

CONTRACT

KNOW ALL MEN BY THESE PRESENT:

This **CONTRACT** made and entered into by and between:

The **PHILIPPINE NUCLEAR RESEARCH INSTITUTE (PNRI)**, Department of Science and Technology (DOST), a government agency existing under the laws of the Philippines, with principal office address at Commonwealth Avenue, Diliman, Quezon City, Philippines, duly represented by, **DR. ALUMANDA M. DELA ROSA**, Director, and hereinafter referred to as "**PNRI**".

- and -

NTPI INTERNATIONAL, INC. with principal office at Unit 719, Globe Telecom Plaza 2, Pioneer cor. Madison St., Mandaluyong City, Philippines, represented in this agreement by its President/General Manager, **Mr. MARCELO C. ZAFRA** and hereinafter referred to as "**CONTRACTOR**".

- W I T N E S S E T H -

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

FABRICATION AND INSTALLATION OF CONVEYOR/PRODUCT HANDLING SYSTEM AND BEAM CATCHER

and has accepted the bid of the **CONTRACTOR** for such work in the amount of **THREE MILLION FOUR HUNDRED FIFTY THOUSAND PESOS AND (Php3,450,000.00)**.

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:
 - a. Plans/Drawings
 - b. General Conditions and Technical Specifications
 - c. License/s
 - d. Bidding Documents

- e. Bid Bulletin, if any
- f. Approved Budget for the Contract to be Bid
- g. Resolution of the BAC and/or BAC Recommendation for Award
- h. Invitation to Bid
- i. Bids and Abstract of Bids
- j. Performance Security
- k. Approved Notice of Award
- l. Approved Notice to Proceed
- m. 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 execute faithfully the contract work and material specifications to be installed 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.**
7. The **CONTRACTOR** warrants that all laws and regulations appertaining to labor including SSS, Philhealth and ECC benefits, minimum wage, 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. Delivery of the contracted project shall be made by the **CONTRACTOR** in accordance with the terms specified in Section VI (Schedule of Requirements) and Section VII (Equipment Requirements and Technical Specifications) of the Bid submitted by the **CONTRACTOR**.
9. For the given scope of work of this **CONTRACT**, all bid prices are considered fixed prices, and therefore not subject to price escalation during the **CONTRACT** implementation, except extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR-A..
10. The **CONTRACTOR** shall be liable for any damages 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**.

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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 upon submission of accomplishment billing and all of the requirements specified in item no. 17.3, 17.4 and 17.5, Section V (Special Conditions of the Contract) of the Bid Documents herein published for public bidding, subject to final acceptance of the **PNRI** and the End-User, and submission of a **SURETY BOND/WARRANTY** specified in this contract and other required documents.
12. The **CONTRACTOR** shall post a **Performance Security** in favor of the **PNRI** in the form of Cash/Manager's Check equivalent to five percent (5%) of the total contract price or **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** agrees and binds himself to warranty all their works from any damage or defects due to faulty workmanship, for a period of one (1) year to start from date of acceptance of work. 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 a **Surety Bond** with a duration stated above, callable on demand issued by the GSIS or a 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.
14. The **CONTRACTOR** shall provide free training on operation procedures for the end-user, upon completion of the project.
15. 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, in an amount specified in paragraph 18.3 Section V of the Bid Document.
16. The **CONTRACTOR** shall clean and clear the whole premises of all waste and unused materials as a condition for completing the work and before acceptance of work by the end-user/Institute.
17. For any violation of the stipulation and covenants of this Contract, the **PNRI** reserves the right to terminate this **Contract** in the event of any breach of the stipulation hereof by notarial cancellation.
18. 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**.
19. In case of dispute, the Parties hereunto agree that any and all actions arising from this Contract shall be filed in Quezon City only or shall be resolved in accordance with Republic Act 9285 ("R.A. 9285") otherwise known as the "Alternative Dispute Resolution Act of 2004..

IN WITNESS WHEREOF, the parties hereunto set their hands this 28 day of January 2013 at Quezon City, Philippines.

PHILIPPINE NUCLEAR RESEARCH
INSTITUTE (PNRI)
- INSTITUTE -

NTPI INTERNATIONAL INC.
- CONTRACTOR -

ALUMANDA M. DELA ROSA, PhD
Director

Mr. MARCELO C. ZAFRA
President/General Manager

- WITNESSES -

Funds Available:

GERALD DG. CONISE
Head, Accounting Unit

MARIA ESTRELLA FRIA
Sales Engineer

A C K N O W L E D G E M E N T

REPUBLIC OF THE PHILIPPINES)
City of Quezon MANDALUYONG CITY) s.s.

BEFORE ME, a Notary Public, personally came and appeared DR. ALUMANDA M. DELA ROSA with Passport Number OE0006886 issued on May 12, 2012 and Mr. MARCELO C. ZAFRA with Community Tax No. _____ issued at Quezon City on _____, 2013 known to me to be the same persons who executed the foregoing Contract consisting of four (4) pages including this page wherein this Acknowledgement is written.

ATTY. DANTE D. CACHO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2013
IBP NO. 877711/01-04-12/RSM
PTR NO. 1293482/01-02-12/MAND CITY
MCLE COMPLIANCE NO III-0007199
ROLL NO. 28397

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Series of 2013

February 22, 2013

Mr. MARCELO C. ZAFRA, Jr.
President and General Manager
NTPi International, Inc.
Unit 719 Globe Telecom Plaza 2
Pioneer Street, Mandaluyong City

NOTICE TO PROCEED

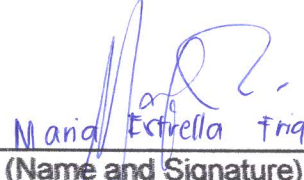
Sir:

This is to inform you that the contract for the project: **"FABRICATION AND INSTALLATION OF CONVEYOR PRODUCT AND HANDLING SYSTEM"**, 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 *file 2013*

Received by : 
(Name and Signature)
2/22/13
(Date)