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MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is made on this 04th day of January, 2021 Christian Era.

BETWEEN

TREAT POINT LTD. having it's registered office at House # 19/1, Shahid Nazrul Islam Sharoni, Hatkhola, Wari, Dhaka-1203, hereinafter referred to the 'FIRST PARTY', or 'Buyer" 'which expression, where the context so admits shall include its successors in interest and assigns of the FIRST PARTY or the Buyer.

AND

M/S. CROSS WORLD POWER LTD (CWPL) having its office at Plot 1/B, Road # 90, Gulshan-2, Dhaka-1212, Bangladesh, the local agent and exclusive distributor of **TEMPEST Brand Diesel Generating Set and Manufacturer of Electrical Substation Equipment's** (where **Shakti Engineering ltd** is acting as sister concern of Cross World Power Limited), hereinafter referred to as the SECOND PARTY or Supplier, which expression, where the context so admits shall include its successors in interest and assigns of the SECOND PARTY or the Supplier.

WHEREAS, the Second Party quoted the technical and commercial offer (offer reference: CWPL/SS/TPDL/202200927_R_1125 dated on October 06' 2020) as per invitation of the First Party for supply, installation and commissioning of one set of 1000 KVA Electrical Sub Station Equipment's and Bus-bar Trunking System (offer reference: CWPL/TPDL/BBT-20/16092020-155R2 dated on 21st October 2020) for TREAT POINT LTD. project of the First Party located at Mirzapur, Gazipur, Dhaka, Bangladesh.

WHEREAS, the First Party evaluated the quotations and desired to award the aforementioned Electrical Substation and Bus-bar Trunking system Jobs to the Second Party or the Supplier and both parties agreed to come into a Memorandum of Understanding mutually.

Scope of Work:

The Second Party or the Supplier shall be responsible for supply of the products in good condition within the stipulated time frame as per offered technical specifications for Electrical Substation, Diesel Generators and the Bus-bar Trunking System with installation & commissioning. As per negotiation, both parties fixed the prices for the above items are mentioned herewith in the respective commercial parts in the sub-clauses A, B and C:

Contd. P/2

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Page - 2

A1. 1000 KVA Electrical Substation:

Sl.	Items	Unit	Qty.
1	11 KV Drop Out Fuse	Set	1
2	11 KV Lightning Arrester	Set	1
3	11 KV HT Switchgear with Vacuum Circuit Breaker	Set	1
4	1000 KVA, 11/0.415 KV Distribution Transformer	No.	1
5	1600A LT Switchgear	Set	1
6	600 KVAR Power Factor Improvement Plant	Set	1
7	Heat Shrink Kit for HT cable terminal protection	Set	4
8	Earthing system	No.	4
9	Electrical Licensing Board Permission	Job	1
10	Delivery & Installation	Job	1

- Buyer shall be responsible for paying the Govt. fee for the electrical licensing board permission whereas the Supplier shall conduct all the required formalities.
- Supplier is responsible for commissioning of the electrical substation after issuance of the demand note by the power authority.
- Arranging of Load sanction with demand note issue, meter and solar power system with all formalities and associated cost are buyer's responsibility.
- If the buyer wants to award any other related tasks in this project, both parties may be agreed as per mutual discussion technically and financially.

DELIVERY SCHEDULE: Delivery shall be made within 90 days from the date of work order with advance payment.

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Page - 3

A2. COMMERCIAL PART:

a) Work Order:

- Total work order value for awarded items mentioned in the above table (item number 1-10): **BDT 2,970,000 (without VAT & AIT)**

(In Word: Taka Twenty Nine Lac Seventy Thousand Only)

- As sister concern of Cross World Power Ltd., **Shakti Engineering Ltd.** manufactures the Transformer, Cross World Power Ltd. would request the buyer to issue a separate work order for Transformer only in favor of Shakti Engineering Ltd. i.e. amount of **BDT 2,970,000** and the buyer is agreed on the proposal.
- b) **Payment Terms:**
 - First party or Buyer shall disburse of **BDT 500,000 (Five Lac)** as advance in favor of **SHAKTI ENGINEERING LTD.** along with the Work Order.
 - Treat Point will try to make a portion of payment (Say 30%) against Substation Equipment from Bank through Pay Order upon submission of design drawing etc.

A3. Warranty/Service:

The supplier shall provide warranty with free service for the sub-station equipment's against any manufacturing, materials & workmanship defect for 12 (Twelve) months from the date of commissioning or 18 (Eighteen) months from the date of delivery whichever comes first.

B1: BUSBAR TRUNKING SYSTEM:

FIRST PARTY or BUYER also awarded the BUSBAR Trunking System to the SECOND PARTY "Cross World Power Ltd" as per the technical & commercial quotation offered by the Second party with ref: : CWPL/TPDL/BBT-20/16092020-155R2 dated on 21st October 2020. The summary of the brief specification is described in the below table:

Contd. P/4

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Page - 4

SL No	Descriptions	Qty.	Unit
FOREIGN CURRENCY PORTION			
01)	1000A TPN+PE, AL, 4W, IP55 POWER BBT as per attached technical specification	1	Lot
02)	FLOOR M/C POWER BBT 400A as per attached technical specification	1	Lot
03)	FLOOR M/C POWER BBT 250A as per attached technical specification	1	Lot
04)	LIGHTING POWER BBT 100A & 25A	1	Lot

C2: COMMERCIAL PART

- The FIRST PARTY shall issue the work order in favor of SECOND PARTY or Supplier "Cross World Power Ltd," with value of **USD 34,000** for the mentioned bus-bar trunking equipment, whereas the buyer shall open L/C of USD 65,000 in favor EAE ELEKTRIK, Turkey, and the principle of the Second Party.

C3. Warranty/Service:

The supplier shall provide warranty with free service for the Bus-bar Trunking System against any manufacturing defect for 12 (Twelve) months from the date of Installation Testing & commissioning or 18 (Eighteen) months from the date of shipment whichever comes first.

ADDITIONAL ITEMS:

FIRST PARTY verbally forecasted that, some additional items may be required during the project execution such as Distribution Board, earthing and other items or workmanship fixing the price mutually by case to case.

FINANCIAL ADJUSTMENT:

Both parties are mutually agreed that, the quantity or the length of the materials may be changed or additional items may be required during work execution. The financial changes might be happened anyhow and both parties are agreed to adjust the financial changes accordingly. The following adjustment is calculated based on current situation of the project:

Contd. P/5

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Page -5

Currency	Total Value	Actual Value	Rest Amount	Unit Rate in BDT	Total Rest Amount in BDT
USD	65,000	34,000	31,000	85	2,635,000
BDT	4,000,000	2,970,000	1,030,000		1,030,000
BDT(Advance)	500,000				500,000
Total Receivable Amount in BDT					4,165,000
Less LC opening Balance (25%) to be paid by CWPL					1,381,250
Less: 2% Bank Charge (Foreign Currency)					25,075
Less IT for (Local Currency)					30,900
Total amount to be refunded to 1st Party in BDT.					2,727,775

Refund Commitment:

- Cross World Power Ltd. will refund **BDT 999,100/-** to the FIRST PARTY within Seven Days after received 40 Lac Pay Order from Bank.
- And rest of the amount will refund of **BDT 1,728,675/-** to the FIRST PARTY within Sixty (60) Days after receiving the full payment of Foreign Currency by EAE.
- But any additional amount for additional items uses (if required) shall be adjusted from the rest BDT refundable amount.
- Treat Point will issue a Check of amount **BDT 1,381,250/-** against LC opening margin and this check will refund after getting material (BBT) from Treat Point.
- CWPL will issue a check of amount **BDT 1,728,675/-** at the time of receiving BBT from Treat Point Ltd, and this check will release at the time of actual payment done by CWPL as per agreed terms.

Contd. P/6

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Page - 6

In witness thereof:

Both the Buyer & Supplier conceded this agreement to be executed with their seal & signature as of the day and year written above.

For and on behalf of "TREAT POINT LTD."

Name: Mostafa Shuman

Designation: Managing Director & CEO

Witness :

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2.

For And On behalf of "CROSS-WORLD POWER LTD."

Chief Operating Officer (COO)

CROSS WORLD POWER LTD

Witness:

1.

2.

"দেশপ্রেমের শপথ নিন, দুর্নীতিকে বিদায় দিন"