

**CONTRACT NO. LOG MSSP 2023-10-100-ALC**

**EMERGENCY PROCUREMENT OF ADDITIONAL FUEL HAULING SERVICES TO SPUG POWER PLANTS AND BARGES (LOT 2 – SULU AND LOT 3 – TAWI-TAWI) HO-FMG23-010 / EC231018-NA00343**

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 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 -

**MEDZAR SHIPPING LINES**, a sole proprietorship duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 1018 2<sup>nd</sup> Street Aurora Village, Guiwan, Zamboanga City, Philippines herein represented by its Authorized Representative, **MR. JULSAMAD S. TAHIR**, who is duly authorized to represent it in this transaction, hereinafter referred to as **CONTRACTOR**;

WITNESSETH : That –

WHEREAS, on 16 October 2023, NPC posted the Invitation to Bid for the Negotiated Procurement – Emergency for the Additional Fuel Hauling Services to SPUG Power Plants and Barges (Lot 2 – Sulu and Lot 3 – Tawi-Tawi);

WHEREAS, only one (1) prospective bidder secured the Terms of Reference and participated in the Negotiated Procurement conducted on 18 October 2023 on the aforesaid undertaking;

WHEREAS, the **CONTRACTOR**'s bid offer for the Emergency Procurement of Additional Fuel Hauling Services to SPUG Power Plants and Barges (Lot 2 – Sulu and Lot 3 – Tawi-Tawi) was considered as the single 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 Medzar Shipping Lines  
Emergency Procurement of Additional Fuel Hauling Services to SPUG Power Plants and Barges  
(Lot 2 – Sulu and Lot 3 – Tawi-Tawi)  
Contract No. LOG MSSP 2023-10-100 -ALC

BY: MEDZAR SHIPPING LINES (CONTRACTOR)

  
**JULSAMAD S. TAHIR**  
Authorized Representative

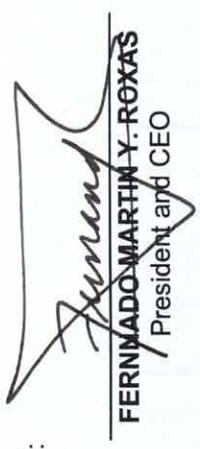
PRESENCE OF:

  
**MR. JULSAMAD S. TAHIR**  
(CONTRACTOR)

SIGNED IN THE

  
**LORLAINE E. BOMEDIANO**  
OIC-OVP, Admin and Finance

BY: NATIONAL POWER CORPORATION (NPC)

  
**FERNANDO MARTIN Y. ROXAS**  
President and CEO

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BY: MEDZAR SHIPPING LINES  
(CONTRACTOR)

  
JULSAMAD S. TAHIR  
Authorized Representative

PRESENCE OF:

  
Paul James Torres  
(CONTRACTOR)

SIGNED IN THE

  
LORLINA E. BOMEDIANO  
OIC-OVP, Admin and Finance

BY: NATIONAL POWER CORPORATION  
(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. Terms of Reference for the Emergency Procurement of Additional Fuel Hauling Services for SPUG Power Plants and Barges (Lot 2 – Sulu and Lot 3 – Tawi\_Tawi) (PR No. HO-FMG23-010 / EC231018-NA00343);
2. Notice of Award dated 25 October 2023;
3. Post-verification Report dated 19 October 2023;
4. Bid Opening Report dated 18 October 2023;
5. Contractor's bid proposal dated 18 October 2023;
6. Notice to Proceed; and
7. The Performance Security to be filed by CONTRACTOR 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**


Fuel Hauling services as specified herein is summarized as follows:

1. Supply of labor, supervision and provision of conveyances, equipment, materials and instruments for the duration of the hauling services contract;
2. Conduct of required volume determination of fuel to be hauled at the Contractor/Hauler's pick-up point and at the recipient plant;
3. Receipt of fuel to be withdrawn and hauled from Supplier's designated source/pick-up location and safe delivery of the same to the designated NPC recipient plant;
4. Transfer of fuel from tanker/tank truck/drums to the fuel storage tanks at the receiving plants; and
5. In case of packaged fuel deliveries (drums) to recipient power plants without fuel storage tank, CONTRACTOR shall provide and retain sufficient number of container drums for the plants' utilization. Retrieval of empty container drums from the recipient power plant for refilling purposes may be conducted at the fuel pick-up point or fuel source point.

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(CONTRACTOR)

  
JULSAMAD S. TAHIR  
Authorized Representative

**ARTICLE III**

**CONTRACT PERIOD AND LOCATION**

The contract period shall be two (2) months from the date of issuance of the Notice to Proceed (NTP) or until the contracted volume of fuel to be hauled is fully served.

The delivery points and pick-up points for fuel hauling services are at various locations as indicated in the Terms of Reference.

**ARTICLE IV**

**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 V  
PAYMENT**

For and in consideration of the hauling services to be undertaken by CONTRACTOR as specified in Article II hereof, NPC shall pay CONTRACTOR in the amount of and not exceeding **PHILIPPINE PESOS FIFTY NINE MILLION EIGHT HUNDRED SEVENTY SEVEN THOUSAND SIX HUNDRED NINETY FIVE (PHP 59,877,695.00)** as reflected in Annex A.

The total contract price is expected to be fully served within the contract term. However, should there still be an available amount and volume left 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.

**ARTICLE VI**

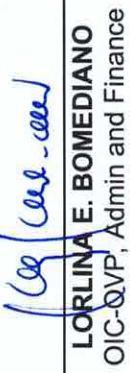
**PERFORMANCE SECURITY**

To guarantee the faithful performance of the Contractor's obligation under this Contract, the Contractor 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.

SIGNED IN THE PRESENCE OF:

  
PML (CONTRACTOR)

  
LORLINA E. BOMEDIANO  
OIC-QVP, Admin and Finance

BY: NATIONAL POWER CORPORATION  
(NPC)

  
FERNANDO MARTIN Y. ROXAS  
President and CEO

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**MEDZAR SHIPPING LINES**  
(CONTRACTOR)

BY:

  
**JULSAMAD S. TAHIR**  
Authorized Representative

- 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 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 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 CONTRACTOR 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 Contractor'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 CONTRACTOR and/or its bondsmen.

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

**ARTICLE VII**  
**LIQUIDATED DAMAGES**

Should CONTRACTOR 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 the 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**  
**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.

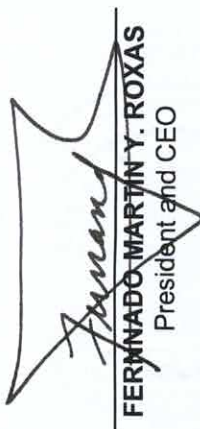
**SIGNED IN THE PRESENCE OF:**

  
(CONTRACTOR)

  
**LORRINA E. BOMEDIANO**  
OIC-QVP, Admin and Finance

**NATIONAL POWER CORPORATION**  
(NPC)

BY:

  
**FERNANDO MARTIN Y. ROXAS**  
President and CEO

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(CONTRACTOR)

  
JULSAMAD S. TAHIR  
Authorized Representative

**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 Contractor 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 Contractor 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 Contractor, 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 Contractor 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 Contractor in the submission of documents, or suppression of material facts, which if known could have disqualified the Contractor 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.

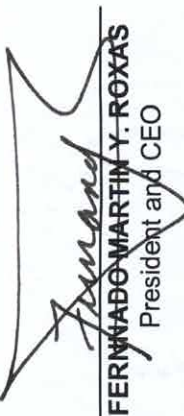
**ARTICLE XI  
RIGHT OF NPC TO TERMINATE CONTRACT**

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 CONTRACTOR. 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.

BY: PRESENCE OF:

  
LORLINA E. BOMEDIANO  
(CONTRACTOR)

BY: NATIONAL POWER CORPORATION  
(NPC)

  
FERNANDO MARTIN Y. ROXAS  
President and CEO

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BY: MEDZAR SHIPPING LINES  
(CONTRACTOR)

  
JULSAMAD S. TAHIR  
Authorized Representative

SIGNED IN THE PRESENCE OF:

  
LORLINA E. BOMEDIANO  
(CONTRACTOR)

BY: NATIONAL POWER CORPORATION  
(NPC)

  
FERNANDO MARTIN Y. ROXAS  
President and CEO

**ARTICLE XII  
WARRANTY CLAUSE**

CONTRACTOR hereby warrants that he or his 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 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 third 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 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 CONTRACTOR and/or its representative and/or the erring NPC official(s) and employee(s).

**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  
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.

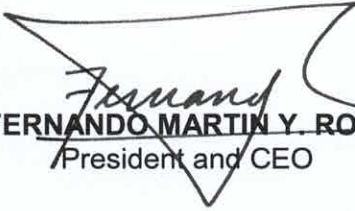
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IN WITNESS WHEREOF, the parties hereto have signed this Contract this 20th day of December, 2023 at Quezon City, Philippines.

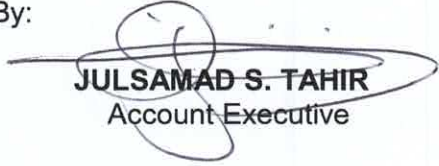
**NATIONAL POWER CORPORATION**  
(NPC)

**MEDZAR SHIPPING LINES**  
(CONTRACTOR)

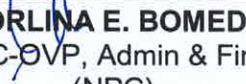
By:

  
**FERNANDO MARTIN Y. ROXAS**  
President and CEO

By:

  
**JULSAMAD S. TAHIR**  
Account Executive

SIGNED IN THE PRESENCE OF:

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

  
(CONTRACTOR)

FUNDS AVAILABLE

  
**LORLINA E. BOMEDIANO**  
Sr. Department Manager, Finance

Non-OMA (M)

<b>CERTIFIED FUNDS AVAILABLE</b>	
PERIOD	2023
JOB ORDER	GC 511/51682
COST CENTER	2703518
AMOUNT	₱ 59,877,695.00

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REPUBLIC OF THE PHILIPPINES)  
 ) S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this \_\_\_\_\_ day of DEC 20 2023, 2023, 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 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  
Until December 31, 2023  
IBP Lifetime No.: \_\_\_\_\_  
PTR No.: \_\_\_\_\_

Doc. No. 171 ;  
Page No. 36 ;  
Book No. 3 ;  
Series of 2023.

**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. 307796; 01/31/2023; Tarlac  
PTR No. 4028415; 01/03/2023; Quezon City  
MCLE No. VII-0016459; 4/27/2022; Pasig City  
4th Floor NPC Office Building  
Quezon Ave. cor. BIR Road  
Diliman, Quezon City

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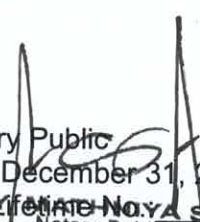
REPUBLIC OF THE PHILIPPINES)  
) S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this DEC 05 2023 day of 5 2023, 2023, personally appeared **MR. JULSAMAD S. TAHIR**, Authorized Representative, **MEDZAR SHIPPING LINES**, Identification Document in the form of Government ID No. 074-12-201076, issued at Z.C, on 11-04-2022 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.

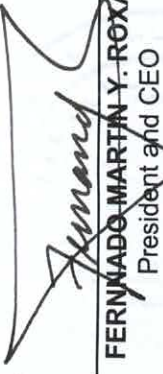
WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public  
Until December 31, 2023

  
**FRANCIS NAYA S. ALI**  
Notary Public  
Quezon City, Philippines  
Notarial Commission  
No. 2023-177/12-31-24  
PTR No. 2544075/01-03-2023  
IBP No. 261261/01-03-2023  
Roll No. 72179  
MCLE Exempt No. VII-BEP004097

Doc. No. CB ;  
Page No. 9 ;  
Book No. 10 ;  
Series of 2023.

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BY:   
**FERNANDO MARTIN Y. ROXAS**  
 President and CEO

*see (see need)*  
**LORLINA E. BOMEDIANO**  
 OIC-OVP, Admin and Finance

  
**M. J. S.**  
 (CONTRACTOR)

  
**JULSAMAD S. TAHIR**  
 Authorized Representative

**ANNEX "A"**

**ADDITIONAL DIESEL FUEL HAULING TO SPUG  
POWER PLANTS AND BARGES FOR CY 2023**

<b>MEDZAR SHIPPING LINES</b>					
Recipient Plant	Fuel Volume to be Hauled for CY2023 (Liters)	Basic Hauling Rate (PhP/Liter)	12% E-VAT (PhP/Liter)	Total Hauling Cost (PhP/Liter)	Total Contract Price
	Kliters	PhP/Liter	PhP/Liter	PhP/Liter	PhPesos
<b>DIESEL FUEL OIL</b>					
<b>Lot 2 - Sulu</b>					
1 Jolo DPP	4,506,600	8.3168	0.9980	9.3148	41,977,907.00
2 Pandami DPP	12,000	11.5652	1.3878	12.9530	155,436.00
3 Siasi DPP	348,400	8.6605	1.0393	9.6998	3,379,409.00
<b>TOTAL LOT 2</b>	<b>4,867,000</b>				<b>45,512,752.00</b>
<b>Lot 3 - Tawi-Tawi</b>					
1 Balimbing DPP	217,300	12.3306	1.4797	13.8103	3,000,978.00
2 Languyan DPP	10,000	8.9287	1.0714	10.0001	100,001.00
3 Manuk Mankaw DPP	1,000	13.0330	1.5640	14.5970	14,597.00
4 Sibutu DPP	156,300	15.0922	1.8111	16.9033	2,641,986.00
5 West Simunul DPP	127,700	13.5586	1.6270	15.1856	1,939,201.00
6 Sitangkay DPP	92,000	15.4204	1.8504	17.2708	1,588,914.00
7 Tandubanak DPP	180,200	15.4279	1.8513	17.2792	3,113,712.00
8 Tandubas DPP	77,800	9.3638	1.1237	10.4875	815,928.00
9 Mapun DPP	63,700	16.1138	1.9337	18.0475	1,149,626.00
<b>TOTAL LOT 3</b>	<b>926,000</b>				<b>14,364,943.00</b>
<b>GRAND TOTAL</b>	<b>5,793,000</b>				<b>59,877,695.00</b>