

(SUPPLIER)

BY:


MARIBETH A. PARAS
Area Manager


JESSICA A. JOSE
(SUPPLIER)


ALBERT O. ANTONIO
Plant Manager, Pulangi IV HE Plant
(NPC)


FERNANDO MARTIN Y. ROXAS
President and CEO
(NPC)

BY:

CONTRACT NO. LOG MSSP 2024-11-134-ALC

SUPPLY, DELIVERY AND INSTALLATION OF TRASH RAKE MECHANISM PARTS IN PULANGI IV HEP MG-PLM24-003 / PB240903-CM00506

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 Gabriel Y. Itchon Building, Senator Miriam P. Defensor-Santiago Avenue 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 -

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

WITNESSETH: That –

WHEREAS, on 13 August 2024, NPC posted the Invitation to Bid for the Public Bidding of the Supply, Delivery and Installation of Trash Rake Mechanism Parts in Pulangi IV HEP;

WHEREAS, only one (1) prospective bidder secured the bidding documents and participated in the bidding conducted on 12 September 2024;

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:

Contract between NPC and Qualitron Construction & Industrial Supplies
Supply, Delivery and Installation of Trash Rake Mechanism Parts in Pulangi IV HEP
Contract No. LOG MSSP 2024-11-134-ALC

9

(SUPPLIER)

BY:

MARIBETH A. PARAS
Area Manager

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FERNANDO MARTIN Y. ROXAS
President and CEO

BY:

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 Supply, Delivery and Installation of Trash Rake Mechanism Parts in Pulangi IV HEP under PR No. MG-PLM24-003/ PB240903-CM00506;
2. Notice of Award dated 07 November 2024;
3. Supplemental/Bid Bulletin Nos. 1 - 3 dated 27 August, 02 & 04 September 2024;
4. Post Qualification Report dated 25 September 2024;
5. Bid Opening / Evaluation Report dated 12 September 2024;
6. SUPPLIER's bid proposal dated 03 September 2024;
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 scope of work shall cover the Supply and Delivery and Installation of One (1) lot of existing trash rake of Pulangi IV HEP:

ITEM	PART DESCRIPTION	QTY.
1	Installation of Trash Rake Mechanism Parts	One (1) Lot

The existing Trash Rake Cleaner Machine of Pulangi IV HEP is a proprietary item of OSSBRGER GmbH and have the following technical data for the Supplier's information:

Technical Data: Width = 18,470mm
Length of screen = 13,508 mm
Type: RRS/f
TRASHRACK CLEANER

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(SUPPLIER)

BY:


MARIBETH A. PARAS
Area Manager

The work shall include all and every work and services although not specifically detailed herein but are required to fully complete and placing ready for the safe and reliable operation of the Trash Rake, but not limited to the following:

- Conduct actual inspection/verification on the configuration of the existing Trash Rake Cleaner Machine of Pulangi IV HEP to ensure that the mechanism parts to be supplied shall conform and match with the existing Trash Rake; and
- Submission of pertinent drawings and documents per Clause TS-6.0 of the bidding documents.

ARTICLE III **CONTRACT PERIOD AND LOCATION**

The delivery period shall be within **ONE HUNDRED TWENTY (120) CALENDAR DAYS** reckoned from receipt of Notice to Proceed.

The equipment and accessories shall be delivered at **National Power Corporation - Pulangi IV Hydroelectric Plant Warehouse, Maramag, Bukidnon.**

The SUPPLIER shall be responsible for visiting the delivery site, conduct actual inspection of the required component/part and take particular reference to its accessibility, means of communication and 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 or understanding regarding the existing conditions of the site shall be the responsibility of the SUPPLIER and no additional payment thereof shall be made by NPC.


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

The Total Contract Price shall be in the amount of and not exceeding **PHILIPPINE PESOS: ELEVEN MILLION FIVE HUNDRED EIGHTY FIVE THOUSAND PESOS (PHP 11,585,000.00).**

The Total Contract Price specified above shall be paid in accordance with the provision of Section IV-GCC, Clause 2 of the Bidding Documents.

All taxes, custom 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 CONTRACTOR.

In addition, all taxes, fees, insurance, and cost of delivery to site shall be borne by the SUPPLIER.


ALBERT O. ANTONIO
Plant Manager, Pulangi IV HE Plant
(NPC)


FERNANDO MARTIN Y. ROXAS
President and CEO

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(SUPPLIER)

BY:



MARIBETH A. PARAS
Area Manager

ARTICLE V
EXTENSION OF CONTRACT

No extension of contract time shall be granted to the SUPPLIER due to (i) ordinary unfavorable weather conditions; (ii) inexcusable failure or negligence of SUPPLIER to provide the required supplies, materials or equipment; and (iii) when the reason given for the extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of contract documents agreed upon by the parties before contract perfection.

NPC shall not be liable for any claim associated with the extension of contract time unless it has examined the facts as well as the extent of delay, and has agreed in writing that the SUPPLIER is entitled for an extension of time.

ARTICLE VI
ENTIRE CONTRACT

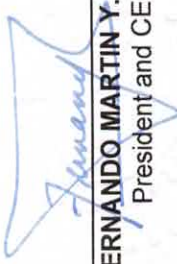
The contract is for one whole, complete work. Partial payments made by NPC and/or the use of parts of the work or its equivalent shall not constitute as acceptance of any part of the work prior to its completion and final acceptance in writing by NPC.

ARTICLE VII
CONTRACTOR'S LIABILITY

The Parties hereby agree that the employees of the CONTRACTOR are not employees of NPC. NPC shall not in any way be liable or responsible for any personal injury or damages, including death sustained or caused by any of the employees of the SUPPLIER, including its sub-contractor, agent or supplier, whether or not occurring during the performance of their duties. The SUPPLIER agrees and binds itself to indemnify NPC for whatever injury or damages caused or occasioned by the failure, negligence or conduct of the SUPPLIER and/or its employees, sub-contractors, agents, suppliers or consultants arising out of on in connection with or on the occasion of the performance of the Contract. The SUPPLIER shall, at all times, stand solely liable and/or responsible for the enforcement of and compliance with all existing laws, rules and regulations; and binds itself to save and hold NPC free and harmless from any and all liability in respect thereof and/or arising there from and/or by reason of this Contract and its implementation.



ALBERT O. ANTONIO
Plant Manager, Pulangi IV HE Plant
(NPC)



FERNANDO MARTIN Y. ROXAS
President and CEO

(SUPPLIER)

BY:


MARIBETH A. PARAS
Area Manager


ALBERT O. ANTONIO
Plant Manager, Pulangi IV HEP Plant
(NPC)


JESSICA A. INOSE
(SUPPLIER)


FERNANDO MARTIN Y. ROXAS
President and CEO

BY:

ARTICLE VIII RESPONSIBILITY OF THE CONTRACTOR

The SUPPLIER shall assume full responsibility for the entire contract work until its final acceptance by NPC and shall be held responsible for any damage or destruction of works until final acceptance.

ARTICLE IX NON-ASSIGNMENT AND NO SUB-CONTRACTING

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.

(SUPPLIER)

BY:


MARIBETH A. PARAS
Area Manager

SIGNED IN THE PRESENCE OF:

(SUPPLIER)


JESSICA A. JOSE
Plant Manager, Pulangi IV HE Plant
(NPC)

ALBERT O. ANTONIO

Plant Manager, Pulangi IV HE Plant
(NPC)

FERNANDO MARTIN Y. ROXAS

President and CEO
(NPC)

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 REMEDY AND RELIEF

Should there be any dispute or controversy in connection with this Contract, the Parties, as far as practicable, shall settle it amicably. In the event that such dispute or disagreement be not resolved to the parties' satisfaction, the matter shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law". Provided, however, that disputes within the competence of the Construction Industry Arbitration Commission shall be submitted thereto, Arbitration proceedings shall be without prejudice to the right of the NPC to rescind or terminate this Contract.

Should NPC be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the SUPPLIER shall be liable to NPC for attorney's fees in the amount equivalent to twenty percent (20%) of the sum total claimed in the complaint, exclusive of other damages and the expenses of litigation.

(SUPPLIER)

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Area Manager


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(SUPPLIER)


ALBERT O. ANTONIO
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President and CEO

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In case a dispute or disagreement arises between NPC and the SUPPLIER regarding the manner by which the latter is performing works, the SUPPLIER shall follow the instruction of NPC relative thereto, otherwise, the SUPPLIER shall have no right to ask for arbitration or go to court for relief.

ARTICLE XIV PERFORMANCE SECURITY

To guarantee the faithful performance of the CONTRACTOR's obligation under this Contract, the SUPPLIER shall post a performance security which shall remain valid and effective during the contract duration.

- 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.
- 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 NPC.

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.

(SUPPLIER)

BY:

MARIBETH A. PARAS
Area Manager

(SUPPLIER)

ALBERT O. ANTONIO
Plant Manager, Pulangi IV HE Plant
(NPC)

FERNANDO MARTIN Y. ROXAS
President and CEO

BY:

ARTICLE XV WARRANTY/GUARANTEE BOND

To assure that manufacturing defects shall be corrected by the SUPPLIER or its manufacturer, the SUPPLIER shall post a Warranty/Guarantee Bond after the performance of the contract pursuant to the provision contained in Section IV-GCC, Clause 5 of the Bidding Documents. This is also a pre-requisite to the discharge and return to the SUPPLIER of the Performance Bond. This shall remain valid for twelve (12) months after the acceptance of the goods by the end user. The obligation of the warranty shall be covered by, at NPC's option, either retention money in an amount equivalent to at least one percent (1%) but not 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 XVI LIQUIDATED DAMAGES

Should SUPPLIER fails to satisfactorily deliver any or all of 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 (1%) percent 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%) of the contract amount, the NPC may rescind the Contract without prejudice to other course of action and remedies open to it.

ARTICLE XVII WARRANTY CLAUSE

SUPPLIER hereby warrants that it or its 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 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 SUPPLIER will not subcontract any portion or portions of the scope of work of the Contract awarded to it to any official or employee of the 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 commission is being paid to a private person; it 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.

Contract between NPC and Qualitron Construction & Industrial Supplies
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Contract No. LOG MSSP 2024-11-134-ALC

(SUPPLIER)

BY:


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Area Manager

(SUPPLIER)


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(NPC)


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President and CEO

BY:

3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the SUPPLIER and/or its representative and/or the erring NPC official(s) and employee(s).

ARTICLE XVIII 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 XIX 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 XX EFFECTIVITY

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

ARTICLE XXI 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, after failure to settle the same amicably, shall be exclusively in the proper courts of Quezon City.

IN WITNESS WHEREOF, the parties hereto have signed this Contract
this 11th day of July, 2024 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:


ALBERT O. ANTONIO
Plant Manager, Pulangi IV HE Plant
(NPC)


JESSICA A. JOSE
(SUPPLIER)

FUNDS AVAILABLE


LORLINA E. BOMEDIANO
Sr. Dept. Manager, Finance Group

Certificate of Budgetary Inclusion	
Period:	2025
Account / WC/JO:	B164J99
CBI Reference No.:	PRD-25-02.0087
Cost Center:	6645014
Amount	P 11,585,000. -


Salvador F. Pregon
Manager, SPRD

(1)

CERTIFIED FUNDS AVAILABLE	
PERIOD	2024
JOB ORDER	WO# B164J99
COST CENTER	6645014
AMOUNT	P 11,585,000.00

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
JUL 11 2025 day of _____, 2024, personally appeared **MR. FERNANDO
MARTIN Y. ROXAS**, President and CEO, **NATIONAL POWER
CORPORATION**, with Document Identification 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 twelve (12) 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, 2024
IBP Lifetime No.: _____
PTR No.: _____

Doc. No. 61 ;
Page No. 14 ;
Book No. 1 ;
Series of 2024.

ATTY. RODOLFO M. DE GUZMAN, JR.
Notary Public for Quezon City
Commission No. NP-409(2025-2026)
Commission Expires on 31 December 2026
Roll No. 44291
IBP No. 503063; 01/08/2025; Tarlac
PTR No. 7132156; 01/15/2025; Quezon City
MCLE No. VII-0016459; 4/27/2022, Pasig City
4th Floor, Gabriel Y. Ichon Building
Senator Miriam P. Defensor Santiago Avenue
Diliman, Quezon City

Contract between NPC and Qualitron Construction & Industrial Supplies
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