



CONTRACT AGREEMENT

**Outsourcing of Flight Training Services of Thirty-Nine (39)
BSAT Students for PPL and CPL**
Lot 2: Commercial Pilot License Ground and Flight Training


PROF. MARWIN M. DELA CRUZ, Ph.D.
SUC President I

KNOW ALL MEN BY THESE PRESENTS:

This Contract Agreement is entered into this 5th day of June 2024 at Pasay City, Metro Manila, Philippines, by and between:

FAST AVIATION ACADEMY, INC., a higher educational institution duly registered under the Philippine laws, with postal address at Unit 8 Broadlands Bldg. B, P. Mayuga Street, Brgy. Tambo, NAIA Road, Parañaque City, represented by its Chief Executive Officer, **MRS. MARILYN S. MOSCARDON**, herein referred to as the **FAST**.

-And-

PHILIPPINE STATE COLLEGE OF AERONAUTICS with business address at Piccio Garden, Villamor Air Base, Pasay City, represented by its College President, **PROF. MARWIN M. DELA CRUZ**, herein referred to as **PHILSCA**.

WITNESSETH:

WHEREAS, **FAST** is a reputable institution of higher learning offering professional pilot programs and other related courses;

WHEREAS, **FAST** and **PHILSCA** agree to co-operate in the conduct of Training Program for qualified B.S. Air Transportation students of PhilSCA.

NOW, THEREFORE, the parties hereto hereby agree as follows, to wit;

**ARTICLE I
NATURE OF THE PROGRAM**

Section 1. Nature of the program – The program covers the Flight Training Course of PhilSCA specifically; **Outsourcing of Flight Training Services of Thirty Nine (39) BSAT students for PPL and CPL, Lot 2: Commercial Pilot License Ground and Flight Training.** These modular courses are duly approved by the Civil Aviation Authority of the Philippines (CAAP) by virtue of its issuance of an Approved Training Organization (ATO) Certification No. 1992-50.


MRS. MARILYN S. MOSCARDON
Chief Executive Officer
FAST AVIATION ACADEMY, INC.


MR. SHERWIN A. TACHADO
Chief Operating Officer
FAST AVIATION ACADEMY, INC.
(WITNESS)


MR. LUCIO S. MATA, JR. C.P.A.
College Accountant


ENGR. JEQ ZYRIUS SUDWESTE
Quality Manager
(WITNESS)



These programs are open to all senior B.S. Air Transportation students of PHILSCA who meet the requirements set by FAST.

Once admitted, the students shall comply with the training standards of PHILSCA and FAST. Upon passing all the test and examinations covered by the training programs and as mandated by CAAP, students may earn their CAAP licenses/ratings.

**ARTICLE II
 DUTIES & RESPONSIBILITIES**

Section 1. Duties and responsibilities of FAST – The following are the duties and responsibilities of FAST:


- a. Implement a training program compliant primarily to the curriculum approved by CAAP and PHILSCA.
- b. To assist students on their documentation necessary to obtain their CAAP licenses/ratings.
- c. To allow PhilSCA personnel to monitor, inspect and audit the Flight Training program being implemented.
- d. To observe due diligence required of a good father of a family in the care and custody of the students while under their supervision and control during the training program.
- e. To inform the students of its rules and regulations, and after observing due process, to suspend/expel any student found violating said rules and regulations.


In case a student is suspended/expelled, PhilSCA will be notified of the same within five (5) calendar days from the date of issuance of the judgement.

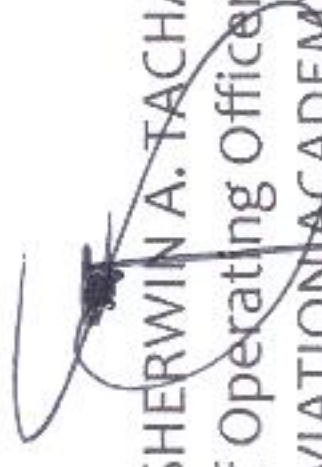
In case a student is expelled, FAST will refund the payments made for the unfinished training time to PhilSCA, less any administrative costs, within fifteen (15) calendar days from the date of issuance of judgement.

Section 2. Duties and responsibilities of PHILSCA – The following are the duties and responsibilities of PHILSCA:

- a. Must see to it that the students are able to read, write, speak, and understand the English language.


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- b. Must assist the students with the requirements to be qualified for admission and must facilitate the enrollment of the students.

Section 3. Duties and responsibilities of FAST & PHILSCA – FAST & PHILSCA shall:

- a. Discuss and resolve any difficulties that may arise during the training period in addition to the respective responsibilities of the parties.

**ARTICLE III
 COVERAGE OF THE TRAINING PROGRAM**

Section 1. Training Program – FAST agrees to render pilot training as per CAAP approved Training Procedures, Quality and Safety Manual (TPQSM). The training programs will be as per ANNEX 1 - “TRAINING PROGRAM” which forms part of this Contract Agreement.


Section 2. Scope of Training – The training program covers the following:


- o **COMMERCIAL PILOT COURSE (ATAM 443 & ATAM 444) for 39 BSAT students**

Section 3. Duration – The training duration is estimated to be **twenty - one (21) months** subject to the following conditions:

- a. Regular attendance of the students throughout the training period.
- b. Successful completion and passing of CAAP medical examinations, CAAP English Language Proficiency (ELP) Test, NTC Radio License Examination and all CAAP written examinations.
- c. Demonstration of right aptitude and attitude for flying during FAST check out flights and during CAAP practical tests.
- d. Payment of all applicable fees on time.
- e. Adherence to the policies and procedures of FAST and the laws of the land.
- f. Maintain discipline and good conduct in all aspect throughout the training period.
- g. Good and fair weather condition.


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**ARTICLE IV
 CONTRACT PRICE**

Section 1. Contract price - For the faithful, satisfactory and complete performance of the training programs called for under this Agreement, PHILSCA shall pay FAST an amount totaling **THIRTY-EIGHT MILLION TWO HUNDRED TWENTY THOUSAND PESOS ONLY (PHP 38,220,000.00)**.

**ARTICLE V
 TERMS OF PAYMENT**

Section 1. Training fees – The following are the training fees per course per student:

- **COMMERCIAL PILOT COURSE PHP 980,000.00**

Section 2. In consideration of the contract price mentioned herein to be paid by PhilSCA to FAST, the latter shall execute a complete conformity in all respect with the provisions of the contract.

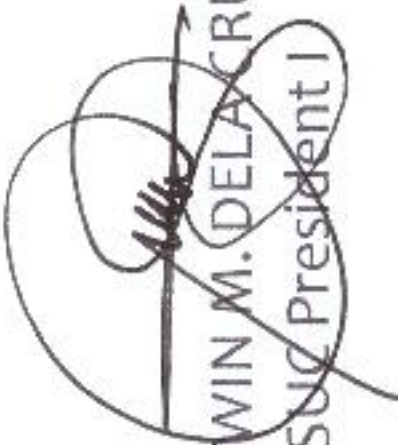
The contract price shall be paid to FAST in accordance with the Government disbursement procedure pursuant to the provisions of the IRR of RA 9184 and applicable auditing and accounting rules and regulation.

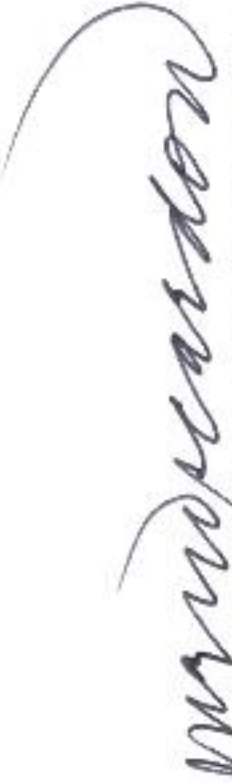
The BID and Form of BID accomplished incorporated here and made integral part of the Agreement.

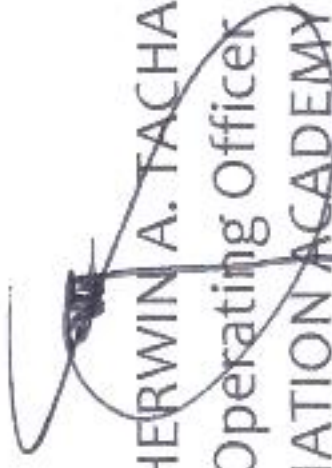
Section 3. Mobilization fee - Upon signing of this agreement, PhilSCA shall pay FAST the amount of FIVE MILLION SEVEN HUNDRED THIRTY THREE THOUSAND PESOS ONLY (PHP 5,733,000.00) representing fifteen percent (15%) of the total contract price for mobilization. FAST shall begin the training within six (6) calendar days upon receipt of the mobilization payment

Section 4. Remaining balance – The remaining balance representing eighty-five (85%) percent of the contract price shall be paid to FAST through progress billing based on actual training completed. The actual training completed shall be based on the scope of training mentioned in ARTICLE III, Section 3 – Scope of Training.


Payments shall be made in check(s) payable to FAST AVIATION ACADEMY, INC.


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**ARTICLE VI
 ADMINISTRATIVE FEE**

Section 1. Administrative Fee – An administrative fee of four (4%) percent of the contract price shall be paid by FAST to PHILSCA to defray its administrative cost in maintaining the training program. Such amount shall be paid in check within seven (7) days after the end of the contract to the Collecting Office of PHILSCA or to be deposited to **PHILSCA Land Bank Account No. 3562-1003-25, Villamor Air Base Branch, Pasay City.**

**ARTICLE VII
 TRAINING AREA**

Section 1. Ground Schooling – FAST shall conduct the Ground Schooling as well as Simulator Flight Training either in its Parañaque City or Lingayen, Pangasinan facility.

Section 2. Flight Training – FAST shall conduct Flight Training at its Lingayen, Pangasinan’s training area.

**ARTICLE VIII
 MISCELLANEOUS**

Section 1. Conditions involving fees

- a. The course fees are fixed as per PHILCA’s Bidding Documents with **Reference Number: PB2024-G-6.**
- b. In case a student cannot continue with his/her training for valid reasons, as determined by parties, FAST shall refund the fees paid to PHILSCA, in proportion to the number of hours already spent in the training and the total number of hours required, less any administrative costs.
- c. In case FAST cannot deliver the services stated in this agreement for causes not attributable to PHILSCA and the enrolled students, it shall return to PHILSCA whatever amount already paid to FAST in proportion to the unused portion of the number hours required in the training program.

Section 2. Student getting sick – Should any student get sick disabling him/her to attend training, such student may take a leave of absence. He/she will be categorized under “Suspended Training”, and shall not be considered non-compliant to the requirements under Article III, Section 3. Such student may resume training to complete the same.

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Section 3. Insurance during flight training – FAST shall ensure that its aircraft, pilots, students and/or passengers are insured during flight training.

Section 4. Student’s documents and licenses – All documents and licenses which a student is able to secure as a result of the completion of the training program herein described shall be handed over by FAST to PHILSCA. Once delivered and duly acknowledged, it shall be the duty of PHILSCA to issue such documents and licenses to the student upon compliance of all requirements imposed by PHILSCA. -

Section 5. Accommodation – FAST will provide accommodation for PhilSCA personnel during monitoring, audit and inspection of the Training Program at the place of its operation.

Section 5. Mode of communication between parties – Official communication between FAST and PHILSCA while this contract is in effect shall all be in writing in official letterhead. Verbal communication serves only as unofficial supplement.

Section 6. Conflict of interpretation – In case of conflict of interpretation and in the implementation of this Memorandum of Agreement, the parties agree that jurisdiction shall be vested upon Philippine courts.

**ARTICLE IX
 TERMS OF AGREEMENT**


Section 1. Terms of agreement. – This agreement shall be binding and valid for a period of twenty - one (21) months from date hereof, or until such time that all eligible students have completed their training.


It is further understood that this Contract Agreement is subject to termination by either party who seeks the termination of this Agreement, and shall serve upon the other party a Letter of Termination at least sixty (60) calendar days prior to intended date of termination.


Contracts consummated prior to the termination of this Contract Agreement shall be valid and remain in full force and effect.

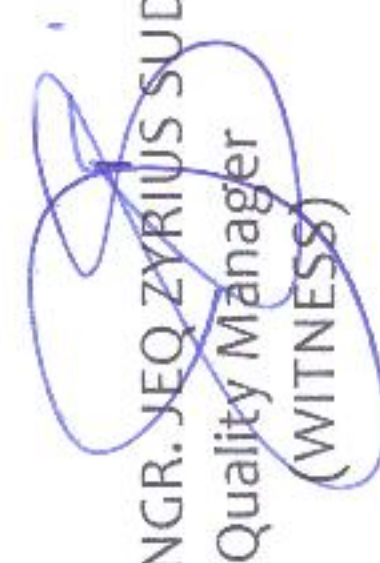
Section 2. PENALTY CLAUSE. – FAST shall faithfully perform its obligation under the contract in accordance with the Bidding Documents. Unless renewed or extended in writing by the parties hereto in relation to section 1 of Article IX, FAST shall pay a penalty of one-tenth of one percent (0.001) of the cost of unperformed


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Republic of the Philippines
PHILIPPINE STATE COLLEGE OF AERONAUTICS
Piccio Garden, Villamor Air Base, Pasay City

portion for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the PhilSCA may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances.

IN WITNESS HEREOF, the parties, through their representatives, have hereunto affixed their signatures this 5th day of June 2024 in Pasay City, Philippines.

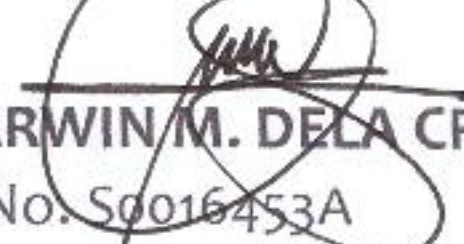
FAST Aviation Academy, Inc.

By:

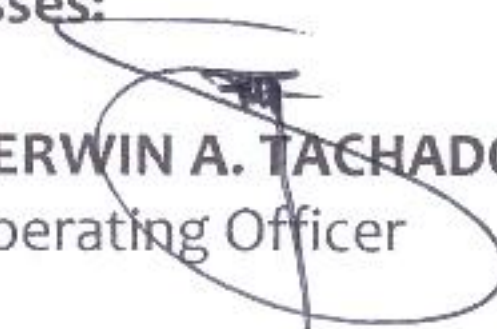

MRS. MARILYN S. MOSCARDON
Passport No. P7262530B
Valid Until: 23 July 2031

Philippine State College of Aeronautics

By:


PROF. MARWIN M. DELA CRUZ, Ph.D.
Passport No. S0016453A
Valid Until: 18 August 2024

Witnesses:


MR. SHERWIN A. TACHADO
Chief Operating Officer


ENGR. JEQ ZYRIUS SUDWESTE
Quality Manager

Funds Available


MR. LUCIO S. MATA, JR. C.P.A.
College Accountant



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) S.S.
 PASAY CITY _____)

JUN 05 2024 *Gilda*

SUBSCRIBED and sworn to before me this 05 of June 2024 in PASAY CITY, Philippines, personally appeared the following persons with their respective competent evidence of identity as follows:

<u>Name</u>	<u>Passport #</u>	<u>Valid Until</u>	<u>Place</u>
MARILYN S. MOSCARDON	P7262530B	23 Jul 2031	Manila, Philippines
MARWIN M. DELA CRUZ	S0016453A	18 Aug 2024	Manila, Philippines

Known to me to be the same persons who executed the foregoing instrument consisting of seven (7) pages including the Annex and signed by the above-mentioned parties and their witnesses on each and every page and who acknowledged to me that the same was their free and voluntary act and deed, as well as that of the entities they represent, for the uses and purposes therein contained.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal in the place and on the date first above written.

Gilda
ATTY GILDA MARIA D. LAIGO
 NOTARY PUBLIC FOR PASAY CITY
 Commission expiring on Dec. 31, 2025
 Roll No. 74517
 PTR No. 8421443/01.02.24/Pasay City
 IBP No. 368235/11.16.23/PPLM
 MCLE Comp. No. VII-0015876 04.20.22
 PPLM Rm 213 Pasay City Hall, Pasay

Doc. No. 264;
 Page No. 14;
 Book No. 115;
 Series of 2024.

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