

ORIGINAL

# CONTRACT NO. LOG MSSP 2022-09-088-MDC

## UPGRADING OF ANNUNCIATOR, CONTROL AND PROTECTION SYSTEM OF UNIT NO. 2 AT AGUS 2 HEP PLANT MA-A2M22-002 / PB220713-HG00250

QUALITRON CONSTRUCTION & INDUSTRIAL SUPPLIES (SUPPLIER)

*Maribeth A. Paras*  
**MARIBETH A. PARAS**  
Sales Manager

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 Officer and CEO, **FERNANDO MARTIN Y. ROXAS**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

**QUALITRON CONSTRUCTION & INDUSTRIAL SUPPLIES**, a single proprietorship duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 3F Qualitron Bldg., Consunji St., Brgy. Poblacion, Iligan City, Philippines, herein represented by its Sales Manager, **MS. MARIBETH A. PARAS**, who is duly authorized to represent it in this transaction, hereinafter referred to as **SUPPLIER**.

### WITNESSETH: That -

WHEREAS, on 22 June 2022, NPC posted the Invitation to Bid for the Public Bidding of the Service Contract for the Upgrading of Annunciator, Control and Protection System of Unit No. 2 at Agus 2 HEP Plant;

WHEREAS, only one (1) prospective bidder secured the bidding documents and participated in the bidding conducted on 18 July 2022;

WHEREAS, SUPPLIER's bid offer was considered as the single calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the SUPPLIER;

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:

SIGNED IN THE PRESENCE OF:

*Jessica A. Jose*  
**JESSICA A. JOSE**  
(SUPPLIER)

*Alexander P. Japon*  
**ALEXANDER P. JAPON**  
Vice President, Admin and Finance (NPC)

NATIONAL POWER CORPORATION (NPC)

*Fernando Martin Y. Roxas*  
**FERNANDO MARTIN Y. ROXAS**  
President and CEO

Contract between NPC and Qualitron Construction & Industrial Supplies  
Upgrading of Annunciator, Control and Protection System of Unit No. 2 at Agus 2 HEP Plant  
Contract No. LOG MSSP 2022-09-088-MDC

*Handwritten initials and marks*

**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. Bidding Documents for the Upgrading of Annunciator, Control and Protection System of Unit No. 2 at Agus 2 HEP Plant / PR No. MA-A2M22-002 / PB220713-HG00250;
2. Notice of Award dated 16 September 2022;
3. Post Qualification Report dated 15 August 2022;
4. Bid Opening Report dated 27 July 2022;
5. SUPPLIER's bid proposal dated 18 July 2022;
6. Supplemental/Bid Bulletin No. 1 dated 29 June 2022;
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 latter shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

**ARTICLE II**  
**SCOPE OF WORK**

The works to be done shall include all equipment including software necessary for secure and reliable operation of the plant. The system shall consider provisions for the upgrading of the control and monitoring of the other units in the plant.

The SUPPLIER shall perform all the works required in accordance with this technical specification. It should be noted that the contract also includes all and every work and service although not specifically mentioned but are required to fully complete the works ready for operation as well as the dismantling and hauling works of all equipment to be replaced to the designated location.

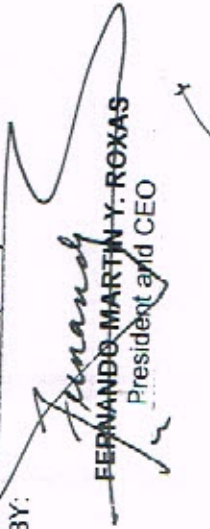
It shall cover the Supply of labor, materials, and equipment in upgrading the Control System, Annunciation/Monitoring System, and the Protection System with but not limited to the following activities/work:

1. Site inspection/evaluation to gather data for finalization of the control design and for planning on how to implement the project.
2. Finalize the design of the control system which includes the sizing of the Panels, Device placement in the panels, circuit diagrams and system architecture.
3. Assemble the panels completely. These panels are completely


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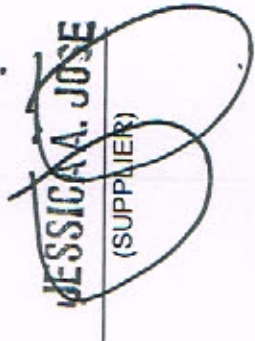
NATIONAL POWER CORPORATION  
(NPC)

BY:

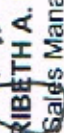
  
**FERNANDO MARTIN Y. ROXAS**  
President and CEO

SIGNED IN THE PRESENCE OF:

  
**ALEXANDER P. JAPON**  
Vice President, Admin and Finance  
(NPC)

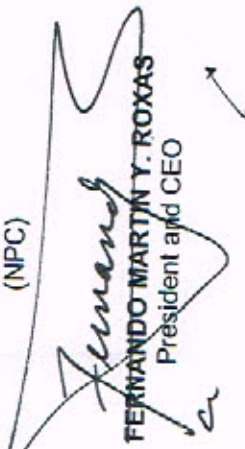
  
**JESSICA A. JOSE**  
(SUPPLIER)

BY:

  
**MARIBETH A. PARAS**  
Sales Manager  
(SUPPLIER)

QUALITRON CONSTRUCTION &  
INDUSTRIAL SUPPLIES  
(SUPPLIER)

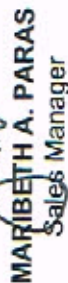
BY:

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

**ALEXANDER P. JAPON**  
Vice President, Admin and Finance  
(NPC)

  
**JESSICA A. JOS**  
(SUPPLIER)

BY:

  
**MARIBETH A. PARAS**  
Sales Manager

- wired internally and components are completely installed before delivery at Agus 2 HEP.
4. Formulate/program the logic circuit and the HMI software.
  5. Simulating, Pre-commissioning and testing of the system before delivery at Agus 2 HEP.
  6. Delivery the Panels and all other materials at Agus 2 HEP.
  7. Conduct toolbox meeting and safety orientation.
  8. Check all the delivered materials.
  9. Install the panels and set-up the computers.
  10. Lay cables.
  11. Terminate the new cables to the panel and the panel to panel wires.
  12. Shutdown the unit.
  13. Disconnect wires from old panels and terminate them on the new panel.
  14. Commissioning and testing.

It shall include all and every work and service although not specifically detailed herein but are required to fully complete and make ready the safe and reliable operation of the system.

The SUPPLIER shall have the complete system responsibility for the proper design and functioning of the system from installation until system acceptance. The equipment to be furnished shall be complete, with all parts in excellent working conditions, of new and high-grade materials and produced with first class satisfactory manner in accordance with generally accepted modern engineering practice.

All the system engineering software and online system, materials and parts including all the various equipment and devices necessary for instrumentation and control requirements which are not specifically mentioned herein but are necessary for the proper construction, assembly, and operation of the equipment shall be furnished at no additional cost to NPC.

Any damage on existing structures/facilities incurred during transport, unloading/mounting, installation, laying of cables, test and commissioning including shall be the responsibility of the SUPPLIER.

**ARTICLE III**  
**DOCUMENTS TO BE SUBMITTED**

Documents to be submitted before or upon delivery:

1. Certificate of Origin from the Manufacturer;
2. Warranty Certificate for one (1) year against factory defects/workmanship;
3. Quality Assurance or Quality Inspection Certificate from the Manufacturer;
4. User Manual in three (3) copies;
5. Brochure, Catalogue & Technical Specification;
6. As-built drawings as finally approved;
7. Type Tests Certificate with Test Reports in five copies;
8. Routine and Quality Conformance Certificate with Test Reports

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*Handwritten initials and marks:* *ms*, *hubs*, *R-7*, *the*, *h*

BY: *MARIBETH A. PARAS*  
(Sales Manager)

- in five (5) copies;
- 9. Certified Test and Inspection Reports duly signed and witnessed by NPC representative; and
- 10. Certificate to show that the item to be delivered is brand new.

Note: All documents and drawings shall be submitted to the Plant Manager – Manager, Agus 1 / 2 HEP Complex, for evaluation and/or approval prior to issuance of Acceptance Certificate.

**ARTICLE IV**  
**COMMENCEMENT AND COMPLETION PERIOD**

The delivery period shall be **ONE HUNDRED EIGHTY (180) CALENDAR DAYS** reckoned from receipt of Notice to Proceed.

The equipment to be supplied shall be delivered to **Agus 2 HEP Plant, Saguiaran, Lanao del Sur.**

The SUPPLIER shall be responsible for taking reference to its accessibility, means of transportation and all other factors that could hamper the smooth execution of the contract.

Any and/or all expenses arising through the lack of knowledge of the supplier regarding the existing conditions of the delivery site shall be the responsibility of the SUPPLIER and no additional payment thereof shall be made by NPC.

**ARTICLE V**  
**TOTAL CONTRACT PRICE AND PAYMENT TERMS**

The Total Contract Price shall be in the amount of and not exceeding **PHILIPPINE PESOS THIRTY SIX MILLION EIGHT HUNDRED THOUSAND PESOS (PHP 36,800,000.00), ONLY.**

All taxes, custom duties, tariffs, exports, excise and all other taxes assess 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.

**ARTICLE VI**  
**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 issued by a Universal or Commercial Bank or Irrevocable Letter of Credit issued by a Universal or Commercial Bank. Provided

BY: *JESSICA JOSE*  
(SUPPLIER)

*ALEXANDER P. JAPON*  
Vice President, Admin and Finance (NPC)

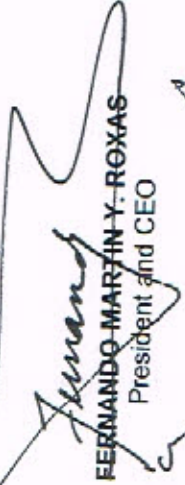
BY: *FERNANDO MARTIN Y. ROXAS*  
President and CEO

*Handwritten initials and marks*

BY:   
MARIBETH A. PARAS  
Sales Manager

BY:   
JESSICA A. JOSE  
(SUPPLIER)

ALEXANDER P. JAPON  
Vice President, Admin and Finance (NPC)

BY:   
FERNANDO MARTIN Y. ROXAS  
President and CEO

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 shall 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 the 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) calendar days after the contract time extension has been granted by NPC.

**ARTICLE VII  
LIQUIDATED DAMAGES**

Should SUPPLIER 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 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  
GUARANTEE**

The SUPPLIER shall guarantee to complete the repair of equipment/device/materials, and/or replacement within sixty (60) calendar



BY:   
MARIBETH A. PARAS  
Sales Manager

days upon notice, of the supplied equipment/device/material at his own expense against defect in design, workmanship and materials for a period of one (1) year after issuance of Acceptance Certificate by NPC. The SUPPLIER shall guarantee that the unit will perform in the manner as set forth in the equipment's manual and the Contract.

The SUPPLIER shall submit a Warranty Certificate (at least 1 year) effective from the date of acceptance by NPC.

After the lapse of the warranty period, if there are no defects found, NPC shall release the warranty security/certificate.

**ARTICLE IX  
NON-ASSIGNMENT AND NO SUB-CONTRACT**

The SUPPLIER shall not, without the written approval of NPC, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contracting or any other disposition, shall be sufficient ground for NPC to terminate or cancel this Contract motu proprio without need of judicial action. Should NPC give its written approval, such consent shall not relieve the SUPPLIER of its responsibilities under the Contract. The SUPPLIER shall ensure that the terms and conditions of any sub-contract shall comply and conform with the terms and conditions of this Contract. The SUPPLIER shall be responsible for the observance by the sub-SUPPLIER of the terms and conditions of this Contract.

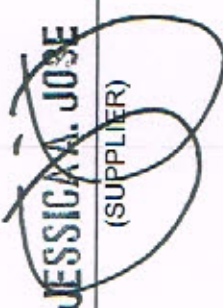
If any portion of the project sub-contracted is not performed faithfully in accordance with the contract, the sub-SUPPLIER shall be removed or replaced immediately upon the written request of NPC, provided, however, that any failure of NPC to make such request shall not relieve the SUPPLIER of its obligations under the contract. NPC shall not be responsible for the delays or costs incurred by the SUPPLIER because of the disapproval or removal of the sub-SUPPLIER, or because of the late submission of its approval.

**ARTICLE X  
AGREEMENT MODIFICATION**

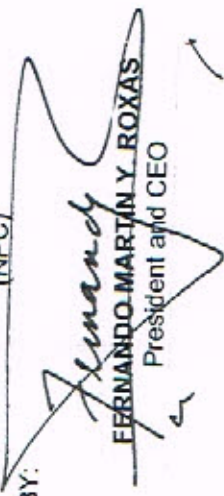
No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment signed by the Parties.

**ARTICLE XI  
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 SUPPLIER shall take all reasonable steps to minimize the costs allocable to the work covered by such order during work stoppage.

BY:   
JESSICA M. JOSE  
(SUPPLIER)

ALEXANDER P. JAPON  
Vice President, Admin and Finance  
(NPC)

BY:   
FERNANDO MARTIN Y. ROXAS  
President and CEO



QUALITRON CONSTRUCTION & INDUSTRIAL SUPPLIES (SUPPLIER)

*[Signature]*  
MARIBETH A. PARAS  
Sales Manager

BY:

SIGNED IN THE PRESENCE OF:

*[Signature]*  
JESSICA JOSE  
(SUPPLIER)

ALEXANDER P. JAPON  
Vice President, Admin and Finance (NPC)

NATIONAL POWER CORPORATION (NPC)

*[Signature]*  
FERNANDO MARTIN Y. ROXAS  
President and CEO

BY:

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 SUPPLIER 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 XII  
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 SUPPLIER, 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 SUPPLIER 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 SUPPLIER in the submission of documents, or suppression of material facts, which if known could have disqualified the SUPPLIER 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 XIII  
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 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 execution; 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 SUPPLIER and/or his representative and/or the erring NPC official(s) and employee(s).

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Contract No. LOG MSSP 2022-09-088-MDC

*[Handwritten initials]*

**ARTICLE XIV  
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 to thereto is joint and several and for this reason NPC may proceed against any or all of them.

**ARTICLE XV  
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 XVI  
EFFECTIVITY**

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

**ARTICLE XVII  
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.

QUALITRON CONSTRUCTION &  
INDUSTRIAL SUPPLIES  
(SUPPLIER)

MARIBETH A. PARAS  
Sales Manager

BY:

SIGNED IN THE PRESENCE OF:

JESSICA A. JOSE  
(SUPPLIER)

ALEXANDER P. JAPON  
Vice President, Admin and Finance  
(NPC)

NATIONAL POWER CORPORATION  
(NPC)

FERNANDO MARTIN Y. ROXAS  
President and CEO

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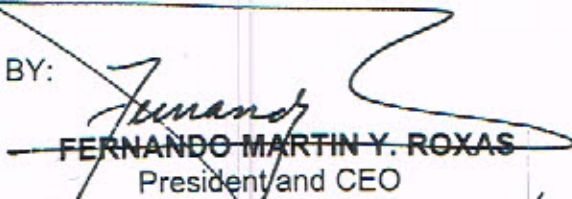


IN WITNESS WHEREOF, the parties hereto have signed this Contract this 25th day of October, 2022 at Quezon City, Philippines.

**NATIONAL POWER CORPORATION**  
(NPC)

**QUALITRON CONSTRUCTION & INDUSTRIAL SUPPLIES**  
(SUPPLIER)


BY:

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

BY:

  
**MARIBETH A. PARAS**  
Sales Manager

SIGNED IN THE PRESENCE OF:

  
**ALEXANDER P. JAPON**  
Vice President, Admin and Finance  
(NPC)

  
**JESSICA A. JOSE**  
(SUPPLIER)

Per attached CBI No. PRD-23-09-0048

FUNDS AVAILABLE

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

(mm 11)

<b>CERTIFIED FUNDS AVAILABLE</b>	
PERIOD	2022
JOB ORDER	W08 B111J63
COST CENTER	6642013
AMOUNT	P34,942,000.00

Contract between NPC and Qualitron Construction & Industrial Supplies  
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REPUBLIC OF THE PHILIPPINES)  
QUEZON CITY ) S.S.

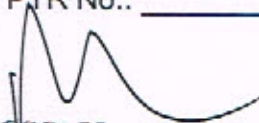
ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this \_\_\_\_\_ day of 25 OCT 2022, 2022, personally appeared **FERNANDO MARTIN Y. ROXAS**, President and CEO, **NATIONAL POWER CORPORATION**, with Document Identification in the form of Company ID No. APW 20017432, known to me and to me known to be the same person who executed the foregoing instrument consisting of eleven (11) 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.: \_\_\_\_\_  
PTR No.: \_\_\_\_\_

Doc. No. 183 ;  
Page No. 38 ;  
Book No. 5 ;  
Series of 2022.

  
ATTY. RODOLFO M. DE GUZMAN, JR.  
Notary Public for Quezon City  
Commission No. NP-127(2021-2022)  
Commission Expires on 31 December 2022  
Roll No. 44291  
IBP No. 201548; 02/08/2022; RSM  
PTR No. 2614399; 02/08/2022; Quezon City  
ACLE No. VI-0025196; 04/08/19; Pasig City  
4th Floor NPC Office Building  
Quezon Ave. cor. BIR Road  
Diliman, Quezon City

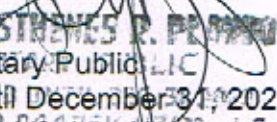
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REPUBLIC OF THE PHILIPPINES)  
QUEZON CITY ) S.S

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Quezon City, Philippines, this day of 11 2022 2022, personally appeared **MS. MARIBETH A. PARAS**, Sales Manager, **QUALITRON CONSTRUCTION & INDUSTRIAL SUPPLIES**, with Identification Document in the form of C1CH19774049, issued by Roblacon at Iligan City, on Jan. 09, 2022, known to me and to me known to be the same person who executed the foregoing instrument consisting of eleven (11) pages, including the pages wherein the acknowledgements are written, all pages signed by both parties and their instrumental witnesses and she acknowledged before me that the same is her free and voluntary act and deed and that of the Company she represents.

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

  
DEMOSTHENES R. PANO  
Notary Public, L.I.C.  
Until December 31, 2022  
PTR No. 09-00196-11-22-1.C.  
IBP No. 10533-10-22-RULL NO. 70204  
MCE COMPL. NO. VI-00196-11/26/2018  
SERIAL NO. 21-301

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Page No.: 13  
Book No.: 203  
Series of 2022.