

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

CONTRACT AGREEMENT
FOR THE MALALAG PORT EXPANSION AND RESTORATION PROJECT,
PORT OF MALALAG, MALALAG, DAVAO DEL NORTE

This Agreement made and entered into this 13 day of SEP 13 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 -

HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/KHAN KON CHI CONSTRUCTION AND DEVELOPMENT 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, **ARSENIO B. GROSPE**, duly authorized for this purpose as shown in Joint Venture Agreement dated 7 July 2023, attached herein as **Annex B**.

WHEREAS, the Entity is desirous that the Contractor execute the Malalag Port Expansion and Restoration Project, Port of Malalag, Malalag, Davao del Norte, with an approved Budget for the Contract (ABC) of Php **434,126,321.27** and the Entity has accepted the Bid for **FOUR HUNDRED THIRTY TWO MILLION ONE HUNDRED FORTY THREE THOUSAND SIX HUNDRED TWENTY PESOS AND 19/100 (Php 432,143,620.19)** 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

HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/
KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/JV
BY: 
DENMARK HOFLENA
Liaison Officer

HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/
KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/JV
BY: 
ARSENIO B. GROSPE
Authorized Managing Officer

Witness

MARK JON S. PALOMAR
Chairperson, HO BAC-EP

PHILIPPINE PORTS AUTHORITY
BY: 
JAY DANIEL R. SANTIAGO
General Manager

HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/
KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/JV
BY:  WITNESS
ARSENIO B. GROSPE
Authorized Managing Officer

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

PHILIPPINE PORTS AUTHORITY
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 **FOUR HUNDRED THIRTY TWO MILLION ONE HUNDRED FORTY THREE THOUSAND SIX HUNDRED TWENTY PESOS AND 19/100 (Php 432,143,620.19)** or such other sums as may be ascertained, **HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION/JV** agrees to execute the Malalag Port Expansion and Restoration Project, Port of Malalag, Malalag, Davao del Norte, 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, **HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/KHAN KON CHI CONSTRUCTION AND DEVELOPMENT 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 **HI-TONE CONSTRUCTION & DEVELOPMENT CORPORATION/KHAN KON CHI CONSTRUCTION AND DEVELOPMENT 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

**HI-TONE CONSTRUCTION &
DEVELOPMENT CORPORATION (TIN
No.005-769-891-000) /KHAN KON CHI
CONSTRUCTION AND DEVELOPMENT
CORPORATION (TIN No. 009-432-379-
000) /JV**

By: 
ARSENIO B. GROSPE
Authorized Managing Officer

WITNESSES


DENMARK HOFILENA
Liaison Officer

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
City of Manila) S.S.

BEFORE ME, a Notary Public for and in the City of Manila, this 13 day of SEPTEMBER, 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	Hi-Tone Construction & Development Corporation/ Khan Kon Chi Construction and Development Corporation/JV			

The foregoing instrument is a Contract for the Malalag Port Expansion and Restoration Project, Port of Malalag, Malalag, Davao del Norte, 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

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ATTY. ROGELIO L. BOLIVAR
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. 3916869 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.