R. DELGADO

Business Manager

CONTRACT NO. LOG MSSP 2024-10-132-MDC

SUPPLY AND DELIVERY OF ADDITIONAL ENGINE LUBRICATING OIL TO SPUG POWER PLANTS AND BARGES FOR CY 2024 (LOT 8 – MASBATE AND FOUR (4) OTHERS)
HO-FMG24-009 / EC241011-CM00444 (NP-EC2)

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 -

GULF OIL PHILIPPINES, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 39 M Lozada St., Brgy. Sto. Rosario Silangan, Pateros, Philippines herein represented by its Territory Business Manager, MS. DIANE REGINE R. DELGADO, who is duly authorized to represent it in this transaction, hereinafter referred to as SUPPLIER;

WITNESSETH: That -

WHEREAS, the Bids and Awards Committee recommended the conduct of Alternative Mode of Procurement – Negotiated Procurement (Emergency Cases) per BAC Resolution No. 2024-082 dated 03 October 2024;

WHEREAS, on 16 October 2024, NPC posted the Invitation to Bid for the 2nd Negotiated Procurement - Emergency Cases for the Supply and Delivery of Additional Engine Lubricating Oil to SPUG Power Plants and Barges for CY 2024 (Lot 8 – Masbate and Four (4) Others);

WHEREAS, there were two (2) prospective bidders who secured the Terms of Reference but only one (1) bidder participated in the Negotiated Procurement conducted on 18 October 2024 on the aforesaid undertaking:

WHEREAS, the SUPPLIER's bid offer for the Supply and Delivery of Additional Engine Lubricating Oil to SPUG Power Plants and Barges for CY 2024 (Lot 8 – Masbate and Four (4) Others) was considered as the single calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the SUPPLIER:

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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:

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. Terms of Reference for the Supply and Delivery of Additional Engine Lubricating Oil to SPUG Power Plants and Barges for CY 2024 (Lot 8 -Masbate and Four (4) Others) (PR No. HO-FMG24-009 / EC241011-CM00444 (NP-EC2)):
- 2. Notice of Award dated 30 October 2024;
- 3. Bid Evaluation and Post-qualification Report dated 18 October 2024:
- 4. Supplier's Proposal (Eligibility/Technical & Financial Components) dated 17 October 2024:
- BAC Resolution No. 2024-082 dated 03 October 2024; 5.
- 6. Notice to Proceed; and
- 7. The Performance Security to be filed by SUPPLIER in accordance with this Contract.

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 documents with the latest date shall prevail.

ARTICLE II SCOPE OF WORK

Supply and delivery of Engine Lubricating Oil as specified in Terms of Reference.

The quantity of Engine Lubricating Oil to be delivered shall be in accordance with Terms of Reference (TOR) Attachment C - Table of Delivery Points, subject to the provisions of Clause TOR-16 - Prices and Clause TOR-17.3 - Contract Amount and Implementation.

The monthly breakdown of ELO requirements is indicated in TOR Attachment B - Schedule of Monthly ELO Requirements. Said monthly breakdown is for the Supplier's planning purposes and an actual ELO demand requirement shall be provided to the Supplier pursuant to Clause TOR-15.1(b) -Securing Engine Lubricating Oil Supplies.

In the event of a supply shortage and/or allocation of lube oil supplies imposed by the Philippine Government, or any of its instrumentalities, Supplier shall sell to NPC the said volumes as a minimum subject to the implementing rules and regulations issued by the Government agency of the Philippines

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Territory Business Manager

DIANE REGINE

BY:

- Admin and Finance NPC)

Vice Presiden

exercising supervision over lube oil utilization and supplies.

ARTICLE III CONTRACT PERIOD AND LOCATION

The supply and delivery of Engine Lubricating Oil shall cover the period of **THREE (3) MONTHS.** The quantities of ELO to be delivered are indicated in TOR Attachment C – Table of Delivery Points. However, should there still be an available amount after the contract term, said contract term shall be extended until the full amount is consumed. The contract extension shall not exceed a period of three (3) months after the end of the contract term.

The delivery points and locations are indicated in TOR Attachment C – Table of Delivery Points.

ARTICLE IV ENGINE LUBRICATING OIL SPECIFICATIONS

The Supplier shall guarantee to supply and deliver ELO in accordance with the quality specifications as indicated in TOR Attachment I – Technical Data Sheets "A", "B" and "C". The Supplier shall furnish NPC the Quality Certificate for each and every ELO delivery via mode of delivery as specified in Clause TOR - 19 - Transportation.

The Supplier shall provide American Petroleum Institute (API)/European Automobile Manufacturers Association (ACEA)/Japanese Automotive Standards Organization (JASO) certification that their products are included in any of the above organization to assure the correctness of the technical specifications submitted in the technical data sheets.

ARTICLE V PICK-UP, DELIVERY, NUMBER OF LITERS AND AMOUNT

The recipient plant, number of liters per plant and amount are provided in Annex A of this contract.

ARTICLE VI PAYMENT

The Total Contract Price for the various delivery points set forth in Annex "A" shall be in the amount of and not exceeding PHILIPPINE PESOS: TWO MILLION SIX HUNDRED SEVEN THOUSAND SIXTY EIGHT PESOS AND 49/100 (PHP 2,607,068.49). The Total Contract Price is inclusive of excise tax and the Twelve Percent (12%) E-VAT.

NPC shall pay the SUPPLIER in accordance with the provisions of the Terms of Reference.

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Territory Business Manager

Admin and Finance

vice President

O V. HILARIO

BY:

-ROXAS President and CEO

ARTICLE VII 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.

- a. 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.
- b. Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly certified by the 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 acceptance of the last delivery/final acceptance of the project. The Performance Security shall also answer for any damages and expenses that NPC may suffer as a result of the failure of the SUPPLIER to perform its contractual obligations herein without prejudice to the other legal remedies which may be resorted to by NPC. The bond shall be released sixty (60) days after the last delivery period following the date of completion of the SUPPLIER's performance obligations under the Contract and the issuance of certification to that effect by NPC, including any warranty obligations, unless otherwise specified in the Terms of Reference, provided there are no claims against the SUPPLIER and/or its bondsmen.

Any extension of the delivery period, which may be granted to the SUPPLIER, shall be considered as given and any modification of the Contract shall be considered as authorized with the express consent of the surety.

ARTICLE VIII 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

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BY:

Territory Business Manager

REGINE R.

FERNANDO MARTIN Y. BOXAS
President and CEO

Admin and Finance

Vice President

NPC)

V. HILARIO

any sub-contract 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 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 IX LIQUIDATED DAMAGES

Should SUPPLIER fails to satisfactorily complete the delivery of engine lubricating oil within the stipulated contract time, plus any time extension duly granted, and is thereby in default under this Contract, SUPPLIER shall pay NPC for liquidated damages, not by way of penalty, an amount equal to one tenth (1/10) of one percent (1%) of the cost of the undelivered engine lubricating oil for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%) of the contract amount, NPC may rescind or terminate the contract without prejudice to other course of action and remedies open to it.

To be entitled to such liquidated damages, NPC does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due to the SUPPLIER, or collected from any securities or warranties posted by the SUPPLIER, whichever is convenient to NPC. The forfeiture of the performance bond shall not preclude NPC from collecting liquidated damages as provided under this clause.

The provision for liquidated damages shall not prevent NPC from exercising its right to take over from the SUPPLIER the procurement of the contracted oil.

ARTICLE X 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 XI 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

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DIANE REGINE R. DELGADO

IER)

Admin and Finance

O V. HILARIO

FERNANDO MARTIN Y. ROXAS

President and CEO

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 XII 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.

ARTICLE XIII RIGHT OF NPC TO TERMINATE CONTRACT

NPC may, without incurring any liability, and as its interest may require, terminate the Contract in whole or in part, at any time, at its convenience by written notice sent to SUPPLIER. The notice of termination shall specify that such termination is for NPC's convenience and state the extent to which performance of work under the Contract is terminated and the date upon which such termination becomes effective.

ARTICLE XIV WARRANTY CLAUSE

SUPPLIER hereby warrants that it or its representative has not offered or paid, directly or indirectly, any government officer or 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

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BY:

FERNANDO MARTIN Y. ROXAS

Vice President Admin and Finance

NPC)

to it to any official or employee of the NPC and to the relatives within the third 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 the said person and the amount being paid; and that any violation of this Warranty shall constitute a 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 violation of R.A. 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 XV 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 XVI CONTRACT EFFECTIVITY

The contract effectivity date shall be provided in the Notice to Proceed by NPC.

ARTICLE XVII 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.

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Contract No. LOG MSSP 2024-10-132-MDC

IN WITNESS WHEREOF, the parties hereto have signed this Contract this 11st day of November, 2024 at Quezon City, Philippines.

NATIONAL POWER CORPORATION

(NPC)

GULF OIL PHILIPPINES, INC. (SUPPLIER)

NDO MARTIN Y. ROXAS President and CEO

By:

DIANE REGINE R. DELGADO Territory Business Manager

SIGNED IN THE PRESENCE OF:

CRISAN OV. HILARIO

Vice President

Administration and Finance

CHETILLO

FUNDS AVAILABLE

Sr. Departe lent Manager, Finance

cm) ERTIFIED FUNDS AVAILABLE REPUBLIC OF THE PHILIPPINES)

OUEZON CITY

S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of NOV 2 1 2024, personally appeared MR. FERNANDO MARTIN Y. ROXAS, President and CEO, NATIONAL POWER CORPORATION, with Identification Document 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 Corporation he represents.

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

Doc. No. 46;
Page No. 11;
Book No. 2;
Series of 2024.

Notary Public Until December 31, 2024 IBP Lifetime_No.:

ATTY. DIWA RAFAEL B BONTUYAN

PTR No .:

Notary Public for Quezon City
Commission No. NP-401 (2023-2024)
Commission Expires on 31 December 2024
Roll No. 64390

IBP No. 1006807; 02/07/2023; Quezon City PTR No. 4540603; 04/20/2023; Quezon City MCLE No. VII-0009839; 02/14/2022; Pasig City 4th Floor NPC Office Building Quezon Ave. cor. BIR Road Ditiman, Quezon City REPUBLIC OF THE PHILIPPINES)

SUEZON CITY

) S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of NOV 1 3 2024, personally appeared MS. DIANE REGINE R. DELGADO, Territory Business Manager, GULF OIL PHILIPPINES, INC., Identification Document in the form of Government ID No. P5207(6575), issued at 1271 12915, on 4 JUN 2020 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 she acknowledged before me that the same is her free and voluntary act and deed and that of the Company she represents.

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

ATTY CONCEPCION P. VILLAREN

Notary Public for Quezon City

Notary Rublichier 31, 2024

PUrnii December 34y 202424 Q.C IBP Lifetime Novery 04, 2024 Q.C

PTROLE VII 105-09-1980

ADM. MATTER No. NF-821 (2024-2025) 7IN NO. 131-342-754

Matalino Corner Malacus ST., Brgy, Central District IV, Biliman Quezon City

Doc. No. <u>468</u>; Page No. <u>43</u>; Book No. <u>43</u>; Series of 2024.

NOTE: *** - lot composed of different power plants and lube oil requirements

NATIONAL POWER CORPORATION (NPC)

GULF OIL PHILIPPINES, INC.

BY:

OF:

PRESENCE

SIGNED IN THE

Vice President | Admin and Finance

O V. HILARIO

DIANE REGINER, DELGADO Territory Business Manager