

E-FORM 7

Computation of Prospective Bidders Net Financial Contracting Capacity (NFCC) or Commitment from a Universal or Commercial Bank to Extend a Credit Line in favor of the Bidder, if awarded the Contract for this Project (CLC).

The NFCC computed using the following formula, must be at least equal to the ABC to be bid:

NFCC = [(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract for this Project.

The value of the domestic bidders' current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR.

For purpose of computing the foreign bidders' NFCC, the value of the current assets and current liabilities shall be based on their audited financial statements prepared in accordance with international financial reporting standards.

The CLC must be at least equal to ten percent (10%) of the ABC for this Project. If issued by a foreign Universal or Commercial Bank, it shall be confirmed or authenticated by a local Universal or Commercial Bank.