



Code : KVI/MOU/LTTC/001
Project : PROMPT

Memorandum of Understanding (MOU)

between

KONE VIETNAM LLC

and

LY TU TRONG TECHNICAL COLLEGE HO CHI MINH CITY





Today November 23rd 2016, this MoU is made and deemed to be entered into between the following Parties by:

KONE VIETNAM LLC

Address : 106 Nguyen Van Troi, Ward. 8, Dist. Phu Nhuan, HCMC, Vietnam
Phone : (08) 3997 5373 Fax: (08) 3997 4964
Hereinafter referred to as "KONE"

And

LY TU TRONG TECHNICAL COLLEGE

Address: 390 Hoang Van Thu Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam
Tel: (+84) 38441198
Fax: (+84) 38118 676
Hereinafter referred to as "LTTC"

This MOU shall be between the above Parties for the purpose of LTTC acting as an implementation partner to KONE in respect to components of a Public Private Partnership Project (PPP) titled **PROMPT** - Promote Technical Education Reform of Mechanics and Electrification to Professional Technicians, covered by a contract entered into between KONE and DEG (Deutsche Investitions – und Entwicklungsgesellschaft (mbH) of Cologne, Germany) in November 2016.

1. Background of the MOU

- This project aims to improve and promote technical training in Vietnam through a dual education model and advance the safety and quality of testing and maintaining elevator and escalator service. It aims to motivate participants and existing workforce to think and focus on quality of their labor, in sense becoming technicians instead of just manual workforce as mechanics. The goal of the project is to enhance the skills and attitudes of technical workers, attempting a shift towards taking pride in quality or work and skills improvement. As an end result, the project shall contribute positively to labor skills and safety improvements, employability enhancement and through the recognized availability of skilled workforce to the country's economic development on long run.
- LTTC shall act as a partner for the project, in order to establish a Technicians' Training Centre for Elevators and Escalators. The training curricula shall be developed based on the existing agenda and improved with the help of training expert from KONE.
- Since practical skills & knowledge in this field and the requirements from the enterprises are very important for the technical staff, the project shall integrate a vocational training program for participants to gain relevant work experience. Participants shall be offered a course of 6 months to enhance the understanding of the actual operation and development of skills.

2. Brief introduction about LTTC

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- LTTC was founded in 1986. This is one of main public colleges in HCM city and nearby areas, providing multi-level and multidisciplinary training in various sectors. LTTC is located at 390 Hoang Van Thu Street, Ward 4, Tan Binh District, Ho Chi Minh City, on an area of 5 hectares with spacious learning environment, cool, calm, discipline, and friendly. The college has 29 technical training majors for total 10,000 participants and an annual enrollment of 4000 participants.

3. Brief introduction about KONE

- KONE first entered Vietnam's market in 2006 via its distributor. KONE Vietnam LLC, a wholly owned by KONE Corporation in Finland, was established in 2009. With leading global resources and expertise at hand, we are poised for providing elevators, escalators and automatic building doors, as well as solutions for maintenance and modernization to add value to buildings throughout their life cycle.
- We have offices in Ho Chi Minh City and Hanoi to serve the needs of our customers in Vietnam. Close proximity to our customers enables us to better understand their needs and response quickly. Establishing local presence signifies KONE's commitment to a long term partnership with our customers in Vietnam

4. Purpose

- This Memorandum of Understanding is agreed between above-mentioned parties, in which LTTC serves as a beneficiary, co-implementation partner and KONE serves as a Activities & Finance Management Unit and co-implementation partner of this PPP project titled "PROMPT". PROMPT is implemented during the period of eleven (11) years from 2016 – 2027. The project is co-financed by DEG (Deutsche Investitions – und Entwicklungsgesellschaft (mbH) of Cologne, Germany) and KONE Vietnam with the total fund of 424,826 EURO (four hundred and twenty-four thousand eight hundred and twenty six Euro) in cash.

The fund is allocated to below activities:

Activities	Estimate Budget
a. Training Center for training courses (including equipment and materials for practicing, logistics and decoration costs ect.. KONE Elevators and Escalaters are not included)	243,366 EUR
b. Cost for external experts (including consulting fees, travelling, accommodation and other related costs)	67,160 EUR
c. Costs for human resources of project management, operating and auditing project (including project team's salary, cost of translating training materials, cost of interpreting "Train the Teacher" course, enrolment support and other related costs)	82,100 EUR
d. Other costs	32,200 EUR
Total	424,826 EUR

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- The aim of this collaboration is to establish a training program which aims to train elevator and escalator technicians for KONE and increase the capacity for training elevator and escalator maintenance techniques of LTTC's professors through designing and developing the curriculums as well as providing and equipping laboratories for LTTC.
- The training aims to transfer elevator-escalator training skills to the local professors who are in charge of expanding the training courses at the center which shall be held in LTTC in ten (10) days' time. The project is supposed to train at least 15 professors, including 10 from LTTC and 5 from other vocational centers (invited by LTTC). The training content is provided by LTTC and developed by the experts from KONE.

5. Terms of agreement

With the "PROMPT" project, KONE and LTTC agree to cooperate to implement the vocational training at the college, to improve the quality of the training. To ensure this cooperation, KONE and LTTC agree on the following terms and conditions:

5.1 KONE shall:

- a. Co-operate the joint program, provide equipment supervisor.
- b. Build lecture rooms and labs, provide desks & chairs, writing boards and training tools which are necessary to train theoretically and practically;
- c. Be responsible for the "Train the Teachers" specialists;
- d. Provide the interpreters during "Train the Teachers" course (if necessary);
- e. Provide KONE 2 elevators (1 compact machine room elevator, 1 machine room-less elevator), 1 high rise elevator simulation system, 1 KONE escalator, machines, tools and materials to implement the training course.
- f. Cooperate with LTTC in building the training contents of the project.
- g. Offer apprenticeships and training tools, materials for 30 participants in 2 years of training program implementation.
- h. In case KONE's training course does not charge fees, KONE shall pay remuneration to lecturers as agreed under KONE's policies;
- i. Cooperate to make assessments after each training course.
- j. Be responsible for the cost to promote the joint program.
- k. To ensure the safety during the training and operation time, KONE shall be in possession of elevators and escalators. KONE shall guarantee the principles to support the operations of elevators and escalators safely for LTTC during the time LTTC use these devices;
- l. Guarantee to transfer the training course, Training Centre and all office equipment (except elevators and escalators) to LTTC after 3 years of cooperation so that LTTC shall be entitled to implement the elevators and escalators training in accordance with the actual needs for the next 8 years of cooperation. KONE shall join with LTTC to make use of elevators and escalators to support the training programs accordingly to article 5.1.m.
- m. During the last 8 years of cooperation, after mutually discussed and agreed, two parties shall use the Training Center with an equal amount of time (fifty (50) percent for each);

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- n. After 11 years of cooperation, KONE and LTTC will mutually discuss and decide on the form of cooperation at this stage in writing, one of these two options: either the elevators and escalator will be transferred to LTTC at agreed cost or KONE will transfer the elevators and escalator to LTTC at no cost in consideration for having a right to continue using the training center with its equipment free of charge after mutually discussed and agreed the amount of using time.

5.2 LTTC shall:

- a. Cooperate with and support KONE in implementing project activities to ensure the quality and schedule of the project;
- b. Provide the information of the key person in charge of project management from LTTC.
- c. Provide at least 10 qualified lectures to participate in "Train the Teachers" course.
- d. Provide at least one (01) lecturer for the training courses.
- e. Provide the area to build into classrooms and laboratories for the training program for 11 years. LTTC shall also allow KONE to use the Training Center for training internal staffs and clients visiting during the 11 years under the agreed timeframes;
- f. Cooperate with KONE to build training curriculum for the training program.
- g. Recruit and issue certificates to participants who complete the program with required standard;
- h. Cooperate with KONE in organizing the courses in the two (02) years implementing the program, LTTC shall not charge any fee (estimating 2 courses in 2 years implementing the program, 1st course: 10 participants, 2nd course: 20 participants). For the next participants that LTTC enrolls; LTTC shall charge fees according to the policy.
- i. If the fees are charged, LTTC shall pay salary to the lecturers according to the policy.
- j. Cooperate with KONE to promote the program.
- k. Support KONE in activities concerning cooperating with the government.
- l. Cooperate with KONE to make assessments after each training course.

6. Confidentiality

- The parties herewith undertake to treat confidentially all information that they obtain directly or indirectly from each other during the project or otherwise in connection with this MOU and/or any subsequent binding agreement regarding the project. Confidential treatment means that the information obtained shall not be disclosed or otherwise made available to any third party and that the information may not be used for any other purpose than what is necessary for the purposes of the project defined in this MOU. The parties undertake to use the information obtained solely for the purpose stipulated in the preamble. Any use going beyond that purpose or conveying the information to a third party shall require the written consent from both parties.

7. Binding Effect

- This MOU only sets forth the intention of the parties relating to the project. With the exception of Clause 6 (Confidentiality), this MOU is not legally binding on either party.
- Any modifications, additions of the implementation of specific activities, the two parties will mutually specifically discuss and agree in writing.

8. Applicable Law



- The Laws of Vietnam shall govern this MOU.

9. Language

- This MOU is composed in Vietnamese and English. In case of any discrepancy between the linguistic versions of this MOA or any dispute, the English version shall prevail, being the official version.

This MOU is made into three (03) original sets including one (01) Vietnamese original and one (01) English original of equal validity. LTTC shall keep two (02) original sets and KONE shall keep one (01) set, they are. This MOU shall come into effect from the signing date, and shall automatically become liquidated upon the completion of all articles set forth in the MOU without any dispute.

For and on behalf of KONE



Name: Mr. Nguyen Van Vu
Position: General Manager

For and on behalf of LTTC



Name: Mr. Pham Huu Loc
Position: Rector



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