

CONTRACT NO. LOG MSSP 2024-07-089-JBO

REHAB/UPGRADING OF AGUS 4 HEP
UNIT 1 EXCITATION SYSTEM
PR NO. MG-A5M24-001 / PB240507-AM00215

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into in Quezon City, Philippines, by and between:

The **NATIONAL POWER CORPORATION**, a government-owned and controlled corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at Gabriel Y. Itchon Building, Senator Miriam P. Defensor-Santiago Avenue (formerly BIR Road) corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its President and CEO, **MR. FERNANDO MARTIN Y. ROXAS**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

MOTO INDUSTRIAL TRADERS CORPORATION, a sole proprietorship duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Cityland Condominium, 10 Tower II Suite 1907, H. V. Dela Costa St., Salcedo Village, Makati City, Philippines, herein represented by its President, **MR. MODESTO O. TOLENTINO**, who is duly authorized to represent it in this transaction, hereinafter referred to as **SUPPLIER**.

WITNESSETH: That -

WHEREAS, on 16 April 2024, NPC posted the Invitation to Bid for the Public Bidding of the Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System;


WHEREAS, there were three (3) prospective bidders who secured the bidding documents and participated in the bidding conducted on 16 May 2024;

WHEREAS, SUPPLIER's bid offer was considered as the lowest calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the SUPPLIER;

NOW, THEREFORE, in view of the foregoing premises and for and in consideration of the mutual covenants and stipulations hereinafter provided, the parties hereto have agreed as follows:

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

MOTO INDUSTRIAL TRADERS CORPORATION
(CONTRACTOR)

MODESTO O. TOLENTINO
President

BY:

MARCELO R. RASA
(CONTRACTOR)

SIGNED IN THE PRESENCE OF:

CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)

NATIONAL POWER CORPORATION
(NPC)

FERNANDO MARTIN Y. ROXAS
President and CEO

BY:

MOTO INDUSTRIAL TRADERS CORPORATION
(CONTRACTOR)

SIGNED IN THE PRESENCE OF:

NATIONAL POWER CORPORATION
(NPC)

BY:

BY:

MODESTO O. TOLENTINO
President

MARCELO R. RASGA
(CONTRACTOR)

CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)

FERNANDO MARTIN Y. ROXAS
President and CEO

ARTICLE I DOCUMENTS COMPRISING THE CONTRACT

The following documents are hereby incorporated and made part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

1. Bidding Documents for the Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System under PR No. MG-A5M24-001 / PB240507-AM00215;
2. Notice of Award dated 03 July 2024;
3. Post Qualification Report dated 14 June 2024;
4. Bid Opening/Evaluation Report dated 17 May 2024;
5. SUPPLIER's bid proposal dated 02 May 2024;
6. Supplemental/Bid Bulletin No. 1 dated 26 April 2024;
7. Notice to Proceed; and
8. The Performance Security to be filed by SUPPLIER in accordance with this Contract.

The documents mentioned above shall collectively be referred to as "Contract Documents".

In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above, the latter shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

ARTICLE II SCOPE OF WORK

The scope of work covers the supply, delivery, installation, testing and commissioning for the rehab/upgrading of digital static excitation system for Agus 4 HEP Unit No. 1. The digital excitation system will be designed to compatibly work and operate satisfactorily with the existing generator main field complete with necessary controls, limiters, and protection to safeguard the generator. The digital excitation system will also incorporate a Power System Stabilizer function operating in conjunction with the AVR/Exciter function to dampen local mode, inter-area and inter-unit power system oscillations.

The conduct of Factory Acceptance Tests (FAT) of the digital excitation system at the manufacturer's facility shall be witnessed personally by three (3) NPC representatives. Costs of travel during FAT shall be shouldered by NPC.

The on-site installation, testing, and commissioning must be supervised by an OEM-certified technical expert to ensure the quality of workmanship and strict adherence to international standards and engineering practice.

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

H P L

MODESTO O. TOLENTINO
President

BY:

MARCELO R. RASA
(CONTRACTOR)CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)FERNANDO MARTIN Y. ROXAS
President and CEO

ARTICLE III PROJECT DURATION AND LOCATION

The contract duration shall be within **one hundred eighty (180) calendar days**, reckoned from receipt of Notice to Proceed.

The equipment to be supplied shall be delivered to **Agus 4 HEP Plant, Balo-i, Lanao del Norte**.

The Supplier shall be responsible for taking reference to its accessibility means of transportation and all other factors that could hamper the smooth execution of the contract.

Any and/or all expenses arising through the lack of knowledge of the Supplier regarding the existing conditions of the delivery site shall be the responsibility of the Supplier and no additional payment thereof shall be made by NPC.

ARTICLE IV TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price shall be in the amount of and not exceeding **PHILIPPINE PESOS: TWENTY SEVEN MILLION SIX HUNDRED FIFTEEN THOUSAND SEVENTY FIVE (PHP 27,615,075.00)**.

The Total Contract Price specified above shall be paid in accordance with the provision of Section IV-GCC, Clause 2 of the Bidding Documents.

All taxes, custom duties, tariffs, exports, excise and all other taxes assessed and charged by the taxing authority of the country of origin upon production, manufacture or shipment of all materials, equipment and supplies to be furnished under the Contract shall be borne by the SUPPLIER.

In addition, all taxes, fees, insurance and cost of delivery to site shall be borne by the SUPPLIER.

ARTICLE V PERFORMANCE SECURITY

To guarantee the faithful performance of the SUPPLIER's obligation under this Contract, the SUPPLIER shall post a performance security which shall remain valid and effective during the contract duration.

- Cash, Manager's/Cashier's Check, Bank Draft/Guarantee issued by a Universal or Commercial Bank or Irrevocable Letter of Credit issued by a Universal or Commercial Bank. Provided however, that it shall be confirmed or authenticated by a reputable local Universal or Commercial Bank if issued by a Foreign Bank equivalent to Five Percent (5%) of the contract price.
- Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly certified by the

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

BY:


FERNANDO MARTIN Y. ROXAS
President and CEO

SIGNED IN THE PRESENCE OF:


CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)


MARCELO R. RAZA
(CONTRACTOR)

BY:


MODESTO O. TOLENTINO
President

Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.

The Insurance Company that will issue Performance Security must be accredited by the Insurance Commission and acceptable to the NPC.

The performance security shall be valid for the duration of the contract and shall remain valid and effective until after sixty (60) days from NPC's final acceptance of the item. The Performance Bond shall also be answerable for any damages or penalties or any expenses that NPC may suffer as a result of the failure of the SUPPLIER to perform its obligations under this Contract. The Performance Bond shall be entirely forfeited by NPC upon default of the SUPPLIER.

In case of surety bond, any extension of the contract time granted to the SUPPLIER, shall be considered as given, and any modification of the Contract shall be considered as authorized, as if with the expressed consent of the surety, provided that such extension or modifications falls within the effective period of the said surety bond. However, in the event that such extension of the contract time would be beyond the effective period of the surety bond first posted, it shall be the sole obligation of the SUPPLIER to post an acceptable Performance Security within ten (10) calendar days after the contract time extension has been granted by NPC.

ARTICLE VI **LIQUIDATED DAMAGES**

Should SUPPLIER fails to satisfactorily deliver any or all of the Goods and/or to perform the services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, NPC shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%), NPC may rescind or terminate the Contract without prejudice to other courses of action and remedies open to it.

ARTICLE VII **NON-ASSIGNMENT AND NO SUB-CONTRACTING**

The SUPPLIER shall not, without the written approval of NPC, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contracting or any other disposition, shall be sufficient ground for NPC to terminate or cancel this Contract motu proprio without need of judicial action. Should NPC give its written approval, such consent shall not relieve the SUPPLIER of its responsibilities under the Contract. The SUPPLIER shall ensure that the terms and conditions of any sub-contractor shall comply and conform with the terms and conditions of this Contract. The SUPPLIER shall be responsible for the observance by the sub-contractor of the terms and conditions of this Contract.

If any portion of the project sub-contracted is not performed faithfully in

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

(CONTRACTOR)

MODESTO O. TOLENTINO

President

BY:

SIGNED IN THE PRESENCE OF:

CRISANTO V. HILARIO

Vice President, Administration & Finance
(NPC)

FERNANDO MARTIN Y. ROXAS

President and CEO

accordance with the contract, the sub-contractor shall be removed or replaced immediately upon the written request of NPC, provided, however, that any failure of NPC to make such request shall not relieve the SUPPLIER of its obligations under the contract. NPC shall not be responsible for the delays or costs incurred by the SUPPLIER because of the disapproval or removal of the sub-contractor, or because of the late submission of its approval.

ARTICLE VIII AGREEMENT MODIFICATION

No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment signed by the Parties.

ARTICLE IX SUSPENSION OF WORK

NPC may suspend the work wholly or partly by written order for a certain period of time, as it deems necessary due to force majeure or any fortuitous events as defined in the contract. The SUPPLIER shall take all reasonable steps to minimize the costs allocable to the work covered by such order during work stoppage.

Before the suspension order expires, the procuring entity concerned shall either lift such order or terminate the work covered by the same. If the suspension order is lifted, or if the period of the order expires, the SUPPLIER shall have the right to resume work. Appropriate adjustments shall be made in the delivery or contract schedule, or contract price, or both, and the contract shall be modified accordingly.

ARTICLE X PRE-TERMINATION

Notwithstanding any provision to the contrary, NPC has the right to terminate, cancel and/or rescind this contract motu proprio, without need of judicial action, in case of breach thereof by the SUPPLIER, by giving at least ten (10) day written notice, which shall be final and binding on all parties. Upon receipt of NPC's notice, the SUPPLIER cannot remove, withdraw or pull-out any equipment, machinery, tool, material and supply brought to the project site without the written approval of NPC.

Any misrepresentation made by the SUPPLIER in the submission of documents, or suppression of material facts, which if known could have disqualified the SUPPLIER gives NPC the immediate right or recourse to motu proprio, without need of judicial action, rescind, abrogate or otherwise terminate the Contract.

Within thirty (30) days after termination, cancellation or rescission of this Contract, the Parties shall settle their respective accountabilities as of the date of termination, cancellation, or rescission, including the refund of any and all advances made, plus legal interest from the date of receipt of the amount or amount advanced.

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

MOTO INDUSTRIAL TRADERS CORPORATION

(CONTRACTOR)

MODESTO O. TOLENTINO
President

BY:

MARCELO R. RASA
(CONTRACTOR)

SIGNED IN THE PRESENCE OF:

CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)

NATIONAL POWER CORPORATION
(NPC)

BY:

FERNANDO MARTIN Y. ROXAS
President and CEO

**ARTICLE XI
WARRANTY CLAUSE**

SUPPLIER hereby warrants that it or its representative has not offered or paid, directly or indirectly, any government officer and NPC official or employee any consideration or commission for the Contract nor has it or its representative exerted or utilized any corrupt or unlawful influence to secure or solicit this Contract for any consideration or commission; that the SUPPLIER will not subcontract any portion or portions of the scope of work of the Contract awarded to it to any official or employee of the NPC and to the relatives within the 3rd degree of consanguinity or affinity of NPC's officials who are directly and indirectly involved in Contract awards or project execution; and that if any commission is being paid to a private person; it shall disclose the name of said person and the amount being paid; and that any violation of this Warranty shall constitute sufficient ground for the rescission or cancellation of this Contract; or the reduction from the Contract Price of the consideration or commission paid without prejudice to the filing of any action for the violation of RA No. 3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the SUPPLIER and/or its representative and/or the erring NPC official(s) and employee(s).

**ARTICLE XII
JOINT AND SEVERAL LIABILITY**

The liability of the SUPPLIER and/or any and all of the entities representing it on any manner under this Contract or relating thereto is joint and several, and for this reason NPC may proceed against any or all of them.

**ARTICLE XIII
VALIDITY CLAUSE**

If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

**ARTICLE XIV
GUARANTEE**

The SUPPLIER shall guarantee at its own expense against defect in design, workmanship and materials for a period of one (1) year after issuance of Acceptance Certificate by NPC.

The SUPPLIER shall submit a Warranty Certificate for one (1) year effective from the date of acceptance by NPC.

**ARTICLE XV
EFFECTIVITY**


This Contract shall become effective upon receipt of the Notice to Proceed.

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO


A R S

NATIONAL POWER CORPORATION
(NPC)

BY:



FERNANDO MARTIN Y. ROXAS
President and CEO

SIGNED IN THE PRESENCE OF:


CRISANTO V. HILARIO
Vice President, Administration & Finance
(NPC)


MARCELO R. RASA
(CONTRACTOR)

BY:

MOTO INDUSTRIAL TRADERS CORPORATION
(CONTRACTOR)

MODESTO O. TOLENTINO
President

ARTICLE XVI VENUE OF ACTION

The parties hereto agree that the venue of action for any cause or causes of action which may arise in connection with this Contract, after failure to settle the same amicably, shall be exclusively in the proper courts of Quezon City.

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

IN WITNESS WHEREOF, the parties hereto have signed this Contract
this 2nd day of August, 2024 at Quezon City, Philippines.

NATIONAL POWER CORPORATION
(NPC)

BY:


FERNANDO MARTIN Y. ROXAS
President and CEO

MOTO INDUSTRIAL TRADERS CORPORATION
(SUPPLIER)


BY:


MODESTO O. TOLENTINO
President

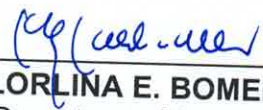
SIGNED IN THE PRESENCE OF:


CRISANTO V. HILARIO

Vice President
Administration and Finance
(NPC)


MARCELO R. RASA
(SUPPLIER)

FUNDS AVAILABLE


LORLINA E. BOMEDIANO

Sr. Department Manager, Finance

Certificate of Budgetary Inclusion	
Period:	Jan-Apr 2025
Account / WO/IO:	B127114
CBI Reference No.:	6643013 PRD-25-07-0016
Cost Center:	6643013
Amount:	18,410,050.00


Salvador F. Aragon
Manager, BPRD

(C)

CERTIFIED FUNDS AVAILABLE	
PERIOD	2025
JOB ORDER	WO # B127114
COST CENTER	6643013
AMOUNT	P 9,205,025.00

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

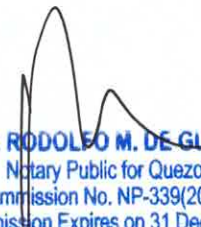
ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this
day of AUG 02, 2024, personally appeared **MR. FERNANDO
MARTIN Y. ROXAS**, President and CEO, **NATIONAL POWER
CORPORATION**, with Document Identification in the form of Company ID No.
APW20017432, known to me and to me known to be the same person who
executed the foregoing instrument consisting of ten (10) pages, including the
pages wherein the acknowledgements are written, all pages signed by both
parties and their instrumental witnesses and he acknowledged before me that
the same is his free and voluntary act and deed and that of the Company he
represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first
above written.

Notary Public
Until December 31, 2024
IBP Lifetime No.: _____
PTR No.: _____

Doc. No. 157 ;
Page No. 33 ;
Book No. 5 ;
Series of 2024.


ATTY. RODOLFO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-339(2023-2024)
Commission Expires on 31 December 2024
Roll No. 44291
IBP No. 307797; 01/31/2023; Tarlac
PTR No. 5661363; 01/12/2024; Quezon City
MCLE No. VII-0016459; 4/27/2022; Pasig City
4th Floor Gabriel Y. Itchon Building
Senator Defensor-Santiago Avenue (formerly BIR Road)
Corner Quezon Avenue, Diliman, Quezon City

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO

16 1 1

REPUBLIC OF THE PHILIPPINES)
TAGUIG CITY) S.S

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Taguig City, Philippines, this _____ day of 23 JUL 2024, 2024, personally appeared **MR. MODESTO O. TOLENTINO**, President, **MOTO INDUSTRIAL TRADERS CORPORATION**, with Identification Document in the form of _____, issued by _____ at _____, on _____, known to me and to me known to be the same person who executed the foregoing instrument consisting of ten (10) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and he acknowledged before me that the same is his free and voluntary act and deed and that of the Company he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Doc. No.: 114
Page No.: 23
Book No.: XLI
Series of 2024.

Notary Public
Until December 31, 2024
IBP Lifetime No.: _____
PTR No.: _____

ATTY. IRISH S. PRECION
Notary Public for Taguig City
Appointment No. 23 (2023-2024)
Roll No. 69281/05.31.17 / IBP No. 257478/12.29.23
PTR No. A-6123618/01.02.24/Taguig City
MCLE Compliance No. VII-0020815 valid until 04-14-25
Ground Floor FTI Old Admin. Bldg. FTI Complex, Taguig City
precisionirisns@gmail.com / 09988534549

Contract between NPC and Moto Industrial Traders Corporation
Rehab/Upgrading of Agus 4 HEP Unit 1 Excitation System
Contract No. LOG MSSP 2024-07-089-JBO