SUPPLIER

BY



Admin and Finance

BOMEDIANO

### CONTRACT NO. LOG MSSP 2024-04-045-DVA

SUPPLY, DELIVERY, INSTALLATION, TEST AND COMMISSIONING OF ONE (1) UNIT DREDGING MACHINE SET AND ACCESSORIES FOR PULANGI IV HYDROELECTRIC POWER PLANT MG-PLM23-017 / PB231109-AM (PB2)

#### KNOW ALL MEN BY THESE PRESENTS:

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

The NATIONAL POWER CORPORATION, a governmentowned 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 -

KRYPTON INTERNATIONAL RESOURCES SALES & **SERVICES INC.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Krypton HQ Building, Purok Sambag, 2nd St., Canjulao, Lapu-Lapu City, Cebu, Philippines, herein represented by its Environmental Solution Department Head, MR. ROLANDO P. ALBORES, JR., who is duly authorized to represent it in this transaction, hereinafter referred to as SUPPLIER.

#### WITNESSETH: That -

WHEREAS, on 28 December 2023, NPC posted the Invitation to Bid for the 2<sup>nd</sup> Public Bidding for the Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant:

WHEREAS, there were two (2) prospective bidders who secured the Bidding Documents and participated in the bidding conducted on 06 February 2024 on the aforementioned undertaking;

WHEREAS, SUPPLIER's bid offer for the Supply, Delivery, Installation. Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant was considered as the lowest calculated and responsive bid;

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

AFG-LOG-007.F01 Rev. No. 0 Sheet 1 of 11

BY:
ROLANDO P. ALBORES, JR.,
Environmental Solution Department Head

KEUNA CATHERD (SUPPLIER)

ORLINA E. BOMEDIANO
C-OVP, Admin and Finance
(NPC)

RNANDO MARTIN Y. ROX.

President and CEO

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:

### 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:

- Bid Documents for the Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant, PR No. MG-PLM23-017 / PB231109-AM (PB2):
- 2. Corporate Secretary's Certificate No. NPB-OCS-24-086 dated 3 April 2024;
- 3. Supplemental / Bid Bulletin Nos. 1, 2, & 3 dated 26 October 2023, 16 November 2023, and 29 November 2023, respectively;
- 4. Notice of Award dated 11 April 2024;
- 5. Post Qualification Report dated 28 February 2024;
- 6. Bid Opening Report dated 06 February 2024;
- 7. SUPPLIER's bid proposal dated 06 February 2024;
- 8. Notice to Proceed; and
- 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 shall cover the supply, delivery, test, and commissioning and a total of three (3) months actual dredging (including training and familiarization of operation and maintenance of dredging machine and its accessories for NPC personnel) of brand new **one** (1) **Dredging Machine** mounted in a vessel, equipped with hydraulic suction cutter head dredge with complete dredging auxiliary equipment & devices, control & protection devices, and other necessary works/services including but not limited to the following:

- a) Installation at Pulangi IV HEP Lower Reservoir @ Panadtalan, Maramag, Bukidnon;
- b) Conduct testing, commissioning and training of NPC personnel including familiarization of operation and maintenance of dredging machine and

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

AFG-LOG-007.F01 Rev. No. 0 Sheet 2 of 11

BY:

1

(SUPPLIER)

BY:

its accessories;

- c) Conduct actual dredging activities equivalent to three (3) months at least six (6) days per week and eight (8) hours per day (except in cases of force majeure or fortuitous event) or with a total accumulated of eight hundred thirty two (832) hours with the presence of NPC training personnel to perform on-job training (OJT). Only fuel consumption shall be shouldered by NPC. All other maintenance and repair cost shall be at the expense of the SUPPLIER;
- fuel tank shall be filled fully and all other maintenance and repair cost shall be at the expense of the SUPPLIER during the site testing, installation and commissioning period;
- e) During the three (3) months actual dredging operation, only fuel consumption shall be shouldered by NPC. All other maintenance and repair cost shall be at the expense of the SUPPLIER;
- f) Coordinate at all times to the project proponent/duly authorized representative (Maintenance/Operations/PTS personnel), Safety, Pollution and Control Officer during the execution of the contracted work;
- g) Submit two (2) pictures each during the three (3) months actual dredging at 0%, 50% and 100% completion of work in at least two (2) distinct locations for documentation purposes;
- h) Comply with the following IMS/Safety requirements during installation, conduct of testing and commissioning including the three (3) months actual dredging operation:
  - h.1. Conduct/undergo IMS orientation on personnel/workers prior to work commencement by the SUPPLIER;
  - h.2. Prepare environmental health and safety (EHS) Hazards Risk Assessment and shall secure Safe Work Permit;
  - h.3. Provide its personnel/workers all the prescribed Personnel Protective equipment (Skull Guard, Safety Shoes, Gloves, Life Vest, etc.) and uniforms that shall be required to wear during execution of works; and,
  - h.4. Strictly adhere to NPC's corporate safety and environmental rules and regulation at all times until the completion of the contract.
- i) Shall be held liable for all the damages to the environment, properties, persons, materials and equipment that may occur as a result of the SUPPLIER's negligence and shall be required to submit a written accident report to the Project Proponent or duly authorized representative as early as possible; and,
- j) All necessary permits, licenses and other legal requirements shall be

HAU IN A COM HENY (SUPPLIER)

RLINA E. BOMEDIANO
OVP, Admin and Finance
(NPC)

ANDO MARTIN Y-ROX President and CEO

Contract between NPC and Krypton International Resources Sales & Services Inc.
Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and
Accessories for Pulangi IV Hydroelectric Power Plant
Contract No. LOG MSSP 2024-04-045-DVA

**IPPLIER**)

BY:

Solution Department Head

ERNANDO MARTIN Y. BOXAS

LORLINA E. BOMEDIANO
OIC-OVP, Admin and Finance
(NPC)

secured and all expenses relative thereto shall be shouldered by the SUPPLIER.

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

### ARTICLE III CONTRACT DURATION AND LOCATION

The contract duration shall be seven (7) months including training and conduct of actual dredging operation which includes the delivery period of one hundred twenty (120) calendar days from issuance of Notice to Proceed.

The unit shall be delivered to Pulangi IV HEP Lower Reservoir at Panadtalan, Maramag, Bukidnon.

# ARTICLE IV DOCUMENTS TO BE SUBMITTED

The SUPPLIER shall submit the following documents during project implementation or as specified in the specification:

- a. Certificate of Origin of the dredging machine set;
- b. Certificate of Warranty on parts and services for one (1) year;
- c. Shop Test Certificates from Manufacturer;
- d. Assembly and dimensional drawings, schematic wiring diagrams, interconnection diagrams identifying by terminal number;
- e. Site test Procedure:
- f. Three (3) sets of operation and maintenance manual including spare parts book;
- g. Date of Manufacture and Production Control No.;
- h. Bill of Lading, and,
- M-5.0, M-6.0, M-7.0 and 8.0 of the technical date sheets of the Bidding Documents.

#### ARTICLE V PAYMENT

For and in consideration of the goods and services rendered by the SUPPLIER to NPC, the latter shall pay the former the total amount of ONE HUNDRED SEVEN MILLION EIGHT HUNDRED FOUR THOUSAND FOUR HUNDRED FIFTY PESOS (PHP 107,804,450.00) as reflected in Annex A.

Inclusive of VAT and subject to appropriate Philippine taxes throughout the duration of the contract period.

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

BY:
ROLANDO P. ALBORES, JR.,
Environmental Solution Department Head



RLINAE. BOMEDIANO COVR, Admin and Finance (NPC)

JANDO MARTIN Y ROXA
President and CEO

#### ARTICLE VI 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. The Performance security maybe in any of the following forms:

- 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 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 VII GUARANTEE

The SUPPLIER shall guarantee that he will promptly repair, and/or replace, at his own cost, equipment and machineries, against defect in design, workmanship and materials and shall include labor, parts and travel time for necessary repairs at the site effective from date of issuance of Certificate of Completion by NPC for a period of twelve (12) months.

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

SUPPLIER

BY:
ROLANDO P. ALBORES, JR.,
Environmental Solution Department Head

REGINAL CONTROL

ORLUNA E. BOMEDIANO
OVP., Admin and Finance
(NPC)



### ARTICLE VIII LIQUIDATED DAMAGES

Should SUPPLIER fail 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 IX NON-ASSIGNMENT AND NO SUBCONTRACTING

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-contract shall comply and conform with the terms and conditions of this Contract. The SUPPLIER shall be responsible for the observance by the sub-supplier 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-supplier 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-supplier, or because of the late submission of its approval.

# 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 order during work stoppage.

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

SUPPLIER

BY:

Solution Department Head

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** 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 of 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).

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

AFG-LOG-007.F01 Rev. No. 0 Sheet 7 of 11

Admin and Finance BOMEDIANO



OWP, Admin and Finance ORLINA E. BOMEDIANO

ARTICLE XIV 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 to thereto is joint and several and for this reason NPC may proceed against any or all of them.

### 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 EFFECTIVITY**

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

Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-04-045-DVA

# 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 shall be exclusively in the proper court of Quezon City, Philippines only.

IN WITNESS WHEREOF, the parties hereto have signed this Contract this 13th day of May, 2024 at Quezon City, Philippines.		
NATIONAL POWER CORPORATION (NPC)	KRYPTON INTERNATIONAL RESOURCES SALES & SERVICES INC. (SUPPLIER)	
FERNANDO MARTIN Y. ROXAS President and CEO	ROLANDO P ALBORES, JR. Environmental Solution Department Head	
SIGNED IN TH	HE PRESENCE OF:	
LORLINA E. BOMEDIANO OIC-OVP, Admin and Finance (NPC)	(SUPPLIER)	
LORLINA E. BOMEDIANO OIC-OVP, Admin and Finance	CERTIFIED FUNDS AVAILABLE  PERIOD JOB ORDER COST CENTER AMOUNT  PIOT, SOU, YOU.	

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

#### **ACKNOWLEDGEMENT**

	BEFORE ME, a Notary Public for and in Quezon City, Philippines, this
YAM	1 3 2024 day of, 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 eleven (11) 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. \_\_\_\_\_; Page No. \_\_\_\_\_; Book No. \_\_\_\_\_; Series of 2024.

ATTY. ROJOLFO M. DE GUZMAN, Jk.
Notiny Public for Quezon City
Commission No. NP-339(2023-2024)
Commission Expires on 31 December 202
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 Roar)

Comer Quezon Avenue Diliman Quezon Cih

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

#### **ACKNOWLEDGEMENT**

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of				
RESOURCES SALES & SERVICES INC., with Identification Document in the				
form of bluyen's license, issued by LTD at DAVAO CITY,				
on 06-14-2019, known to me and to me known to be the same person who				
executed the foregoing instrument consisting of eleven (11) 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.				
Total Control				

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.: 73
Page No.: 12
Book No.: 1
Series of 2024.



Contract between NPC and Krypton International Resources Sales & Services Inc. Supply, Delivery, Installation, Test and Commissioning of One (1) Unit Dredging Machine Set and Accessories for Pulangi IV Hydroelectric Power Plant Contract No. LOG MSSP 2024-045-DVA

Environmental Solution Department Head

(SUPPL/IER)

LORLINA E. BOMEDIANO OIC-OVP, Admin and Finance

(NPC)

ALBORES,

ROLAMDO P.



ANNEX A

#### **SUMMARY - BILL OF QUANTITIES**

### SUPPLY, DELIVERY, INSTALLATION, TEST AND COMMISSIONING OF ONE (1) UNIT DREDGING MACHINE SET AND ACCESSORIES FOR PULANGI IV HYDROELECTRIC POWER PLANT

PR No. MG-PLM23-017 / PB231109-AM (PB2)

SUB-TOTAL	PARTICULARS	TOTAL AMOUNT IN PESOS
А	HYDRAULIC DREDGING MACHINE SET	₱78,500,000.00
В	OTHER MECHANICAL WORKS	₱23,170,000.00
С	ELECTRICAL WORKS	₱800,000.00
D	SPARE PARTS, SPECIAL/STANDARD TOOLS	₱3,169,450.00
D	MISCELLANEOUS WORKS	₱2,165,000.00
TOTAL AMOUNT (PHP)		₱107,804,450.00