

KAIC INDUSTRIAL ENGINEERING SERVICES

(CONTRACTOR)

HENRIECH S. ABONG  
Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

MARICELLO A. GERASMIO

SIGNED IN THE PRESENCE OF:

EDDIE U. TABUELOG, CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

CONTRACT NO. INFRA-AG6-2023-08-026

**A6GS INSTALLATION OF EROSION CONTROL BARRIER  
ALONG AGUS 6 RIVERBANK AT AGUS 6 HPP  
FUENTES, MARIA CRISTINA, ILIGAN CITY  
PR No. MG-A7M23-111 / REF. NO. INFRA2023-AG6-026**

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 NPC Building, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its Plant Manager of Agus 6 & 7 HPPC, Mindanao Generation, **ATTY. EDGAR L. RAMIREZ**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

**KAIC INDUSTRIAL ENGINEERING SERVICES**, a single proprietorship duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at Purok Adelfa, Acmac, Iligan City, Philippines, herein represented by its Proprietor/General Manager, **HENRIECH S. ABONG**, who is the duly authorized to represent it in this transaction, hereinafter referred to as **CONTRACTOR**;

**WITNESSETH: That -**

**WHEREAS**, on 05 June 2023, NPC advertised the Invitation to Bid for the Public Bidding for the **A6GS INSTALLATION OF EROSION CONTROL BARRIER ALONG AGUS 6 RIVERBANK AT AGUS 6 HPP, FUENTES, MARIA CRISTINA, ILIGAN CITY**;

**WHEREAS**, two (2) prospective bidders secured the bidding documents and participated in the bidding conducted on 26 June 2023 but only one (1) was declared eligible on the aforesaid undertaking the bidding documents;

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

**WHEREAS**, NPC accepted the said bid of the **CONTRACTOR**;

*Sept. 1, 2023*

KAIC INDUSTRIAL ENGINEERING SERVICES

(CONTRACTOR)

BY:

HENRIECH S. ABONG  
Authorized Managing Officer

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. Bid Documents for the A6GS INSTALLATION OF EROSION CONTROL BARRIER ALONG AGUS 6 RIVERBANK AT AGUS 6 HPP, FUENTES, MARIA CRISTINA, ILIGAN CITY;
2. 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;
3. CONTRACTOR's bid proposal dated 26 June 2023 as reflected in Annex A;
4. Bid Opening Report dated 30 June 2023;
5. Post-qualification Report dated 20 July 2023;
6. Notice of Award dated 04 August 2023;
7. Notice to Proceed; and
8. 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

SIGNED IN THE PRESENCE OF:

  
MARIBEL A. GERASMIO

SIGNED IN THE PRESENCE OF:

  
ATTY. EDDIE U. TABUELOG CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

ATTY. EDGAR U. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

KAIC INDUSTRIAL ENGINEERING SERVICES

(CONTRACTOR)

HENRIECH S. ABONG  
Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

MARICEL A. GERASIMO

SIGNED IN THE PRESENCE OF:

ATTY. EDDIE U. TABUELOG, CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

ATTY. EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

Documents and Technical Specifications) for the A6GS INSTALLATION OF EROSION CONTROL BARRIER ALONG AGUS 6 RIVERBANK AT AGUS 6 HPP, FUENTES, MARIA CRISTINA, ILIGAN CITY. 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".

**ARTICLE III**  
**COMMENCEMENT AND COMPLETION PERIOD**

CONTRACTOR shall complete all the works specified in the bidding documents within Fifty (50) 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 Two Million Five Hundred fifty Nine Thousand Six Hundred Forty Eight Pesos only (PHP2,559,648.00).

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

KAIC INDUSTRIAL ENGINEERING SERVICES  
(CONTRACTOR)

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Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

MARCEL A. GERASIMIO

SIGNED IN THE PRESENCE OF:

EDDIE U. TABUELOG, CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

BY:

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.

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

KAIC INDUSTRIAL ENGINEERING SERVICES

(CONTRACTOR)

HENRIECH S. ABONG  
Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

MARICEL D. GERASMO

SIGNED IN THE PRESENCE OF:

ATTY. EDDIE U. TABUELOG/CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

ATTY. EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

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 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 3<sup>rd</sup> 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**

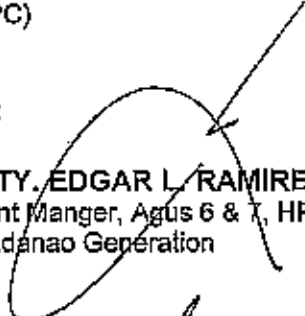
The parties hereto agree that the venue of action for any cause or causes of action which may arise in connection with this Contract shall be exclusively in the proper court of Quezon City, Philippines.

IN WITNESS WHEREOF, the parties hereto have signed this Contract this \_\_\_\_\_ day of \_\_\_\_\_, 2023 at Iligan City, Philippines.


**NATIONAL POWER  
CORPORATION  
(NPC)**

**KAIC INDUSTRIAL ENGINEERING  
SERVICES  
(CONTRACTOR)**

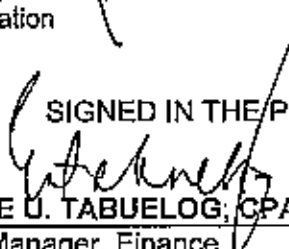
BY:


  
**ATTY. EDGAR L. RAMIREZ**  
Plant Manger, Agus 6 & 7, HPPC  
Mindanao Generation

BY:

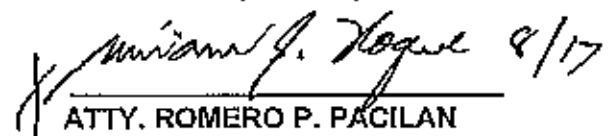
  
**HENRICH S. ABONG**  
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:

  
**ATTY. EDDIE U. TABUELOG, CPA**  
Division Manager, Finance  
Mindanao Generation  
(NPC)

  
**MARIBEL A. GERASMIO**  
(CONTRACTOR)

**FUNDS AVAILABLE**  
CC# 6644013; GL# 107; WO# B146261

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

KAIC INDUSTRIAL ENGINEERING SERVICES  
(CONTRACTOR)

HENRIECH S. ABONG  
Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

MARICELA A. GERASIMO

SIGNED IN THE PRESENCE OF:

ATTY. EDDIE U. TABUELOG CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

ATTY. EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

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

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Iligan City, Philippines, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, personally appeared **ATTY. EDGAR L. RAMIREZ**, Plant Manager, Agus 6 & 7 HPPC, Mindanao Generation with Identification Document in the form of Company ID No. APW1300613 issued on January 10, 2019, 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  
**ATTY. SAIDAC L. GARCAMRA**  
NOTARY PUBLIC  
LOCAL GOVERNMENT 2023  
DTE SERIAL NO. 23-427  
ROLL NO. 39814 (APRIL 28, 1995)  
PTR NO. 8738595 DIV/03/2023 ILIGAN CITY  
IAP LIFETIME MEMBERSHIP NO. 05046  
MCLE COMPLIANCE NO. 011-0802861  
ILIGAN CITY

Doc. No. 765  
Page No. 97  
Book No. X-111  
Series of 2023.

KAIC INDUSTRIAL ENGINEERING SERVICES

(CONTRACTOR)

HENRIECH S. ABONG  
Authorized Managing Officer

BY:

SIGNED IN THE PRESENCE OF:

*MARICEL A. GERASIMO*  
MARICEL A. GERASIMO

SIGNED IN THE PRESENCE OF:

*Eddie U. Tabuelog*  
ATTY. EDDIE U. TABUELOG, CPA  
Division Manager, Finance, MinGen

NATIONAL POWER CORPORATION

BY:

*Edgar L. Ramirez*  
ATTY. EDGAR L. RAMIREZ  
Plant Manager Agus 6 & 7 HPPC, MinGen

REPUBLIC OF THE PHILIPPINES)  
ILIGAN CITY ) S.S

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Iligan City, Philippines, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, personally appeared HENRIECH S. ABONG, Authorized Managing Officer, KAIC INDUSTRIAL ENGINEERING SERVICES with Identification Document in the form of DRIVER'S LICENSE issued by LTD at ILIGAN CITY, on 4/23/2022, 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.

Doc. No.: 364  
Page No.: 73  
Book No.: XXXX  
Series of 2023.

Notary Public  
ATTY. SAIBALI CAGANDABA  
JANUARY 1, 2023  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2024  
PTR SERIAL NO. 28/429  
ROLL NO. 39814 (APRIL 28, 1995)  
PTR NO. 8728595 (11/03/2023) ILIGAN CITY  
IBP LIFETIME MEMBERSHIP NO. 05048  
MCLE COMPLIANCE NO. VII-0002961  
ILIGAN CITY



**CONTRACT NO. INFRA-AG6-2023-08-026**

**A6GS INSTALLATION OF EROSION CONTROL BARRIER ALONG AGUS 6 RIVERBANK AT AGUS 6 HPP FUENTES, MARIA CRISTINA, ILIGAN CITY  
PR NO. MG-A7M23-111 / REF. NO. INFRA2023-AG6-026**

NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL AMOUNT
1.0	CONSTRUCTION SAFETY & HEALTH PROGRAM (Safety Kit, Signages & PPE)	1.00	LOT	40,320.00	40,320.00
2.0	SITE PREPARATION				
	1. A Site Clearing, Removal of Unsuitable Materials	338.00	SQ. M.	90.00	30,420.00
	2. B Site Lay-outting	338.00	SQ. M.	90.00	30,420.00
3.0	EARTHWORKS				
	3. A Backfilling	150.00	CU. M.	2,262.40	339,360.00
4.0	CONCRETING OF BASE, REPAIR OF PORTION OF ACCESS ROAD AND SUPPLY & INSTALLATION OF GABION/BOULDERS	800.00	CU. M.	2,649.36	2,119,488.00
<b>TOTAL (As Read &amp; Calculated) .....</b>					<b>2,559,648.00</b>

**TOTAL CONTRACT PRICE: PHP 2,559,648.00**

**TWO MILLION FIVE HUNDRED FIFTY NINE THOUSAND SIX HUNDRED FORTY EIGHT PESOS ONLY**

**KAIC INDUSTRIAL-ENGINEERING SERVICES**  
**(CONTRACTOR)**  
**HENRIEHS. ABONG**  
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:  
**MARICEL R. GERASMO**

SIGNED IN THE PRESENCE OF:  
**ATTY. EDDIE U. TABUELOG, CPA**  
Division Manager, Finance, MinGen

**NATIONAL POWER CORPORATION**  
BY: **ATTY. EDGAR L. RAMIREZ**  
Plant Manager Agus 6 & 7 HPPC, MinGen