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CONTRACT NO. LOG MSSP 2022-11-113-MDC

SUPPLY, DELIVERY, INSTALLATION AND TESTING OF NATIONWIDE INTENSIFICATION OF HOUSEHOLD ELECTRIFICATION FOR SAMAR AREAS (ILIJAN DPP, TAKUT DPP AND LIBUCAN DPP) HO-PMD22-005 / PB220427-NA00076 (PB2/NP)

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 NPC Building, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its Vice President-Power Engineering Services, ATTY. ROGEL T. TEVES, who is duly authorized to represent it in this transaction, hereinafter referred to as NPC;

- and -

BEECARTINE CONSTRUCTION AND SUPPLY, a single proprietorship duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 148 Purok 5, Brgy. Mercedes, Catbalogan City, Samar, Philippines, herein represented by its Owner/Proprietor, MR. BEETHOVEN M. BERMEJO, who is duly authorized to represent it in this transaction, hereinafter referred to as SUPPLIER.

WITNESSETH: That -

WHEREAS, two failed biddings were conducted last 27 April 2022 and 25 May 2022 due to no bidder's participation;

WHEREAS, the BAC recommended the conduct of Alternative Mode of Procurement - Negotiated Procurement (Two Failed Biddings) per Bid Opening Report dated 26 May 2022;

WHEREAS, on 16 September 2022, NPC posted the Invitation to Bid for the Negotiated Procurement for the Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP);

WHEREAS, only one (1) prospective bidder secured the Terms of Reference and participated in the bidding conducted on 05 October 2022;

Contract between NPC and Beecartine Construction and Supply Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP) Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0

Project Management Department

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Department Manager

WHEREAS, SUPPLIER's bid offer was considered as the single 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:

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:

- Terms of Reference for the Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP) / PR No. HO-PMD22-005 / PB220427-NA00076 (PB2/NP);
- 2. Notice of Award dated 10 November 2022;
- 3. Post Qualification Report dated 25 October 2022;
- Bid Opening Report dated 05 October 2022;
- Bid Opening Report dated 26 May 2022, on the BAC recommendation and approval of the President and CEO on the conduct of Alternative Mode of Procurement through Negotiated Procurement (Two Failed Biddings).
- SUPPLIER's bid proposal dated 27 September 2022;
- 7. 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 works shall cover but not limited to the following:

- Supply, Delivery, Installation and Testing of Household Connection/Electrification Materials; and
- Appropriate storage area/facility of delivered materials.

It is not NPC's intent to specify all technical requirements nor to set forth those requirements adequately covered by applicable codes and

Contract between NPC and Beecartine Construction and Supply Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP)
Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0 Sheet 2 of 10 standards. The Contractor shall furnish high quality materials & equipment meeting the requirements of these specification and industry standard.

ARTICLE III PROJECT DURATION AND LOCATION

The project duration shall be **SIXTY (60) CALENDAR DAYS** reckoned from receipt of Notice to Proceed.

The project shall be located three (3) separate existing plant sites as follows:

- Ilijan DPP, Sitio Ilijan, Santo Niño, Samar
- 2. Takut DPP, Sitio Takut, Santo Niño, Samar
- 3. Libucan DPP, Sitio Libucan, Tarangnan, Samar

ARTICLE IV TOTAL CONTRACT PRICE AND PAYMENT TERMS

The Total Contract Price shall be in the amount of and not exceeding PHILIPPINE PESOS THREE MILLION EIGHTEEN THOUSAND SIX HUNDRED FORTY ONE AND 28/100 (PHP 3,018,641.28) ONLY.

The Total Contract Price specified above shall be paid in accordance with the provision of Section II-GCC, Clause 10 of the Terms of Reference.

All taxes, custom duties, tariffs, exports, excise and all other taxes assess 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.

- 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.

Contract between NPC and Beecartine Construction and Supply
Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification
for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP)
Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0 Sheet 3 of 10

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Performance Securing Declaration.

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

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 WARRANTY/GUARANTEE BOND

To assure that manufacturing defects shall be corrected by the SUPPLIER or its manufacturer, the SUPPLIER Warranty/Guarantee Bond after the performance of the contract pursuant to the provision contained in Section II-GCC, Clause 17 of the Terms of Reference. This is also a pre-requisite to the discharge and return to the SUPPLIER of the Performance Bond. This shall remain valid for twelve (12) months after the acceptance of the goods by the end user. The obligation of the warranty shall be covered by, at the SUPPLIER's option, either retention money in an amount equivalent to at least one percent (1%) but not exceed five percent (5%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) but not to exceed five percent (5%) of the total contract price. The said amount shall only be released after the lapse of the warranty period, provided, however, that the GOODS supplied are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

ARTICLE VII 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

Contract between NPC and Beecartine Construction and Supply Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP) Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0

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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 VIII NON-ASSIGNMENT AND NO SUB-CONTRACT

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 IX 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 X 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.

Contract between NPC and Beecartine Construction and Supply
Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification
for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP)
Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0

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Project Management Department

ARTICLE XI 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 XII WARRANTY CLAUSE

SUPPLIER hereby warrants that he or his 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 he or his 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 him 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; he 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 his representative and/or the erring NPC official(s) and employee(s).

ARTICLE XIII 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.

Contract between NPC and Beecartine Construction and Supply Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP) Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0

ARTICLE XIV 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 XV EFFECTIVITY

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

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

Contract between NPC and Beecartine Construction and Supply
Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification
for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP)
Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0 Sheet 7 of 10

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| IN WITNESS WHEREOF, this day of, 2 | he parties hereto have signed this Contract 2022 at Quezon City, Philippines. |
|---|--|
| NATIONAL POWER CORPORATIO | BEECARTINE CONSTRUCTION AND SUPPLY (SUPPLIER) |
| BY: | BY: |
| ATTY. ROGEL T. TEVES Vice President Power Engineering Services | BEETHOVEN M. BERMEJO Owner/Proprietor |
| O G | THE PRESENCE OF: |
| SERGIO P. VILLAFUERTE Department Manager, Project Management Department (NPC) | (SUPPLIER) |
| FUNDS AVAILABLE | C#) CENTRIES TOWN FOR COST CENTER LINGUIST WOUNT PA DIX CHI.M |
| LORLINA E. BOMEDIANO Sr. Department Manager, Finance | AMOUNT P3,018,641.74 |

Contract between NPC and Beecartine Construction and Supply
Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification
for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP)
Contract No. LOG MSSP 2022-11-113-MDC

AFG-LOG-007.F01 Rev. No. 0 Sheet 8 of 10

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

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of DEC 2022, 2022, personally appeared ATTY. ROGEL T. TEVES, Vice President – Power Engineering Services, NATIONAL POWER CORPORATION, with Document Identification in the form of Company ID No. APW1300273, 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.

IBP Lifetime No.:_

Notary Public

Until December 31, 2022

Page No. 96; Book No. 5; Series of 2022.

ATTY. RODOLFO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-127(2021-2022)
Commission Expires on 31 December 2022
Roll No. 44291
IBP No. 201548; 02/08/2022; RSM
PTR No. 2614399; 02/08/2022; Quezon City
ICLE No. VI-0025196; 04/08/19; Pasig C., y
4th Floor NPC Office Building
Quezon Ave. cor, BIR Road

Diliman, Quezon City

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S

<u>ACKNOWLEDGEMENT</u>

| BEFORE ME, a Notary Public for | or and in Quezon City, Philippines, this |
|--|---|
| REPME 10 1 NOV 2022, | personally appeared MR. BEETHOVEN M BEECARTINE CONSTRUCTION AND |
| SUPPLY with Identification, I | SEECARTINE CONSTRUCTION AND |
| issued by 1774 light at the light of the | nent in the form of DRIVERS LYCENS |
| issued by the # HUI-81-001036 SICATE | NUGAN CITYON known to |
| me and to me known to be the s | ame 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 ackr | nowledged before me that the same is his |
| free and voluntary act and deed and | that of the Company he represents. |
| WITNESS MY HAND AND NOTABL | |
| above written. | AL SEAL, at the place and on the date first |
| above written. | |
| | Notary Public Until Degender 31, 2022 |
| | ATTY ETTERON dille de la |
| | Notary Public Operator City |
| | Notary Public Until Degration 31, 2022 |
| | Until December 3th 20032 1133 2002 200 |
| | IBP Lifetime No. 095230 AUGLINO, 40137 |
| | PTR No.: MCEE COMP. NO. VI-001281/ |

Doc. No.: Page No.: 9/18
Book No.: 9/18
Series of 2022

Contract between NPC and Beecartine Construction and Supply Supply, Delivery, Installation and Testing of Nationwide Intensification of Household Electrification for Samar Areas (Ilijan DPP, Takut DPP and Libucan DPP) Contract No. LOG MSSP 2022-11-113-MDC

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AFG-LOG-007.F01 Rev. No. 0 Sheet 10 of 10

NATIONAL POWER CORPORATION

SIGNED IN THE PRESENCE OF:

BEECARTINE CONSTRUCTION AND SUPPLY UPPLIER) .. B

BEETHOWEN M. BERMEJO **OwnexProprietor**

DOMA FRADIR P. BARBUD

(SUPPLIER)

pepartment Manager Project Management Department SERGIO P. VILLAFUERTE

Power Engineering Services

ATTY, ROBEL T. TEVES Vice President (NPC)

ANNEX A

SECTION VII - SCHEDULE OF REQUIREMENTS (BID PRICE SCHEDULE)

SUPPLY, DELIVERY, INSTALLATION AND TESTING OF NATIONWIDE INTENSIFICATION OF HOUSEHOLD

HO-PMD22-005 / PB220427-NA00076 (PB2/NP) (ILIJAN DPP, TAKUT DPP AND LIBUCAN DPP) **ELECTRIFICATION FOR SAMAR AREAS**

| TEM | DADTICIII ABS | TOTAL AMOUNT |
|-----|--|--------------|
| | CARCOCIANO | Phil. Peso |
| - | Ilijan DPP, Sitio Ilijan, Santo Niño, Samar | 1,002,841.20 |
| 2 | 2 Takut DPP, Sitio Takut, Santo Niño, Samar | 428,603.08 |
| 3 | 3 Libucan DPP, Sitio Libucan, Tarangnan, Samar | 1,587,197.00 |
| | TOTAL AMOUNT | 3,018,641.28 |

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Page 1 of 1