

**SERVICE AGREEMENT FOR EXCLUSIVE SURVEYORS
(SURVEYOR/AUDITOR)**

Between

**PANAMA MARITIME DOCUMENTATION SERVICES INC.
AND
CAPTAIN ZAHID AHMAD**

WHEREAS the IMO Resolution A.739 (18) as amended by Resolution MSC.208 (81) adopted the Guidelines for the authorization of organizations acting on behalf of the Maritime Administrations, which became mandatory under chapter XI-1 of SOLAS 74.

CONSIDERING that Paragraph 2-1 of the amendments contained in Annex of Resolution MSC.208 (81) indicates that the Organization should perform surveys and certification functions of a statutory nature by the use of only exclusive surveyors and auditors, being persons solely employed by the organization, duly qualified, trained and authorized to execute all duties and activities incumbent upon their employer, within their level of work responsibility. The same paragraph also states that while still remaining responsible for the certification on behalf of the Flag State, the Organization may subcontract radio surveys to non-exclusive surveyors in accordance with the relevant provisions of Resolution A.789 (18).

BEARING IN MIND that Panama Maritime Documentation Services (hereinafter known as **PMDS**) is a Recognized Organization (referred to as **RO**) authorized to act on behalf of the Maritime Administration,

TAKING INTO ACCOUNT that the above amendments shall enter into force as of 1 July 2010, for which reason as the general rule, from such a date, all SURVEYORS to be appointed by PMDS are to be regarded as EXCLUSIVE SURVEYORS, and by way of exception PMDS may enter into temporary agreement with NON EXCLUSIVE SURVEYORS for specified and particular assignments, including the Radio Technicians.

PMDS hereby executes and subscribes the present agreement relating to the conditions of service for Exclusive Surveyors and Auditors, with **Captain Zahid Ahmad** (herein to be known as **THE SURVEYOR**) for the purpose of the coordination and performance on behalf of **PMDS** of the necessary surveys and certification of vessels registered under the flag of the countries where **PMDS** is authorized to perform as an RO by virtue of the IMO Guidelines, and under the following clauses:

- 1- **THE SURVEYOR** commits to perform marine surveys and issue interim certificates to vessels as required by the relevant International conventions and pertaining national regulations, in the category of Exclusive Surveyor for **PMDS** and under prior approval, nomination and rules of the Technical Manager of **PMDS** Head Office. **THE SURVEYOR** is not permitted to undertake other employment or works from PMDS competitors, taking in consideration vessels registered under flags which PMDS is duly authorized for, without prior approval of **PMDS** Head Office.
- 2- **PMDS** may enter into agreement with another RO for the sharing of any surveyor in which case all the involved parties, including the concerned Exclusive Surveyor, if applicable, will reach the appropriate agreement prior to the execution of the relevant assignment.
- 3- **THE SURVEYOR** shall ensure that all surveys to be carried out under the scope of the present agreement will be performed under the highest standards of professionalism, reasonable care and due diligence understanding as such the meaning generally accepted by the standards of the marine survey activity.
- 4- **THE SURVEYOR** is committed to engage entirely to each and all the assignments being delegated only by **PMDS** and shall not engage in similar activities with any other company,

agency or organizations that are or may be considered as a conflict of interest in respect to the business of **PMDS** or that jeopardize its activities as an RO.

However, nothing in this agreement shall prevent or prohibit **THE SURVEYOR** to acquire shares or securities of any company as a result of bona fide investments.

- 5- **THE SURVEYOR** shall ensure that a vessel to be surveyed on behalf of **PMDS** is properly registered with a flag state to which **PMDS** is authorized to perform as an RO and that the same holds a valid Patent of Navigation. Upon completion of the vessel's survey for the issuance of any of the authorized statutory certificates, **THE SURVEYOR** in compliance with **PMDS** procedures, shall inform **PMDS** Head Office by means of the most expedite way available, the vessel's particulars, owner's address, type of survey performed, Interim Certificate(s) issued, records and survey reports issued, any remark or pending recommendation or outstanding condition determined, as well as any other important information or document.
6. **PMDS** shall provide **THE SURVEYOR** with all pertaining information and documents relevant to the activities to be performed on behalf of **PMDS**, such as formats for interim certificates, records and survey reports, publications, stamps and any other useful information or supporting document to be required. All documents and information shall be considered a property of **PMDS**. **PMDS** reserves the right to request this property whenever the expiration or termination of this agreement may occur.
7. **PMDS** will furnish **THE SURVEYOR** with all available information concerning laws, Rules, Regulations and Resolutions of the Governments under which authority **PMDS** is entitled to perform.
8. **THE SURVEYOR** is committed to maintain all the information and material received from **PMDS** in confidentiality and commits not to use it for any purpose other than the accomplishment of surveys as well as not to reproduce it for any reason.
9. **Upon appropriate analysis from PMDS Head Office of THE SURVEYOR'S qualifications**, training and experience, and undertaking that a **PMDS SURVEYOR -whether individual or group surveyors- shall never go beyond the limitations stated on the authorized activities for PMDS surveyors.**
10. After a survey is performed and provided that the vessel meets the requirements stipulated in the Conventions and Regulations, **THE SURVEYOR** shall issue an Interim/Conditional(*) Certificate to the vessel, valid for five (5) or two (2) months, depending on the conditions of the vessel. Within this period the statutory full term certificate (FTC) shall be issued by **PMDS Head Office**, based on the results of the survey, provided that the supporting documentation received from the corresponding surveyor is complete and satisfactory.

(*) Conditional certificates will only be issued by attending surveyor upon receiving specific instructions from **PMDS** Head Office exclusively. For all and each case which may require the issuance of conditional surveys only **PMDS** Head Office is authorized to coordinate such authorizations with the relevant Flag State.

THE SURVEYOR will be in charge of issuing the Interim / Conditional Certificate in compliance with the formalities required by the Regulations and will ensure the safe remittance of said certificate to the owners.

11. **THE SURVEYOR** shall submit to **PMDS Head Office** one copy of the survey report together with any other relevant documentation as well as one copy of the corresponding interim/conditional certificate or annual endorsement, as it may apply. **PMDS** will evaluate the reports and the other relevant documentation received and it will remain under **PMDS'** decision to produce the full term certificates.

Under no circumstances will **PMDS** bear responsibility neither for an interim certificate inadequately issued by **THE SURVEYOR** nor for the expiration of interim certificates received where the corresponding full term certificate cannot be produced due to lack or inappropriate supporting documentation, as for instance missing or inadequate interim certificate, survey record and /or report.

In the event that within the 5-months validity of the interim certificate, the required documentation is not received from **THE SURVEYOR**, or the deficiencies found during the survey were not amended or the corresponding payment had not been received, the interim certificate will lose its validity at the termination of its term and no extension will be granted. In consequence a new survey will be required.

In the cases of annual surveys, if **THE SURVEYOR** does not send the documentation and payment to **PMDS Head Office** during the period established for this purpose (3 months before and after the anniversary date), the FTC will be cancelled and a report to the Flag and Port State Control will be sent.

12. **THE PARTIES** agree that the financial terms and conditions incumbent to the present contract shall be determined by means of a separate agreement between **PMDS** and **Sea Crest Marine Services L.L.C.**, and that **Sea Crest Marine Services L.L.C.** shall be responsible of the financial settlement of **THE SURVEYOR**.
13. **THE PARTIES** agree that due to the obligation of **PMDS** to pay monthly non refundable government charges calculated upon all services invoiced **THE SURVEYOR** commits to notify within a period not exceeding **SIXTY (60) DAYS** counted from the quotation date, shall notify to **PMDS** Head Office any modification or cancellation of the assignment in respect to quotations that have already been accepted. **Failure to do so in due time shall carry a penalty against THE SURVEYOR, equal to the amount charged to PMDS by the relevant government upon the corresponding invoice.**
14. **THE SURVEYOR** as well as **PMDS** shall refrain from involving any Maritime Administrations in settling matters concerning payment from any interested party.
15. **THE SURVEYOR** is committed to avoid conflicts of interest in his performance, including the Annual Safety Inspection on behalf of the Administration as well as to refrain to act on behalf of shipowners when **PMDS** is providing services as RO to subject vessels.
16. **THE SURVEYOR** shall be exclusively responsible for any misconduct detected by the Maritime Administrations or Port State Control as well as for any fine imposed to **PMDS** as a consequence of any inappropriate actions against international and/or national regulations incurred by or attributable to **THE SURVEYOR** when performing under the scope and authority of this Agreement.
17. All safety certificates are to be issued under the terms of the Procedures and Work Instructions of **PMDS** Quality System and Code of Ethics, which provide that while every care is exercised to ensure that all its services function with the greatest possible attention and accuracy, nevertheless, neither **PMDS** nor its Board of Directors can be held responsible for any mistake, error or omission in any report, certificate, its supplements, or in any publications issued by its Services, nor for negligence, omission or judgment mistake of their Surveyors, Representatives or Technical Advisors.
18. **THE SURVEYOR** shall consider all information involving handling of **PMDS** matters, as strictly confidential and therefore shall not provide any of this data to third parties, unless a written specific instruction from **PMDS** to do so.

- 19. PMDS shall not bear responsibility for injury to the surveyor, damage to his property, etc. resulting from his activity as **PMDS REPRESENTATIVE** under the scope of this Agreement.
- 20. PMDS reserves the right to modify the arrangements made for its representation in each area, such as appointing additional Surveyors or Agents, opening an exclusive office, reducing or expanding **THE SURVEYOR's** field of activities.
- 21. The terms and conditions of this contract may be amended, as required, by means of a document signed by the parties. This Agreement may also be cancelled before its date of expiration at any time by either party, by giving 90 days written notice to the other. In other cases, upon request or report of complaint from a Maritime Administration, immediate cancellation will be imposed to **THE SURVEYOR**
- 22. **THE SURVEYOR** having signed this contract, must refrain to sign any other sort of exclusivity contract with any other recognized organization to Panama, Belize, Palau and Mongolia, under the awareness that any breach on this, could lead to a cancellation from both PMDS and/or Panama flag as authorized surveyor.
- 23. This agreement is governed by the Laws of the Republic of Panama and both PMDS and **THE SURVEYOR** may appeal to the ordinary Courts of Justice of the Republic of Panama in order to clear differences that may arise as a result of the interpretation of this Letter of Agreement or any other aspect of the contractual relations covered by this Agreement.

In witness whereof the present agreement is duly signed by the parties involved in order to be implemented and executed.

Demetrio Cortes B

CAPT. DEMETRIO CORTES

Panama Maritime Documentation Services Inc.

DATE: 08 FEBRUARY 2018

[Signature]

CAPT. ZAHID AHMAD

Sea Crest Marine Services LLC



DATE: 02 FEB 2018