

Contract Agreement

THIS AGREEMENT is made the 7th day of February, 2020,

BETWEEN

(1) **Department of Transportation**, Republic of the Philippines, having its principal place of business at Apo Court, Osmeña Street, Clark Freeport Zone, 2009, Pampanga, Philippines (hereinafter called “the Employer”), and

(2) **Mitsubishi Shipbuilding Co. Ltd.**, a corporation incorporated under the laws of Japan and having its principal place of business at 3-1, Minatomirai 3-chome, Nishi-ku, Yokohama, Kanagawa, 220-8401, Japan (hereinafter called “the Contractor”).

WHEREAS the Employer desires to engage the Contractor to *design, fabricate, construct, launch, install in fitting, test, conduct sea trials, deliver, supply spare parts, and train personnel*, in conformity with the bidding documents for the procurement of two (2) approx. 94-meter multi-role response vessels (hereinafter called “the Facilities”), and the Contractor has agreed to such engagement upon and subject to the terms and conditions hereinafter appearing.

NOW IT IS HEREBY AGREED as follows:

Article 1.

Contract Documents

1.1 Contract Documents (Reference General Conditions (“GC”) Clause 2)

The following documents shall constitute the Contract between the Employer and the Contractor, and each shall be read and construed as an integral part of the Contract:

- (a) This Contract Agreement and the Appendices 1-9
- (b) Letter of Technical Bid
- (c) Letter of Price Bid
- (d) Employer’s Requirements (Technical Specifications) and General Arrangement Drawings
- (e) Particular Conditions
- (f) General Conditions
- (g) Other completed Bidding Forms submitted with the Bid
- (h) Acknowledgment of Compliance with Guidelines for Procurement under Japanese ODA Loans

1.2 Order of Precedence (Reference GC Clause 2)

In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above.

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1.3 Definitions (Reference GC Clause 1)

Capitalized words and phrases used herein shall have the same meanings as are ascribed to them in the General Conditions.

Article 2. Contract Price and Terms of Payment

2.1 Contract Price (Reference GC Clause 11)

The Employer hereby agrees to pay to the Contractor the Contract Price in consideration of the performance by the Contractor of its obligations hereunder. The Contract Price shall be the aggregate of: **JAPANESE YEN FOURTEEN BILLION FIVE HUNDRED FIFTY MILLION (JPY14,550,000,000.00)** as specified in Price Schedule No. 3 (Grand Summary) and or such other sums as may be determined in accordance with the terms and conditions of the Contract.

2.2 Terms of Payment (Reference GC Clause 12)

The Contract Price shall be paid by the Employer to the Contractor at the times, in the manner, and in accordance with the provisions of Appendix 1 (Terms and Procedures of Payment) hereto.

Article 3. Effective Date

3.1 Effective Date (Reference GC Clause 1)

The Effective Date from which the Time for Completion of the Vessel shall be counted is the date when this Contract Agreement has been duly executed for and on behalf of the Employer and the Contractor, and subject to the conditions below. The Employer and the Contractor undertakes to ensure that the conditions listed below in this Article 3 (Effective Date) shall all have been fulfilled within sixty (60) days after the signing of this Contract Agreement:

Conditions:

- (a) This Contract Agreement has been concurred by JICA;
- (b) The Contractor has submitted to the Employer the Performance Security and the Advance Payment Security;
- (c) Advance Payment has been received by the Contractor.
- (d) Notice to Proceed (NTP) has been issued by the Employer to the Contractor upon compliance of (a) and (b) above, and such NTP has been duly received and concurred/signed by the Contractor, indicating the date on which it was concurred/signed. However, Contractor's concurrence/signature of the Notice to Proceed shall in no case be more than seven (7) days upon contractor's receipt of the same.

Article 4. Communications

4.1 The address of the Employer for notice purposes, pursuant to GC Clause 4.1 is:

Department of Transportation
Apo Court, Sergio Osmeña Street,
Clark Freeport Zone,
2009 Pampanga

4.2 The address of the Contractor for notice purposes, pursuant to GC Clause 4.1 is:

3-1, Minatomirai 3-chome, Nishi-ku,
Yokohama, Kanagawa, 220-8401, Japan

**Article 5.
Appendices**

- 5.1 The Appendices listed in the attached List of Appendices shall be deemed to form an integral part of this Contract Agreement.
- 5.2 Reference in the Contract to any Appendix shall mean the Appendices attached hereto, and the Contract shall be read and construed accordingly.

IN WITNESS WHEREOF the Employer and the Contractor have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

For and in behalf of:

the Employer:

DEPARTMENT OF TRANSPORTATION,
REPUBLIC OF THE PHILIPPINES



LINO H. DABI
Assistant Secretary for Maritime


the Contractor:

MITSUBISHI SHIPBUILDING CO. LTD.



KOJI OKURA
President and CEO

APPROVED BY:




GARRY V. DE GUZMAN
Undersecretary for Finance




REINER RAUL R. YEBRA
Undersecretary for Legal Affairs

Witness:



ADMIRAL JOEL S. GARCIA RG
SAMUEL C. CUSTODIO

Witness:



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LIST OF APPENDICES:

- Appendix 1** Terms and Procedures of Payment
- Appendix 2** Insurance Requirements
- Appendix 3** Time Schedule
- Appendix 4** List of Major Items (Equipment and Machinery) of Vessel
- Appendix 5** List of Documents for Approval or Review
- Appendix 6** Functional Guarantees
- Appendix 7** Minutes of Contract Negotiation
- Appendix 8** Bid Addenda (Bid Bulletin No. 1 and 2)
- Appendix 9** Notice of Award

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ACKNOWLEDGEMENT

Republic of the Philippines)
City of _____)

BEFORE ME, a Notary Public, for and in the City of Manila, this 13th February 2020 personally appeared the following:

<u>Name</u>	<u>Government Issued I.D.</u>	<u>Expiry Date</u>
LINO H. DABI ADHJOEL S GARCIA Ph.D, H.D, A1-Haj	<u>WD N03-82-024615</u> <u>REG ID CG19-0-0145</u>	<u>2022/05/10</u> <u>01 June 2022</u>

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

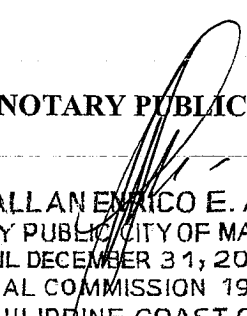
This instrument refers to **Contract to design, fabricate, construct, launch, install in fitting, test, conduct sea trials, deliver, supply spare parts, and train personnel, for the Two (2) Units of approx. 94-Meter Role Response Vessels for the Philippine Coast Guard under the Maritime Safety Capability Improvement Project, Phase II funded by JICA ODA Loan PH-P263.**

This instrument consists of five (5) pages including this page on which the acknowledgment is written duly signed by the parties and their instrumental witnesses on each page and every page thereof.

IN WITNESS WHEREOF, I have hereto affixed my signature and seal on the day and in the year first above written.

NOTARY PUBLIC

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Book No. II
Series of 2020


ATTY. ALLAN ENRICO E. ALANO
NOTARY PUBLIC CITY OF MANILA
UNTIL DECEMBER 31, 2020
NOTARIAL COMMISSION 19 - 137
NHQ PHILIPPINE COAST GUARD
139 25th ST. PORT AREA, MANILA
IBP NO. 076300/3-13-19
PTR NO. 8417473/5-8-19 MANILA
ROLL OF ATTORNEYS NO. 67132
TIN NO. 202-039-218

