

H.C. MARKETING INC.
(LESSOR)


GRACE Y. HO
President

BY:

CONTRACT NO. LOG MSSP 2020-09-047-ALC

CONTRACT FOR THE RENTAL OF OFFICE BUILDING FOR ONE (1)
YEAR OF AT LEAST 700 SQ.M. FLOOR AREA WITH PARKING SPACE
FOR SPUG MINDANAO OPERATIONS DEPARTMENT
PR NO. S3-MOD20-003

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 principal address at the NPC Office Building Complex, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its President and CEO, **MR. PIO J. BENAVIDEZ**, who is duly authorized to represent it in its transaction, referred to as **LESSEE**;

- and -

H.C. MARKETING, INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at Governor Lim Avenue corner Barcelona St., Zamboanga City, Philippines, herein represented by its President, **MS. GRACE Y. HO**, who is duly authorized to represent it in this transaction, hereinafter referred to as the **LESSOR**.


WITNESSETH: That -

WHEREAS, NPC thru its SPUG Mindanao Operations Department, needs a contract for the Rental of Office Building for One (1) Year of at least 700 sq.m. Floor Area with Parking Space for SPUG Mindanao Operations Department.

WHEREAS, LESSOR, after having represented and warranted itself as capable, competent and duly licensed to undertake the contract for the Rental of Office Building for One (1) Year of at least 700 sq.m. Floor Area with Parking Space for SPUG Mindanao Operations Department submitted the single calculated and responsive bid in a Negotiated Procurement (Lease of Real Property and Venue) conducted by the Bids and Awards Committee on 17 July 2020 for said undertaking.


WHEREAS, NPC accepted the offer of the LESSOR.


SIGNED IN THE PRESENCE OF:


(LESSOR)
DOMINIC X. HO

NATIONAL POWER CORPORATION
(LESSEE)

BY:


JUDITH M. MOJICA
Manager, Controllers Dept.


PIO J. BENAVIDEZ
President & CEO

Contract between NPC and H.C. Marketing, Inc.
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H.C. MARKETING INC.
(LESSOR)

BY: 
GRACE Y. HO
President

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual covenants stipulated hereinafter provided, the parties hereby agree as follows:

ARTICLE I
DOCUMENTS COMPRISING THE CONTRACT


The following documents are hereby incorporated and made integral part of this Contract as though fully written and set forth herein insofar as they are not inconsistent with the terms hereof:

1. The approved Purchase Requisition No. S3-MOD20-003 dated 21 February 2020;
2. Request for Quotation for: Rental of Office Building for One (1) Year of at least 700 sq.m. Floor Area with Parking Space for SPUG Mindanao Operations Department (PR No. S3-MOD20-003) dated 06 July 2020;
3. Terms of Reference – Negotiated Procurement (Lease of Real Property and Venue – 53.10);
4. LESSOR's Price Proposal dated 14 July 2020;
5. Result of Bid Opening and Post-Qualification Report dated 03 August 2020;
6. Notice of Award dated 02 September 2020;
7. Notice to Proceed; and
8. Other related/pertinent document hereto attached or on file in the office of NPC.

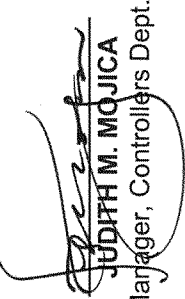
The documents mentioned above shall be collectively referred to as "Contract Documents."

In the event that there is any discrepancy between the provisions of the Contract and the Contract Documents mentioned above, the former shall govern. In case of inconsistencies among the Contract Documents, the latest dated documents shall prevail.

SIGNED IN THE PRESENCE OF:


(LESSOR)
Dominic X. Ho

NATIONAL POWER CORPORATION
(LESSEE)

BY: 
JUDITH M. MOJICA
Manager, Controllers Dept.

1.0 LEASE DURATION

The lease contract shall be for a period of one (1) year.

2.0 SCOPE OF WORKS

1. The monthly rental of the leased premises is inclusive of all taxes and NPC shall pay one (1) month advance rental and one (1) month cash deposit which will cover for damages to the leased premises and other charges. It shall be applied as monthly payment of lease before the termination of the contract of lease, if no such damages and other charges will be made on the leased premises.
2. NPC shall bind itself to pay the lessor the monthly rentals every 5th day of the succeeding month without necessity of demand, either at the residence of the lessor or at the leased premises.

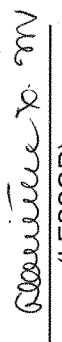
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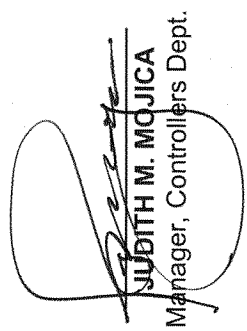


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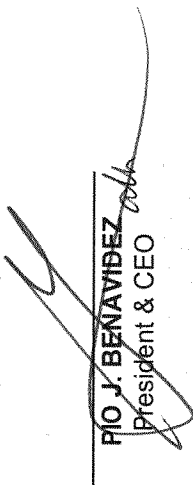
BY: 
GRACE Y. HO
President

SIGNED IN THE PRESENCE OF:


(LESSOR)
DOMINIC X-ITO


JUDITH M. MOJICA
Manager, Controllers Dept.

NATIONAL POWER CORPORATION
(LESSEE)

BY: 
PIO J. BENAVIDEZ
President & CEO

3. NPC shall pay for the consumption cost of public utility services such as water bills, electricity bills and that, in the event a notice of termination of contract is given, such utility services consumed by the NPC shall be settled.
4. The premises must be ready for occupancy.

3.0 IMPROVEMENTS

1. NPC shall not make any structural change, alterations, or improvements in the leased premises, which shall modify or either in away, the occupied premises without the prior written consent of the Lessor and should consent be given, any improvements, or alterations shall be the sole expense of the NPC and shall become the property of Lessor upon termination of the lease, except those which can be removed by NPC without causing damage or injury to the leased premises.
2. NPC should acknowledge that the leased premises are in good tenable condition and agrees to keep and maintain the same in such condition.
3. NPC shall not directly or indirectly sublease, assign, or transfer his right of lease over the leased premises or any portion thereof under any circumstances whatsoever, and any such contract made in violation of this clause shall be null and void.
4. NPC shall not place or store or cause to be placed or stored in the leased premises any inflammable materials which shall constitute fire hazard, nor place any object or obstruction along the corridors and hallways; nor store any goods or merchandise considered contraband under the law.
5. NPC shall undertake to keep the premises clean and sanitary, devoid unnecessary noise and shall further comply with all existing laws, rules and regulations on sanitation, public health and safety.

4.0 MAINTENANCE, REPAIR AND REPLACEMENT

1. NPC shall well and sufficiently preserve, repair and maintain in good, clean and tenable condition, at its own cost, the interiors of the unit, including the flooring, interior walls or other finishes, doors, windows, cables, conduits, wirings, sockets, electrical installations, and plumbing fixtures found in or about the Unit.
2. NPC shall, at its own expense, replace the light bulbs in the unit with the same type and wattage as well as repair or replace parts in the toilet tank with the same type and quality as that installed by the Lessor. The unit and all additions and installations supplied by Lessor shall be kept in a good, clean, working condition. NPC shall keep drains, pipes, sanitary or

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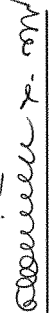
plumbing apparatus in the unit in good, clean and tenantable condition.

3. NPC shall pay the Lessor the cost in cleaning, repairing or replacing any of the same when found to be blocked or stopped. NPC shall take all such steps and precautions at its own cost to prevent the leased premises from becoming infested with termites, rats, mice, cockroaches or other pests or vermin. Should NPC fail to maintain the leased premises properly such that the same is infested with pests, Lessor may employ pests control services on the leased premises and charge the cost thereof to NPC. All minor repairs in the unit will be at NPC's sole expense. Major repairs not caused by or attributable to Supplier's failure or negligence shall be for NPC's sole account.

5.0 DAMAGE BY FORCE MAJEURE

1. If the leased premises shall be damaged partially by fire or other causes without the fault of NPC, the damages shall be repaired at the expense of the Lessor.

SIGNED IN THE PRESENCE OF:


(LESSOR)
DOMINIC X. HO

**ARTICLE II
PAYMENT**

Advance rental, cash deposit and initial monthly rental shall be paid within thirty (30) days after submission of, but not limited to statement of account and contract and in accordance with the Contract Documents in the total amount of **ONE MILLION ONE HUNDRED SEVENTY ONE THOUSAND FIVE HUNDRED TWO PESOS AND 64/100 (Php 1,171,502.64) ONLY.**

**ARTICLE III
CONTRACT EFFECTIVITY**

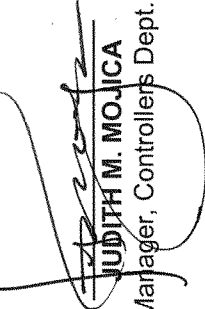
The contract shall take effect immediately upon receipt of the Contract/NTP by the lessor sent through fax transmission receipt and as confirmed by the lessor's representative.

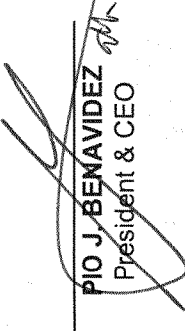
The lessor shall make available the leased premises within seven (7) calendar days upon receipt of NTP.

**ARTICLE IV
WARRANTY CLAUSE**

LESSOR hereby warrants that he or his representative has not offered or paid, directly or indirectly, any government officer and NPC's 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 LESSOR will not subcontract any portion or portions of the scope of Work of the Contract

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awarded to him to any official or employee of 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 said person and the amount being paid; and that any violation of this Warranty shall constitute a 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 civil, criminal or administrative action under the Anti-Graft Law and other applicable laws against the LESSOR and/or his representative and concerned NPC officials and employees.

**ARTICLE V
VALIDITY**

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.

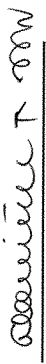
**ARTICLE VI
GOVERNING LAW**

This Contract shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

**ARTICLE VII
VENUE OF ACTIONS**

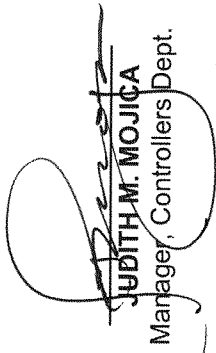
The parties hereto agree that the venue of action for any cause or causes of action which may arise from this Contract shall be exclusively the proper court of Quezon City, Philippines, only.

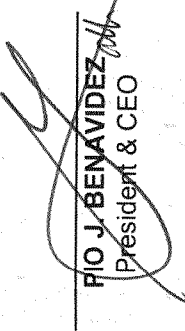
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