

Form of Contract Agreement

THIS AGREEMENT, made this 3rd day of July 2019 between **PHILIPPINE PORTS AUTHORITY – PORT MANAGEMENT OFFICE – MISAMIS ORIENTAL / CAGAYAN DE ORO**, PMO-Building #2 (formerly PDO Building), Port Area, Gate 4, Brgy. Puntod, Cagayan de Oro City hereinafter called the “Entity” and **MLS JC CONSTRUCTION SERVICES**, Davao St., Aluba Subdivision, Macasandig, Cagayan de Oro City hereinafter called the “Contractor”.

WHEREAS, the Entity is desirous that the Contractor execute the *Proposed Repair/Retrofit a Donated Container Van to become a Temporary Management Office, Port of Opol* hereinafter called “the Works” and the Entity has accepted the Bid for *three hundred ninety two thousand six hundred fifty eight & 90/100 (P392,658.90)* 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 meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - (a) Drawings/Plans and or Pictures;
 - (b) Notice of Award of Contract and the Bidder’s conforme thereto;
 - (c) Other contract documents that may be required by existing laws and/or the Entity.
3. In consideration of the payments to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Entity to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects.
4. The Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

5. CONTRACTOR'S UNDERTAKING

SCOPE OF WORK

5.1 The CONTRACTOR, in consideration of the payment to be made by the PPA to the CONTRACTOR, as stated in the Contract Documents and this Contract, the latter hereby covenants to execute and complete the *Proposed Repair/Retrofit a Donated Container Van to become a Temporary Management Office, Port of Opol* in conformity in all respects with the provisions of this Contract, as follows:

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1.	Transfer of Container Van	12,834.00
2.	Repair of Container Van	98,660.00
3.	Repainting of Van Office and Installation of Doors and Windows	112,444.00
4.	Electrical Works	23,093.00
5.	Plumbing Works and Toilet	27,080.00
6.	Septic Vault	118,547.90
TOTAL AMOUNT		₱ 392,658.90

5.2 The CONTRACTOR agrees to commence, perform and complete the work called for and defined in this Contract at its sole cost and expense, and to fully and faithfully furnish all materials, tools, labor supplies, equipment, services and superintendence for the implementation of this Contract in accordance with the schedule in the Contract Documents forming integral parts of this Contract.

5.3 The CONTRACTOR guarantees, among others, that all tools, equipment, machineries, instruments, accessories and materials it will supply or deliver or install and/or use in the construction and workmanship of all his work under the Contract, shall be in accordance with the Contract Documents.

5.4 The CONTRACTOR recognizes the position of trust and confidence reposed in it under this Contract, and agrees to perform its obligations hereunder in the most efficient and competent manner, use its skill and good judgment, always set in good faith, and carry out the execution of this Contract in the most sound, expeditious and economical manner consistent with the interest of the PPA.

6. COMPLETION TIME: LIQUIDATED DAMAGES

6.1 The CONTRACTOR agrees and obligates itself to perform and complete all works provided for in this Contract within Sixty (60) calendar days, reckoned after seven (7) calendar days from the date of receipt of the Notice to Proceed issued by PPA. Notice to Proceed shall be issued after this Contract has been signed by the parties hereof (and approved by the PPA Board of Directors, if required).

6.2 Time is of the essence of this Contract. Should the CONTRACTOR refuse or fail 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 PPA for liquidated damages, and not by way of penalty, an amount at least equal to one-tenth of one percent (0.1%) of the unperformed portion for every day of delay.

6.3 The project or a portion thereof may be deemed usable when it starts to provide the desired benefits as certified by the Project Inspector.

6.4 It is understood that the damages herein provided are fixed and agreed liquidated damages and to be entitled to such damages, PPA does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the CONTRACTOR under the contract and/or collect such liquidated damages from the retention money or other securities posted by the CONTRACTOR, whichever is convenient to PPA.

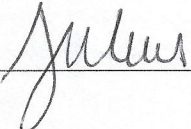
6.5 In case that the delay in the completion of the work exceed a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, PPA may rescind the contract or forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified contractor through negotiated contract.

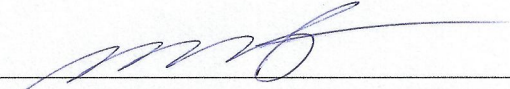
6.6 In no case, however, shall the total sum of liquidated damages exceed ten percent (10%) of the total contract price, in which event the contract shall automatically be taken over by PPA or award the same to a qualified contractor through negotiation and the erring CONTRACTOR's performance security shall be forfeited. The amount of the forfeited performance security shall be aside from the amount of the liquidated damages that the CONTRACTOR shall pay PPA under Section 6.2 hereof and impose other appropriate sanctions.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Signed, sealed, delivered by **ISIDRO V. BUTASLAC, JR.** the Port Manager, Philippine Ports Authority – Port Management Office – Misamis Oriental/Cagayan de Oro (the Entity)

Signed, sealed, delivered by **JULIUS VINCENT R. CATANIAG** the MLS JC Construction Services (the Contractor).

_____ 
Binding Signature of Contractor

_____ 
Binding Signature of PROCURING ENTITY



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

REPUBLIC OF THE PHILIPPINES)
CITY OF CAGAYAN DE ORO) S.S.

BEFORE ME, a Notary Public for and in the City of Cagayan de Oro, Philippines, personally appeared the following persons with their respective Community Tax Certificates, to wit:

<u>NAME</u>	<u>CTC No.</u>	<u>Date/Place Issued</u>
ISIDRO V. BUTASLAC, JR.	04320877	1-25-19 / Macabalan, CDO
JULIUS VINCENT R. CATANIAG	04268104	1-7-19 / CDO

who are known to me to be the same persons who executed and signed the foregoing instrument and who acknowledged to me that the same is their true and voluntary acts and deeds, and that of the entity which they respectively represent.

This instrument is a Contract for the *Proposed Repair/Retrofit a Donated Container Van to become a Temporary Management Office, Port of Opol* consisting of five (5) pages, including this page where the Acknowledgment is written. Pages 1 to 4 are signed on the left margin thereof and page 5 is signed at the corresponding spaces provided therefore by the Parties and their instrumental witnesses and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this _____ day of JUL 03 2019 at Cagayan de Oro City, Philippines.

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Page No. 660 ;
Book No. XXIV
Series of 2019

JAYFRANCIS D. BAGO
Notary Public / NC 2019-103
Until December 31, 2020
Roll of Attorneys No. 58951
IBP Lifetime Member No. 09913 Mis. Or.
PTR No. 4121360 / January 3, 2019
TIN 413-810-232

Julius Vincent R. Cataniag