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BRAVE ENERGY, INC.
(SUPPLIER)

[Signature]
RIA MONA M. ORTIZ
HR & Admin Manager

CONTRACT NO. LOG MSSP 2021-05-036-MGF

**DESIGN, SUPPLY, DELIVERY, INSTALLATION, TESTING AND COMMISSIONING OF CUAMING ISLAND SOLAR PV-DIESEL HYBRID SYSTEM (WITH ESS) AT CUAMING ISLAND, INABANGA, BOHOL
SO-OPD21-001 / PB210323-AM00069**

BY:

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 Officer-in-Charge, **ATTY. MELCHOR P. RIDULME**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

BRAVE ENERGY, INC., a corporation duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at 2nd Flr. CVM Realty Bldg., Manila East Road, Brgy. Dolores, Taytay, Rizal, Philippines herein represented by its HR & Admin Manager, **MS. RIA MONA M. ORTIZ** who is duly authorized to represent it in this transaction, hereinafter referred to as **SUPPLIER**.

WITNESSETH: That -

WHEREAS, on 04 March 2021, NPC advertised the Invitation to Bid for the Public Bidding for the Design, Supply, Delivery, Installation, Testing and Commissioning of Cuaming Island Solar PV-Diesel Hybrid System (with ESS) at Cuaming Island, Inabanga, Bohol;

WHEREAS, there were five (5) prospective bidders who secured the bidding documents and participated in the bidding conducted on 19 April 2021 on the aforesaid undertaking;

WHEREAS; SUPPLIER's bid was considered as the lowest

Contract between NPC and Brave Energy, Inc.
Design, Supply, Delivery, Installation, Testing and Commissioning of Cuaming Island Solar PV-Diesel Hybrid System (with ESS) at Cuaming Island, Inabanga, Bohol
Contract No. LOG MSSP 2021-05-036-MGF

SIGNED IN THE PRESENCE OF:

[Signature]
[Signature]
Fidel S. Panchito, Jr.
(SUPPLIER)

[Signature]
ALEXANDER P. JAPON
Vice President - Admin & Finance
(NPC)

NATIONAL POWER CORPORATION
(NPC)

[Signature]
ATTY. MELCHOR P. RIDULME
Officer-in-Charge

BY:

[Handwritten mark]

BY: BRAVE ENERGY, INC.
(SUPPLIER)


RIA MONA M. ORTIZ
HR & Admin Manager

calculated and responsive bid;

WHEREAS, NPC accepted the offer of the SUPPLIER for the said undertaking;

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 the Design, Supply, Delivery, Installation, Testing and Commissioning of Cuaming Island Solar PV-Diesel Hybrid System (with ESS) at Cuaming Island, Inabanga, Bohol;
2. Bid Opening Report dated 22 April 2021;
3. Supplemental/Bid Bulletin Nos. 1 - 8 dated 05, 08, 12, 29, 31 March 2021 and 06, 07 & 12 April 2021;
4. Post-qualification Report dated 14 May 2021;
5. SUPPLIER's bid proposal dated 19 March 2021 as reflected in Annex A;
6. Notice of Award dated 24 May 2021;
7. Notice to Proceed; and
8. 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 former shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

SIGNED IN THE PRESENCE OF:


Ronel S. Panduro, Jr.
(SUPPLIER)

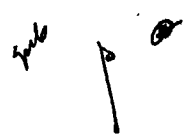

ALEXANDER P. JAPON
Vice President - Admin & Finance
(NPC)

(NPC)


ATTY. MELCHOR P. RIDULME
Officer-in-Charge
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BY:

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BY: BRAVE ENERGY, INC.
(SUPPLIER)


RIA MONA W. PORTIZ
HR & Admin Manager

ARTICLE II
SCOPE OF CONTRACT


SUPPLIER shall, in accordance with the provisions of, and subject to the conditions contained in the Contract Documents, undertake the Design, Supply, Delivery, Installation, Testing and Commissioning of Cuaming Island Solar PV-Diesel Hybrid System (with ESS) at Cuaming Island, Inabanga, Bohol. Scope of Work and related services to be provided by the SUPPLIER are contained in the Bid Documents and Annex "A" showing the summarized Bid Price Schedule.

BY:

ARTICLE III
DELIVERY PERIOD

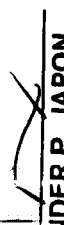
SUPPLIER shall design, supply, deliver, install, test and commission Cuaming Island Solar PV-Diesel Hybrid System (with ESS) at Cuaming Island, Inabanga, Bohol within **one hundred eighty (180) calendar days** reckoned from the receipt of the Notice to Proceed.

SIGNED IN THE PRESENCE OF:


Ronel O. Pamcho, Jr.
(SUPPLIER)

ARTICLE IV
TOTAL CONTRACT PRICE AND PAYMENT TERMS


The Total Contract Price shall be in the amount of **PHILIPPINE PESOS SEVENTEEN MILLION EIGHT HUNDRED FIFTY FOUR THOUSAND FIVE HUNDRED FORTY FIVE AND 96/100 PESOS (PHP 17,854,545.96)**.


ALEXANDER P. JAPON
Vice President - Admin & Finance
(NPC)

The Total Contract Price specified above shall be paid in accordance with the provisions of Section IV-GCC-10 of the Bid Documents.

All taxes, customs duties, tariffs, exports, excise and all other taxes assessed 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


ATTY. MELCHOR P. RIDULME
Officer-in-Charge
(NPC)

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BY:



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 confirmed 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.
- c. 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 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 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) days after the contract time extension has been granted by NPC.

BY: BRAVE ENERGY, INC.
(SUPPLIER)



RIA MONA MORTIZ
HR & Admin Manager

SIGNED IN THE PRESENCE OF:

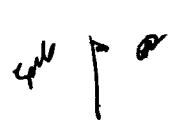

R. S. Panchow
R. S. Panchow, Sr.
(SUPPLIER)

ALEXANDER B. JAPON
Vice President - Admin & Finance
(NPC)

BY: (NPC)



ATTY. MELCHOR P. RIDULME
Officer-in-Charge
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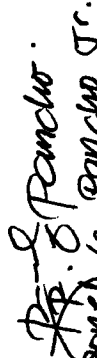


BRAVE ENERGY, INC.
(SUPPLIER)

BY:



RIA MONA M. ORTIZ
HR & Admin Manager

SIGNED IN THE PRESENCE OF:


R. S. Pancho, Jr.
(SUPPLIER)

ALEXANDER P. JAPON
Vice President - Admin & Finance
(NPC)

(NPC)


ATTY. MELCHOR P. RIDULME
Officer-in-Charge
AS K

BY:

**ARTICLE VI
GUARANTEE BOND**

To assure that manufacturing defects shall be corrected by the SUPPLIER or its manufacturer, the SUPPLIER shall post a Guarantee Bond after the performance of the contract pursuant to the provision contained in Section IV-GCC-17 of the Bid Documents. This is also a prerequisite to the discharge and return to the SUPPLIER of the Performance Bond. This shall remain valid for twelve (12) months after the final 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 to 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 the GOODS and/or perform the services within the period 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, a sum equivalent to one tenth (1/10) of one percent (1%) of the contract cost of the delay/unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%), the NPC may rescind the contract without prejudice to other course of action and remedies open to it.

**ARTICLE VIII
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 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

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BRAVE ENERGY, INC.
(SUPPLIER)


RIAMONA M. ORTIZ
HR & Admin Manager

BY:

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 of 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 IX
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 thereto is joint and several and for this reason NPC may proceed against any or all of them.

**ARTICLE X
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 XI
EFFECTIVITY**

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

**ARTICLE XII
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.

SIGNED IN THE PRESENCE OF:


Ronel G. Pancho, Jr.
(SUPPLIER)

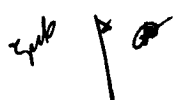
ALEXANDER P. JAPON
Vice President – Admin & Finance
(NPC)

CONFIRMATION (NPC)


ATTY. MELCHOR P. RIDULME
Officer-in-Charge

BY:

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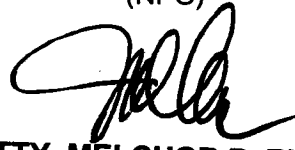


IN WITNESS WHEREOF, the parties hereto have signed this Contract this _____ day of _____, 2021 at Quezon City, Philippines.

NATIONAL POWER CORPORATION
(NPC)

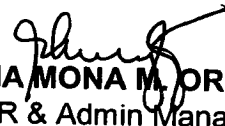
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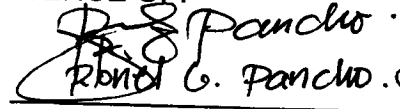
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Officer-in-Charge

BY:

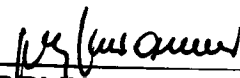


RIA MONA M. ORTIZ
HR & Admin Manager

SIGNED IN THE PRESENCE OF:


ALEXANDER P. JAPON
Vice President, Admin & Finance
(NPC)
ROBERT G. PANCHO, JR.
(SUPPLIER)

FUNDS AVAILABLE


LORLINA E. BOMEDIANO
Sr. Department Manager, Finance

SARO and Non-ama

CERTIFIED FUNDS
2021
NO# E810A42
5802000
P 17,854,545.96
SARO P 15,941,558.89
UC-ME(m) P 1,912,987.07

NG Funded Project
Certified Funds Avail
in the amount of
P 17,854,545.96 PO/
Contracts Awarding sub
to issuance of SARO by
DBM*

* with signed approval
SARO per Ref No. SARO-
BMB-C-21-0002390 date
18 May 2021

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