

KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/  
SB CONSTRUCTION CORPORATION/JV

Witness:  
**DENMARK HOFILENA**  
Liaison Officer

Witness:  
**ARSENIO B. GROSPE**  
Authorized Managing Officer

BY :

Witness:  
**MARK JON S. PALOMAR**  
Chairperson, HO/BAC-EP

PHILIPPINE PORTS AUTHORITY

BY :  
**JAY DANIEL R. SANTIAGO**  
General Manager

Republic of the Philippines  
**PHILIPPINE PORTS AUTHORITY**  
PPA Building, Bonifacio Drive, South Harbor,  
Port Area, Manila, Philippines

**CONTRACT AGREEMENT**  
**FOR THE BALOGO PORT DEVELOPMENT PROJECT, PORT OF BALOGO,**  
**PASACAO, CAMARINES SUR**

This Agreement made and entered into this \_\_\_\_\_ day of JUL 26 2023 2023, in  
Manila, Philippines, by and between:

**PHILIPPINE PORTS AUTHORITY (PPA)**, a government instrumentality  
created under Presidential Decree No. 857, as amended, with principal office at  
PPA Building, Bonifacio Drive, South Harbor, Port Area, Manila, represented  
herein by its General Manager, **JAY DANIEL R. SANTIAGO**, duly authorized for  
this purpose under Board Resolution No. 2445, Series of 2015, attached herein  
as **Annex A**.

- and -

**KHAN KON CHI CONSTRUCTION AND DEVELOPMENT  
CORPORATION/SB CONSTRUCTION CORPORATION/JV**, duly organized  
and existing in accordance with Philippine laws, with principal office address at  
Km. 10.5, Purok 30, Brgy. Cabantian, Davao City, represented herein by its  
Authorized Managing Officer (AMO), **ARSENIO B. GROSPE**, duly authorized  
for this purpose as shown in Joint Venture Agreement dated 22 May 2023,  
attached herein as **Annex B**.

WHEREAS, the Entity is desirous that the Contractor execute the Balogo Port  
Development Project, Port of Balogo, Pasacao, Camarines Sur, with an approved Budget for  
the Contract (ABC) of Php **629,123,914.25** and the Entity has accepted the Bid for **SIX  
HUNDRED TWENTY SEVEN MILLION FIVE HUNDRED NINETY SIX THOUSAND FIVE  
HUNDRED SEVENTEEN AND 01/100 PESOS (Php 627,596,517.01)** by the Contractor for the  
execution and completion of such Works and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meaning as are  
respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents as required by the 2016 Revised Implementing Rules and  
Regulations of Republic Act No. 9184 shall be deemed to form and be read and  
construed as part of this Agreement, viz:
  - a. Philippine Bidding Documents (PBDs);
    - i. Drawings/Plans;
    - ii. Specifications;
    - iii. Bill of Quantities;
    - iv. General and Special Conditions of Contract;
    - v. Supplemental or Bid Bulletins, if any



SB CONSTRUCTION CORPORATION/JV  
Witness: DENMARK HOFILENA  
Liaison Officer  
ARSENIO B. GROSPE  
Authorized Managing Officer

BY :

Witness: MARK JON S. PALOMAR  
Chairperson, HC-BAC-EP

BY : JAY DANIEL R. SANTIAGO  
General Manager

- b. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;

- c. Performance Security;
- d. Notice of Award of Contract and the Bidder's conforme thereto; and
- e. Other contract documents that may be required by existing laws and/or the Procuring Entity concerned in the PBDs. Winning bidder agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

3. In consideration of the sum of **SIX HUNDRED TWENTY SEVEN MILLION FIVE HUNDRED NINETY SIX THOUSAND FIVE HUNDRED SEVENTEEN AND 01/100 PESOS (Php 627,596,517.01)** or such other sums as may be ascertained, **KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/SB CONSTRUCTION CORPORATION/JV** agrees to execute the Balogo Port Development Project, Port of Balogo, Pasacao, Camarines Sur, in accordance with its Bid.

4. The Philippine Ports Authority agrees to pay the above-mentioned sum in accordance with the terms of the Bidding.

5. In execution of its Works, **KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/SB CONSTRUCTION CORPORATION/JV** shall likewise hold PPA free and harmless from any liability due to actions, damages, or accident it may cause in the course thereof.

6. The failure of PPA to insist upon a strict performance of any of the terms, conditions and covenants hereof shall not be deemed a relinquishment or waiver of any of the rights or remedies that it may have, nor shall it be construed as a waiver of any subsequent breach or default of its terms, conditions and covenants which shall continue to be in full force and effect. Silence on the part of PPA shall not be considered as condonation or waiver of any breach or default by **KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/SB CONSTRUCTION CORPORATION/JV** of any covenant or condition herein provided. No waiver by PPA of its rights under this Contract shall be deemed to have been made unless expressly made in writing and signed by its duly authorized representative.

IN WITNESS whereof, the Parties have hereto caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines, on the day and year first above written.



**PHILIPPINE PORTS AUTHORITY**  
TIN No. 000-352-232-000  
By:

**JAY DANIEL R. SANTIAGO**  
General Manager

**MARK JON S. PALOMAR**  
Chairperson, HO-BAC-EP

**KHAN KON CHI CONSTRUCTION AND  
DEVELOPMENT CORPORATION** TIN No.  
009-432-379-00/**SB CONSTRUCTION  
CORPORATION** TIN No. 006-535-204-  
0000 /JV

By:   
**ARSENIO B. GROSPE**  
Authorized Managing Officer

WITNESSES   
**DENMARK HOFILEÑA**  
Liaison Officer

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
City of **QUEZON CITY** ) S.S.

BEFORE ME, a Notary Public for and in the City of **QUEZON CITY** Manila, this **JUL 26 2023** day of \_\_\_\_\_, 2023, personally appeared the following :

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE OF ISSUE OR EXPIRY DATE	PLACE OF ISSUE
Jay Daniel R. Santiago	PPA ID No. 00102016		
Arsenio B. Grospe	TIN No. 261-927-313-000		

known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free act and deed as well as the free and voluntary act of the entities they represent.

POSITION	COMPANY	CTC No.	DATE	PLACE
General Manager	Phil. Ports Authority	00453661	1-12-23	Manila
Authorized Managing Officer	Khan Kon Chi Const. & Dev't., Corp./ SB Construction Corporation/JV			

The foregoing instrument is a Contract for the Balogo Port Development Project, Port of Balogo, Pasacao, Camarines Sur, consisting of three (3) pages, including this page on which this Acknowledgment is written, signed by the parties and their instrumental witnesses on each and every page hereof.

IN WITNESS WHEREOF, I have hereunto affixed my hand and notarial seal on these presents at the place and on the date first above written

Doc. No. 301;  
Page No. 1;  
Book No. 1;  
Series of 2023

**ATTY. ROGELIO J. COLAR**  
NOTARY PUBLIC IN QUEZON CITY  
Commission No. Adm. Matter No. NP 158 (2023-2024)  
IBP O.R. No. 180815 2023 & IBP O.R. No. 180816 2024  
PTR O.R. No. 3916669 D 01/03/2023 / Roll No. 33832 / TIN # 129-871-009-000  
MCLE No. 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025  
Address: 31-F Harvard St. Cubao, Q.C.