

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 -

E.M. PAULE CONSTRUCTION AND TRADING, with principal office address at No. 40 Payna Street, Veterans Village, Project 7, Quezon City, Philippines, represented in this agreement by **MR. EDUARDO M. PAULE**, General Manager, 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:

**REPAIR AND UPGRADING OF NUCLEAR MATERIALS
RESEARCH LABORATORY BUILDING – PHASE 3
(LABOR AND MATERIALS)**

and has accepted the bid of the CONTRACTOR for such work in the amount of **EIGHT HUNDRED TWENTY TWO THOUSAND EIGHT PESOS AND 69/00 CENTAVOS (Ph822,008.69)**.

The whole project comprised in this contract shall be completed within **ninety (90) 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
 - b. General Conditions and 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 faithfully execute the contract work and material specifications to be installed as listed in the attached 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 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, Medicare, ECC, 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. 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** should be supported by 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**.
- 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**.
- 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.

Handwritten notes and signatures:
- Vertical signature on the left margin: "Abdulrahman"
- Vertical signature on the left margin: "Sum"
- Vertical signature on the left margin: "Edwin"
- Vertical signature on the left margin: "f"

12. The **CONTRACTOR** shall post a **Performance Security** in favor of the **PNRI** in the form of Cash/Manager's Check equivalent to ten percent (10%) of the total contract price or **Surety Bond** callable on demand, issued by the GSIS or a surety company duly accredited 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 orders, extra work orders and supplemental agreements and shall cause the extension of the validity of the performance security.

14. The **CONTRACTOR** agrees and binds himself to warranty all their work for a period of one (1) year from any damage or defect due to faulty workmanship and fifteen (15) years for structural defects and failures, as determined by the **PNRI**. For damage or defect due to faulty workmanship, the **CONTRACTOR** shall furnish the **PNRI** with a (a) **Warranty Security**, in the form of Cash Deposit/Cash Bond equivalent to five percent (5%) or Bank Draft/Guarantee confirmed by a Universal bank equivalent to ten percent (10%) of the total contract price which shall be released after the warranty period or (b) **Surety Bond** with a duration of one (1) year callable on demand issued by the GSIS or a surety company duly accredited by the Philippine Insurance Commission (PIC), equivalent to thirty percent (30%) of the total contract price, reckoned from the date of acceptance of the work by the **PNRI**.

For structural defects and failures, a Certificate of Warranty shall be issued by the Contractor on the remaining fourteen (14) years to guarantee the work performed.

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. 62 of the Implementing Rules and Regulation of RA 9184, **thirty (30) days** after the final acceptance of the project.

16. 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.

17. 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/Institute.

18. After completion of work, the **CONTRACTOR** shall furnish the **PNRI** one (1) original and three (3) Blue Prints of As-Built Plans/Drawings signed by a licensed Civil Engineer and Mechanical Engineer. Copy of format hereto attached as **ANNEX "A"**.

19. 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.
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 24th day of June 2013 at Quezon City, Philippines.

PHILIPPINE NUCLEAR RESEARCH
INSTITUTE
(PNRI)

[Signature]
ALUMANDA M. DELA ROSA, Ph.D.
Director

E.M. PAULE CONSTRUCTION
AND TRADING
- CONTRACTOR -

[Signature]
EDUARDO M. PAULE
General Manager

- W I T N E S S E S -

Funds Available:

[Signature]
GERALD DG. CONISE
Head, Accounting Section

[Signature]
Engr. DOMINADOR MANIO
Project Manager

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

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

BEFORE ME, a Notary Public, personally came and appeared Dr. ALUMANDA M. DELA ROSA with Passport No. OE0006886 issued on May 21, 2012 and Mr. EDUARDO M. PAULE with Community Tax No. 13884760 issued at Quezon City 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.

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Series of 2013

NOTARY PUBLIC
[Signature]
ATTY. LUIS M. DE VERA
NOTARY PUBLIC
UNTIL DECEMBER 31, 2013
PTR NO. 75172222 / 04 - 04 - 2013 / Q.C.
JEP NO. 842919 / 01 - 01 - 2013 / Q.C.
ROLL NO. 20761
4th FLOOR NO. 505531
82 J MONTVERDES ST, ALFARONES, Q.C.