SIGNED IN THE PRESENCE OF:

CONTRACT NO. INFRA-AG2-2022-10-022

CONTRACT FOR THE CONSTRUCTION OF CONCRETE
PERIMETER FENCE AT POWER INTAKE APPROACH CHANNEL AT
AGUS 1 HEP, BO. SABER, MARAWI CITY, LANAO DEL SUR
PR NO. MA-A2M22-004 / REF. NO. INFRA2022-AG2-021

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 for Mindanao Generation, EDMUNDO A. VELOSO, JR., who is duly authorized to represent it in this transaction, hereinafter referred to as NPC;

- and -

H & N BUILDERS AND ENTERPRISES, a single proprietorship duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at 11th, 20th Street, Nazareth, Cagayan de Oro City, Misamis Oriental, Philippines, herein represented by its General Manager, JANINAH MADALE DISAMBURUN, who is the duly authorized to represent it in this transaction, hereinafter referred to as CONTRACTOR;

WITNESSETH: That -

WHEREAS, on 16 June 2022, NPC advertised the Invitation to Bid for the Public Bidding for the CONSTRUCTION OF CONCRETE PERIMETER FENCE AT POWER INTAKE APPROACH CHANNEL AT AGUS 1 HEP, BO. SABER, MARAWI CITY, LANAO DEL SUR;

WHEREAS, six (6) prospective bidders secured the bidding documents and all participated in the bidding conducted on 04 July 2022 but only five (5) were declared eligible on the aforesaid undertaking;

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

WHEREAS, NPC accepted the said bid of the CONTRACTOR;

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 H & N Builders & Enterprises
Construction of Concrete Perimeter Fence at Power Intake Approach
Channel at Agus 1 HEP, Bo. Saber, Marawi City, Lanao Del Sur
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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 CONSTRUCTION OF CONCRETE PERIMETER FENCE AT POWER INTAKE APPROACH CHANNEL AT AGUS 1 HEP, BO. SABER, MARAWI CITY, LANAO DEL SUR;

- All other drawings, work program and bidding forms including all the documents now existing on file and/or to be made and agreed upon by the parties during the contract period relative to the works;
- 2. CONTRACTOR's bid 'proposal dated 04 July 2022 as reflected in Annex A:
- 3. Bid Opening Report dated 13 July 2022;
- 4. Post-qualification Report dated 26 August 2022;
- Notice of Award dated September 27, 2022;
- 6. Notice to Proceed; and
- 7. The Performance Security to be filed by CONTRACTOR 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 former shall govern. Should there be any inconsistency/ discrepancy, among the Contract Documents, the document with the latest date shall prevail.

ARTICLE II SCOPE OF CONTRACT

CONTRACTOR shall, in accordance with the provisions of, and subject to the conditions contained in the Contract Documents, fully and faithfully furnish all superintendence, labor, materials, supplies, tools and equipment (in accordance with the requirements of the Bidding Documents and Technical Specifications) for the CONSTRUCTION OF CONCRETE PERIMETER FENCE AT POWER INTAKE APPROACH CHANNEL AT AGUS 1 HEP, BO. SABER, MARAWI CITY, LANAO DEL SUR. The items of work, materials, equipment and/or service mentioned above and listed in the itemized list hereto attached and made an integral part hereof as "ANNEX A", Shall be collectively referred to 'as "WORK".

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ARTICLE III COMMENCEMENT AND COMPLETION PERIOD

CONTRACTOR shall complete all the works specified in the bidding documents within Eighty (80) calendar days reckoned from the date of contract effectivity as specified in the Notice to Proceed.

ARTICLE IV PAYMENTS •

For and in consideration of the WORK to be undertaken by CONTRACTOR as specified in the preceding Article II hereof, NPC shall pay the CONTRACTOR in Philippine Currency and in accordance with the Contract Documents, the unit and lump sum prices set forth in Annex "A" hereof in the estimated amount of THREE MILLION NINE HUNDRED NINETY NINE THOUSAND SIX HUNDRED EIGHTY EIGHT & 06/100 PESOS (PHP3,999,688,06).

All forms of taxes, such as value added tax (VAT) including municipal licenses and permits, and others that may be imposed by the Philippine Government, or any of its agencies and political subdivisions in connection with the Contract shall be for the account of the CONTRACTOR.

ARTICLE V PERFORMANCE SECURITY

To guarantee the faithful performance of its obligations under the Contract, CONTRACTOR shall, at its own expense and at the time of the execution of the Contract or immediately thereafter, or upon receipt of the award or immediately thereafter, post a Performance Security in favor of NPC in an amount equivalent to ten percent (10%) of the total contract price in the form of cash, or cashier's/ manager's check or 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, or in an amount equal to thirty percent (30%) of the total contract price, in the form of surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security. The Insurance Company that will issue Performance Security must be accredited by 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 project, unless the contract duration is extended, in which case the validity of the performance security shall accordingly be extended.

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This performance security shall also be answerable for any damages or penalties or any expenses that NPC may suffer as a result of the failure of the CONTRACTOR to perform its obligation under this Contract including the defects liability period of one year. The Performance Security shall be entirely confiscated by NPC upon default of CONTRACTOR.

In case of surety bond, any extension of the contract time granted to the CONTRACTOR, 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 the 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 CONTRACTOR to post an acceptable Performance Security within ten (10) calendar days after the contract time extension has been granted by NPC.

The performance security shall be discharged by NPC and return to the CONTRACTOR only after the required warranty security/guarantee bond shall have been posted by the CONTRACTOR.

ARTICLE VI GUARANTEE BOND

To assure that any structural defects in the WORK shall be corrected by the CONTRACTOR, and to cover third party liabilities, the CONTRACTOR shall post a Guarantee Bond after the final acceptance of the Work. This is also a pre-requisite to the discharge and release to the CONTRACTOR of the retention money. The Guarantee Bond shall remain valid and effective for the period of one (1) year. The Guarantee Bond shall be posted before the release of the ten percent (10%) retention money provided for in the Bidding Documents. This shall be either in the form of Cash, Letter of Credit issued by a Universal or Commercial Bank equivalent to five percent (5%) of the total contract price, or Bank guarantee confirmed by Universal or Commercial bank equivalent to 10% of the total contract price or Surety Bond penal in nature and callable upon demand issued by any surety or insurance company duly certified by the Insurance Commission as authorized to issue such security, equivalent to thirty percent (30%) of the total contract price. The CONTRACTOR shall be held responsible for Structural Defects for the number of years mentioned in the Bidding Documents.

ARTICLE VII LIQUIDATED DAMAGES

Should CONTRACTOR fail to satisfactorily complete the WORK within the stipulated contract time, plus any time extension duly granted and is hereby in default under this Contract, The CONTRACTOR shall pay liquidated damages to NPC for each day that the Completion Date is later

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than the intended Completion date. The applicable liquidated damages is at least one tenth (1/10) of a percent of the cost of the unperformed portion for every day of delay. NPC shall deduct liquidated damages from payments due to CONTRACTOR. Payment of liquidated damages shall not affect the CONTRACTOR's liabilities. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, NPC may rescind or terminate this Contract without prejudice to other courses of action and remedies available under circumstances.

ARTICLE VIII WARRANTY CLAUSE

CONTRACTOR 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 CONTRACTOR 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 prosecution; 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 CONTRACTOR and/or his representative and/or the erring NPC official(s) and employee(s),

ARTICLE IX 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 X 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.

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IN WITNESS WHEREOF, the Contract this day of	parties hereto have signed this, 2022 at Iligan City, Philippines.
NATIONAL POWER CORPORATION (NPC)	H & N BUILDERS AND ENTERPRISES (CONTRACTOR)
BY:	BY:
EDMUNDO A. VELOSO, JR. Vice President, Mindanao Generation	JANINAH MADALE DISAMBURUN General Manager
	_
SIGNED IN THE	E PRESENCE OF
ATTY. EDDIE U. TABUELOGI CPA	ABDIAL FIRETZ T. NAGA
Division Manager, Finance Mindanao Generation	THE PARTY
(NPC)	(CONTRACTOR)

FUNDS AVAILABLE CC# 66,92013; GL# 107; WO# B101A12

ATTY. ROMERO P. PACILAN
Manager, Admin. & Finance Department
Mindanao Generation

Division Manager,

ATTY. EDD[

REPUBLIC OF THE PHILIPPINES)

OLIVANDE PROCESS

) S.S.

<u>ACKNOWLEDGEMENT</u>

BEFORE ME, a Notary Public for and in !ligan City Philippines, this day of ______, 2022, personally appeared EDWUNDO A. VELOSO, JR., Vice President, Mindanao Generation, with Identification Document in the form of Company ID No. <u>APW1300660</u> issued on <u>28 November 2018</u>, known to me and to me known to be the same person who executed the foregoing instrument consisting of nine (9) 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.

Notary Public
Unil, December 81, 2022
IBM ifetime No.:
FIR No.:
FIR No.:
FIR No.:
PRAMIL S. FRECON
Notary Public
Unil, December 81, 2022
IBM ifetime No.:
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ACKNOWLEDGEMENT

BEFORE ME, a N	otary Public for and	in gagiyari	(PROFILITIVE	pines, this			
day of	iotary Public for and 2022, pers	sonally "ap _l	peared	JANINAH			
MADALE DISAMBURUN							
ENTERPRISES, with	Identification Doc	cument 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 nine (9) 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, 2022
IBP Lifetime No.;
PTF Nb.:

Page No.:
Book No.: Vacov
Series of 2022.

RAMULTA CARREON
BY HIS No. 170545, 12,16,2021 Cooc
Bol IBP 8, PTC 107 2022
The 32-718-759
ROJE No. 51523, 5-10,2006
CAGAYAN DE ORD CITY
MCLE Comp. No. VII-0015266, 04-11-2022

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1.0	CONSTRUCTION SAFETY AND HEALTH PROGRAM	1.00	lat	85,800.00	85,800.00			
2.0	SITE PREPARATION INCLUDING CLEARING/ TRIMMING OF BRANCHES OF TREES	1,00	lot	28,393.20	28,393.20			
3.0	EARTHWORKS (BACKFILLING OF EXCAVATED MATERIALS)							
3.1	EXCAVATION	1,00	₫	101,574.00	101,574.00			
3.2	BACKFILLING	7.92	cu.m,	7,173.00	66,810.16			
4.0	CONCRETE WORKS	187.48	cu.m.	6,719.31	1,072,256.24			
5.0	REINFORCEMENT BAR DSB	11,126.86	kgs.	62,08	690,755,47			
6.0	MASONRY WORKS							
8,1	NEW CONSTRUCTION OF CONCRETE FENCE AT POWER INTAKE (255 METERS LENGTH)	2,235.60	sq.m.	526.40	1,176,819.84			
6.1	PLASTERING ONLY AT EXISTING CONCRETE FENCE FROM GATE NO. 1 TO POWER INTAKE AREA (280 METERS LENGTH X 3.5 METERS HIGH X 2 FACES)	1,960.00	sq.m.	249.42	488,863.20			
7.0	DRILLING/FABRICATION OF 16MM DIAMETER STEEL BAR DSB ARM AND INSTALLATION OF BARBED WIRE GALVANIZED 3 STRANDS GA 12.5 CLASS "A"	1.00	íat	169,679.40	169,679.40			
8.0	PAINTING WORKS	3,289.13	sq.m.	39.14	128,736.55			

	TOTAL							

TOTAL CONTRACT PRICE:

PESOS: THREE MILLION NINE HUNDRED NINETY NINE THOUSAND SIX **HUNDRED EIGHTY EIGHT & 08/100**

H & N BUILDERS & ENTERPRISES ₩.

SIGNED IN THE PRESENCE OF:

ATTY, EDDÍE Ù, TABUI

SIGNED IN THE PRESENCE OF:

NATIONAL POWER CORPORATION

8. B

Vice President Windando Generation

Division Manager, Finance, Mily கீ