PHILIPPINE PORTS AUTHORITY

December 17, 2018

Notice of Award

ENGR. ARSENIO B. GROSPE
Authorized Managing Officer
Khan Kon Chi Construction & Development Corporation
Km. 10.5 Purok 30 Barangay Cabantian
Buhangin District, Davao City

Dear Engr. Grospe:

We are happy to notify you that **Reconstruction of RoRo Ramp (Phase-3), Babak Port, IGACOS, Davao Del Norte** is hereby awarded to your firm as the Bidder with the Single Calculated Responsive Bid at a Contract Price equivalent to: **Twenty-Nine Million Nine Hundred Thirty-Seven Thousand One Hundred Eighty-Nine and 72/100, Philippine Currency (₱29,937,189.72).**

You are therefore required, within ten (10) days from the receipt of this Notice of Award, to formally enter into contract with us, and furnish us with the following documents for the project:

1. Performance Security in the form and amount stipulated in the following schedule:

    a. Cash, Cashier / Manager's Check issued by a Universal or Commercial Bank – Ten Percent (10%) of the Total Contract Price; or

    b. Bank draft / guarantee or irrevocable letter of credit issued by a Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank – Ten Percent (10%) of the Total Contract Price; or

    c. Surety Bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security – Thirty Percent (30%) of the Total Contract Price

    d. Any combination of the foregoing – Proportionate to share of form with respect to total amount of security.

PORT MANAGEMENT OFFICE — DAVAO
Km. 10, Port Area, Sasa, Davao City
Tel. Nos.: (082) 235-2564 to 68 • Fax No.: (082) 235-2569
E-mail: pmodavao@ppa.com.ph / pmodavao@gmail.com

The Performance Security shall be at least co-terminus with the final acceptance of the contract, and the following provisions shall form part in the Performance Security: **"The right to institute action on penal bond pursuant to Act No. 3688 of any individual firm, partnership, corporation and association supplying the contractor with labor and materials for the prosecution of the work is hereby acknowledged and confirmed."**

2. **Contractor's All Risk Insurance (CARI) and Personal Accident Insurance of all personnel pledge for the project** from the GSIS or any private insurance company duly accredited by Insurance Commission pursuant to the bid documents.

Failure to enter into the said contract or provide the Performance Security and Contractor's All Risk Insurance (CARI) and all other insurances shall constitute a sufficient ground for cancellation of this award and forfeiture of your Bid Security.

Please acknowledge agreement to the contents by signing **"CONFORME"** below and return the same to us immediately.

Very truly yours,

ANALEE G. AGUILA
Port Manager

CONFORME:

ENGR. ARSENIO B. GROSPE
Authorized Managing Officer
Khan Kon Chi Construction & Development Corporation

Date: 12-17-18