

*Contract Reference Number: SoMin- 001-2008
Proposed Dredging of Sasa Wharf
Port of Sasa, Davao City*

Notice of Award

July 15, 2008

ENGR. SUKARNO S. SAMAL

Owner/Manager
Stoneline Construction
Block 14, Lot 1, NHA Tanghal Country Homes
Bagua II, Cotabato City
Telefax No. (064) 520-5699

Dear Sir / Madame:

We are happy to notify you that the ***Proposed Dredging of Sasa Wharf, Port of Sasa, Davao City*** is hereby awarded your firm as the Bidder with the Lowest Calculated Responsive Bid at a Contract Price equivalent to ***Two Million Nine Hundred Seventy Thousand Two Hundred Ten Pesos Only (Php 2,970,210.00)***.

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 the amount stipulated of the following schedule:
 - a) Cash, Certified Check, Cashier's Check or Manager's Check, Bank Draft or Irrevocable Letter of Credit – Five Percent (5%) of the Total Contract Price; or
 - b) Bank Guarantee – Ten Percent (10%) of the Total Contract Price; or
 - c) Surety Bond callable upon demand issued by GSIS, a surety or insurance company duly accredited by the Insurance Commission or a combination thereof – Thirty Percent (30%) of the Total Contract Price.

The performance security shall be at least co-terminus with the final completion of the contract, and the following provisions shall form part in the Performance Security: ***"The right to institute action on the 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) from the GSIS pursuant to Article XII of the provision of the draft contract agreement issued as part of the bid documents. No advance payment and progress payment shall be given if the CARI is not submitted.

Failure to enter into the said contract or provide the Performance Security and Contractor's All Risk Insurance (CARI) 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,

(SGD)
ABDUSSABOR SAWADJAAN
Port District Manager

CONFORME:

*Authorized Representative
Stoneline Construction*

Date: _____