed in writing by the parties.
- 19.3 The Vendor shall be send monthly progress report to the Company periodically.

**Article 20. Bank Guarantee/Bond**

- 20.1. The Vendor shall provide to the Company with Advance Payment Bond as security for the Advance Payment within fourteen (14) working days after the signing date of this Agreement or confirmation of bond draft by the Company whichever is later, issued by first class International Bank, which shall be acceptable by the Company, in an amount equal to fifteen per cent (15%) of the Contract Price, which is equal to the Advance Payment. The validity of Advance Payment Bond continues until thirty (30) days after Goods arrive at Surabaya port.
- 20.2. The Vendor shall provide to the Company with Performance Bond as security for any breach by the Vendor of this Agreement within fourteen (14) working days after the goods received by the Company

and issued by first class International Bank which shall be acceptable by the Company, in an amount equal to five per cent (5%) of the Contract Price. The validity of the Performance Bond continues until Sixty (60) days after Commissioning Acceptance Certificate of the Goods issued by the Company and the Original Class Certificate received by the Company.

- 20.3. The Vendor shall provide to the Company with the Warranty Bond as security for defect correction by the Vendor before the expiry date of the Performance Bond, issued by first class International Bank which shall be acceptable by the Company which shall be acceptable by the Company, in an amount equal to five per cent (5%) of the Contract Price. The validity of a Warranty Bond continues until Twelve (12) months after delivery of the Vessel to the Owner, or maximum of March 2027 whichever occurs first.

### Article 21. Language

In reference to the Law Number 24 of 2009 on National Flag, Language, Symbol and Anthem, upon written request of either Party, both Parties agree to execute and deliver this Agreement in the Indonesian language within 30 days of such written request and such Agreement shall be deemed to be effective as of the date of the English language version of the Agreement and both the English language version and the Indonesian language version of the Agreement will be equally authentic. Both Parties agree that in the event of inconsistency or discrepancy in interpretation between the Indonesian form and the English form, the English form shall prevail.

### Article 22. Miscellaneous

The Company has the right and the authority to suspend business dealings with business partners of the Company if found indications of irregularities and / or fraud resulting in losses / potentially detrimental of the Company, in accordance with the Regulation of the Minister of State-Owned Enterprises No. PER-19/MBU/2012 dated December 27, 2012 Delay Guidelines Business Transactions the Indicated deviation And / Or Fraud.

**IN WITNESS WHEREOF**, this Agreement is drawn up and signed by The Parties on the date stated above in 2 (two) original copies, each of which gets 1 (one) original copy and all of them have the same legal force.

#### THE COMPANY

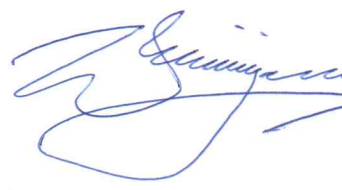

For and on behalf of  
PT. PAL INDONESIA


Name : KAHARUDDIN DJENOD  
Title : President Director

#### THE VENDOR

For and on behalf of  
PT TRAKINDO UTAMA SINGAPORE BRANCH

Name : WIDJANARKO HIDAJAT  
Title : General Manager



Purchase Contract PT. PAL Indonesia – PT. Trakindo Utama Singapore Branch

National Frigate 140M – W000304

**EXHIBIT I :**

**ANNEX TO ORDER (enclosed)**

Please attached the final Annex to order which initial each page



**EXHIBIT II :****SHIPPING LINE PROHIBITED BY THE COMPANY**

In this contract, the Company recommends to use shipping lines as mentioned:

1. OOCL
2. RI (Rolitrans International)

Notify:

Before shipment, the Vendor must re-confirm to the Company for:

- **Used Shipping Line**
- **Total Cargo**
- **Free time demurrage 21 days**
- **Photo of Material before Shipment**



**EXHIBIT III :**

**SHIPPING MARK, TAGS/IDENTIFICATION AND PACKING**

SHIPPING MARK shall be as follows :

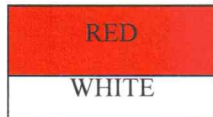
**PT PAL INDONESIA**

PROJECT NAME : NATIONAL FRIGATE 140M #1  
 PROJECT CODE : W000304  
 P.O. No. : PC.22.AGR.23243  
 Description of The Goods : **MAIN DIESEL GENERATORS & EMERGENCY DIESEL GENERATOR**  
 HS Code : .....  
 Kontrak TNI AL dan PT. PAL Indonesia No. TRAK/54/PLN/IV/2020/AL  
 Tanggal 30 April 2020

**MATERIAL TAGS / IDENTIFICATION :**

shall be written in Waterproof Sticker by printing or Hand Written by steel Vendor which ever available.  
 Identification should be mentioned :

**KEMENTERIAN PERTAHANAN REPUBLIK INDONESIA  
 CQ. MARKAS BESAR ANGGKATAN LAUT  
 DINAS PERBEKALAN ANGGKATAN LAUT  
 GUDANG DOPUSBEKTIM UJUNG SURABAYA**



CONTRACT NO. : TRAK/54/PLN/IV/2020/AL Dated, April 30<sup>th</sup>, 2020  
 Port : Pelabuhan Tanjung Perak Surabaya-Indonesia  
 Package No. : .....  
 Weight : ..... kg  
 Size : ..... X ..... X ..... cm

**PACKAGING :**

Materials should be BUNDLED, BOXES, CONTAINER or other available SEAWORTHY PACKAGING

**EXHIBIT IV :**

**DRAWINGS, FAT, PRE-SHIPMENT INSPECTION, COMMISSIONING, TRAINING, SPARE PARTS AND ILS**

**1. Drawings and other technical documents relevant to the Goods**

- a. Preliminary Drawing in softcopy file shall be submitted to the Company before sign contract, 2 Weeks after Order Confirmation.
- b. Approval drawing in softcopy file, shall be delivered to the Company within 2 (Two) weeks after sign contract. Approval will be given by Company within 2 weeks.
- c. Working Drawing 7 pcs / ship, shall be delivered to the Company within 2 weeks after approval drawing by Company.
- d. Final Drawing include LRS Class Certificate and relevant certificates, Operation and Maintenance manual, and shop test record shall be delivered 1 set soft copy in 1 (one) CD or USB and hard copy 8 pcs / Set or 2 Sets soft copy in 2 (Two) CD or USB and hard copy 16 pcs / 2 (Two) Ships Sets.
- e. Preliminary Invitation of Commissioning on board 1 month before and will be confirmed 2 weeks before execution date.
- f. Vendor agrees not to disturb the delivery schedule of **the Goods see article 2 (Item, Quantity, Unit Price, Specification and Quality) W0000304** related to order projects in the Company.

**2. Factory Acceptance Test (FAT), Pre Shipment Inspection (PSI), Start-Up & Commissioning, Crew Training & BMT**

The Vendor, at its own cost, shall assist in coordinating the arrangement for the FAT, PSI, Test and Commissioning for the Company, as follows:

**2.1. Witness of Factory Acceptance Test (FAT) for:**

Main Diesel Generators witnessed by 6 (Six) persons (One person from Shipyard & Five persons from Ship Owner), 7 (Seven) Days (Include Travelling days) in USA.

- All economy flight tickets, hotel, accommodation (standard) and local transportation in USA shall be borne by Vendor.  
If the ticket should be upgraded from economy class to business class the additional cost will be borne by the Company and Vendor will assist it accordingly.
- The invitation for FAT must be submitted by Vendor to the Company not less than 60 days before execution date.
- FAT arrangements are subject to Visa approval by USA Embassy / Government Policy.
- If Visa is not approved, the FAT shall continue as per schedule without delay and without cost deduction.
- If the US Government grant Visas for the personnel's' travel to USA, the US government may allocate a dedicated hotel for all personnel, and their movements may be restricted.
- Approval to visit Caterpillar Factory in USA shall also be subject to final approval by Caterpillar Inc.
- If the Company proceeds with the travel arrangements for the FAT despite of travel restrictions effected by the respective governments, all medical / regulatory restricted movement costs incurred under such travel conditions, shall be borne by the Company, and Vendor will assist with the arrangements accordingly.

**2.2. Pre Shipment Inspection (PSI)**

Pre Shipment Inspection (PSI) for Main Diesel Generators witnessed by 6 (Six) persons (One person from Shipyard & Five persons from Ship Owner), 7 (Seven) Days (Include Travelling) in USA.

- All economy flight tickets, hotel, accommodation (standard) and local transportation in USA shall be borne by Vendor.  
If the ticket should be upgraded from economy class to business class the additional cost will be borne by the Company and Vendor will assist it accordingly.
- The invitation for PSI must be submitted by Vendor to the Company not less than 60 days before execution date.
- PSI arrangements are subject to Visa approval by USA Embassy / Government Policy.

- If Visa is not approved, the PSI shall continue as per schedule without delay and without cost deduction.
- If the US Government grant Visas for the personnel's' travel to USA, the US government may allocate a dedicated hotel for all personnel, and their movements may be restricted.
- Approval to visit Caterpillar Factory in USA shall also be subject to final approval by Caterpillar Inc.
- If the Company proceeds with the travel arrangements for the PSI despite of travel restrictions effected by the respective governments, all medical / regulatory restricted movement costs incurred under such travel conditions, shall be borne by the Company, and Vendor will assist with the arrangements accordingly.

**2.3. Start-up & Commissioning Engineer**

For Main Diesel Generators & Emergency Diesel Generator:

One (1) person, with maximum total of Twenty-Five (25) normal working days, over Five (5) trips, based on Eight (8) work hours/day, for One Ship Set.

- All flight tickets, hotel, accommodation and local transportation shall be borne by Vendor.
- Normal scheduled work hours & days shall be from 0800 hours to 1700 hours, Mondays to Fridays.
- Additional work days, exceeding the days stipulated above, and/or work performed outside of normal scheduled work hours or work days shall be considered as extension days or overtime and will be invoiced by Vendor separately.

**2.4. Crew Training and BMT by Vendor**

a. Crew training & BMT (Based Maintenance Training) for Main Diesel Generators & Emergency Diesel Generator – see article 2 (Item, Quantity, Unit Price, Specification and Quality), consist of maintenance, and other training for crews, Nine (9) persons / vessel, in Singapore, with duration time Ten (10) days (Include Travelling days).

**3. Spare Parts & Tools**

- 1.) The Vendor shall provide to the Company the spare parts & tools for Equipment Package - see Article 2 (Item, Quantity, Unit Price, Specification and Quality):
  - a. Spare Parts for 90 days sea trial (one set per ship set)
  - b. Spare Parts Kit according to Class or Engine Maker's recommendation (one set per ship set)
  - c. Maintenance Spare Parts for 1 (one) year (about 2,000 hours) (one set per ship set)
- 2.) The Vendor shall provide the official statement letter of the available spare parts & tools for 20 years.

Above mentioned drawings and documents shall be supplied based on **Caterpillar** Standard, except the approval drawings and documents should be dedicated for the project of project of National Frigate 140M (W000304).

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**EXHIBIT V :**

**B/L, INVOICE, PACKING LIST**

Description on B/L, Packing List, Commercial Invoice should be described below:

**Consignee:**

PT. PAL INDONESIA  
UJUNG (BASIS TNI-AL) KEL.UJUNG KEC. SEMAMPIR  
UJUNG SURABAYA PO BOX 1134 SURABAYA  
JAWA TIMUR – 60155  
TAX ID. 01.000.073.5-051.000

**Notify Party:**

BARANAHAN KEMHAN KEMENTERIAN  
PERTAHANAN KEMENTERIAN  
JL. TANAH ABANG TIMUR NO.7  
GAMBIR GAMBIR  
ID TAX : 00.103.128.5-025.000

