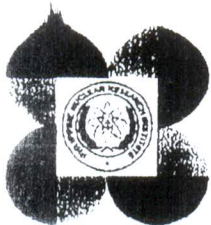


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Republic of the Philippines
Department of Science and Technology
PHILIPPINE NUCLEAR RESEARCH INSTITUTE

Address: Commonwealth Avenue, Diliman, Quezon City
P.O. Box Nos. 213 U.P. Quezon City; 932 Manila; 1314 Central, Quezon City
Telephone Nos. 929-6010 to 19 Fax No. 920-1646

June 27, 2012

Mr. RENATO A. NAVARRO
General Manager
METROBILT Construction
Lot 1, Block 5, Wilsonville Subdivision
Quezon City

NOTICE TO PROCEED

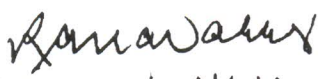
Dear Mr. Navarro

This is to inform you that the Contract for the project: **"REPAIR AND UPGRADING OF RADIOPHARMACEUTICAL LABORATORY, GROUND FLOOR, ARC BUILDING"**, has been approved in your favor.

In this connection, you are hereby advised to proceed with the implementation of the above-mentioned project within seven (7) calendar days upon receipt hereof.

Very truly yours,


ALUMANDA M. DELA ROSA, Ph.D.
Director

Received by: 
RENATO A. NAVARRO
(Name and Signature)
07-09-12
(Date)

CONTRACT

KNOW ALL MEN BY THESE PRESENT:

This CONTRACT made and entered into by and between:

The **PHILIPPINE NUCLEAR RESEARCH INSTITUTE** hereinafter referred for as the "PNRI", a government agency under the Department of Science and Technology existing under the laws of the Republic of the Philippines, with principal office address at Commonwealth Avenue, Diliman, Quezon City, Philippines, represented in this agreement by its Director, **Dr. ALUMANDA M. DELA ROSA**.

- and -

METROBILT CONSTRUCTION, hereinafter referred to as the "CONTRACTOR", a private agency engaged in Construction, recognized and existing under the Law of the Republic of the Philippines with business address at Lot 1, Block 5, Wilsonville Subdivision, Quezon City, Philippines, represented in this agreement by its General Manager, **Mr. RENATO A. NAVARRO**.

- WITNESSETH -

WHEREAS, the PNRI is desirous that certain work shall be performed namely:

REPAIR AND UPGRADING OF RADIOPHARMACEUTICAL LABORATORY, GROUND FLOOR, ARC BUILDING

and has accepted the bid of the CONTRACTOR for such work in the amount of **ONE MILLION SIXTEEN THOUSAND SEVEN HUNDRED TWENTY FIVE PESOS (Php1,016,725.00)**.

The whole project comprised in this contract shall be completed within **sixty (60) government working days** in accordance with the approved proposal.

NOW, THEREFORE, the Parties hereto have agreed as follows:

1. In this Contract, words and expressions shall have the same meaning as are respectively assigned to them in the conditions of the Contract hereinafter referred to.

2. The following documents shall be deemed to form and be interpreted and construed as part of this Contract, viz:
 - (1) General Conditions and Specifications
 - (2) Plans
 - (3) Approved Budget for the Contract to be Bid
 - (4) Invitation to Bid
 - (5) Bidding Documents
 - (6) License/s
 - (7) Bids and Abstract of Bids
 - (8) Bid Bulletin, if any
 - (9) Resolution of the BAC and/or BAC Recommendation for Award
 - (10) Notice of Award
 - (11) Performance Security
 - (12) Notice to Proceed
 - (13) Pertinent provisions of RA 9184, as amended 8 October 2003, its Implementing Rules and Regulations, and other applicable laws and rules.
3. The **CONTRACTOR** binds himself to follow and faithfully execute the contracted work and material specifications as listed in the Scope of Work which shall form part of this Contract.
4. The **PNRI** shall furnish all information needed by the **CONTRACTOR** necessary in the execution of the contracted project.
5. The **CONTRACTOR** agrees and binds himself to comply with the standard workmanship of the contracted project. Non-compliance work on the part of the contractor, as maybe observed by the **PNRI's** Inspector/Representative, shall be immediately reworked/repared at the expense of the **CONTRACTOR**.
6. The workers engaged by the **CONTRACTOR** to undertake the contracted project shall be considered as employees of the same. **SUB-CONTRACTING FOR THIS PROJECT IS STRICTLY PROHIBITED**, except on the Aluminum work, as discussed during the Pre-Bid Conference.
7. The **CONTRACTOR** warrants that all laws and regulations pertaining to labor including minimum wage, SSS, Philhealth, ECC and Pag-Ibig benefits, employer's liability in the employment of minors and the like, shall be complied with and shall hold the **PNRI** free from any claim of the **CONTRACTOR's** personnel.
8. Contract time extension may be granted by the **PNRI** only when the affected activities fall within the critical path of the submitted PERT/CPM network and such other grounds specified/allowed under RA 9184 and Its Implementing Rules and Regulations, as amended on 8 October 2003.
9. Any contract time extension claim/s of the **CONTRACTOR** shall be supported by a notice duly received by the **PNRI** within thirty (30) calendar days prior to expiration of the contract time or after the circumstances leading to such claim arises. Failure on the part of the **CONTRACTOR** to provide such notice shall constitute a waiver by the **CONTRACTOR**.

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10. The **CONTRACTOR** shall be liable for any damage as are warranted, when he abandons the project or wilfully/negligently causes damage/ injury to the project personnel or damages to the facility of the **PNRI**; it shall be repaired/ reworked at the expense of the **CONTRACTOR**.
11. For and in consideration of the aforementioned project to be rendered by the **CONTRACTOR** to the **PNRI**, the **PNRI** shall pay the **CONTRACTOR** the contract amount payable in progress accomplishment billing subject to submission of affidavit to the effect that payments were made to laborers/employees of the **CONTRACTOR**. The last payment shall be made only after the completion of the project, subject to final acceptance of the **PNRI** and submission of a **GUARANTEE BOND** as per Section 14 of this contract, and other required documents.
12. The **CONTRACTOR** shall post a **Performance Security** in favor of the **PNRI** in the form of (a) Cash/Manager's Check equivalent to ten percent (10%) of the total contract price or (b) **Surety Bond** callable on demand, issued by a surety company duly certified by the Philippine Insurance Commission, equivalent to thirty percent (30%) of the total contract price, to guarantee the faithful performance of the **CONTRACTOR** under the contract. It shall guarantee payment of the amount of that security as penalty in the event it is established that the **CONTRACTOR** is in default in his obligation.
13. The **CONTRACTOR** shall post Additional Performance Security to cover cumulative increase of more than ten percent (10%) over the original value of the contract as a result of price adjustment, change order, extra work order and supplemental agreement and shall cause the extension of the validity of the performance security.
14. The **CONTRACTOR** agrees and binds himself to warranty all their work from any damage or defect due to faulty workmanship, for a period of one (1) year from construction work as determined by the **PNRI**. For this purpose, the **CONTRACTOR** shall furnish the **PNRI** with (a) **Warranty Security**, in the form of Cash Deposit/Cash Bond equivalent to five percent (5%) of the total contract price which shall be released after the warranty period or (b) **Surety Bond** with a duration stated above, callable on demand issued by the GSIS or surety company duly certified by the Philippine Insurance Commission, equivalent to thirty percent (30%) of the total contract price, in accordance with paragraph 62.2.3.3, Section 62 of the Revised IRR of R.A. 9184, reckoned from the date of acceptance of the work by the **PNRI**, to answer for any loss, damage, injury or expense which may be incurred as a result of the defect in the **CONTRACTOR's** work.
15. Progress payment for the contracted project shall be subject to retention of ten percent (10%) referred to as "**Retention Money**". Such retention shall be based on the total amount due to the **CONTRACTOR** prior to any deduction and shall be retained from every progress payment until the fifty percent (50%) of the value of work, as determined by the **PNRI**, is completed. If, after fifty percent (50%) completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed. Release of "Retention Money" shall be in accordance with Annex E, Sec. 6.2 of the Implementing Rules and Regulation of RA 9184, **thirty (30) days** after the final acceptance of the project.

Handwritten signature


Handwritten signature

Handwritten signature

16. The **CONTRACTOR** shall furnish the **PNRI**, at his own expense, one (1) original copy and three (3) blue print of (20 inches x 30) "As-built Plans" signed by a licensed/registered Professional Civil Engineer. Format of As-built Plan hereto attached as Annex "A".
17. In the event that the **CONTRACTOR** refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted, and is hereby in default under the contract, the **CONTRACTOR** shall pay the **PNRI** for Liquidated Damages, and not by way of penalty, in an amount specified under ANNEX E Section 8 of RA 9184 and Its Implementing Rules and Regulations, as Amended on 8 October 2003.
18. The **CONTRACTOR** shall clean and clear the whole premises of all debris and unused materials as a condition for completing the work and before acceptance of work by the end-user/**PNRI**.
19. For any violation of the stipulation and covenants of this Contract, the **PNRI** reserves the right to terminate this Contract by notarial cancellation.
20. The **CONTRACTOR** warrants that it has not given or promised to give any money or gift to any employee or official of the **PNRI** to secure this Contract.
21. The Parties hereunto agree that any and all actions arising from this Contract shall be filed in Quezon City only.

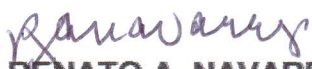
IN WITNESS WHEREOF, the parties hereunto set their hands this 25th day of June 2012 at Quezon City, Philippines.

**PHILIPPINE NUCLEAR RESEARCH
INSTITUTE (PNRI)
- INSTITUTE -**


ALUMANDA M. DELA ROSA, PhD.
Director

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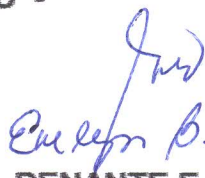
**METROBILT CONSTRUCTION
- CONTRACTOR -**


RENATO A. NAVARRO
General Manager

- W I T N E S S E S -

Funds Available:


GERALD DG. CONISE
Head, Accounting Section


RENANTE E. ADAN
Project Manager