

The Republic of the Philippines

Sale of the

Cebu Property

located at

Talavera, Toledo City, Cebu



The Bidding Procedures

27 June 2019

TABLE OF CONTENTS

PART I - INSTRUCTIONS TO BIDDERS	3
<i>IB-01</i> <i>REQUIREMENTS FOR ISSUANCE OF THE BIDDING PACKAGE</i>	<i>3</i>
<i>IB-02</i> <i>ADDENDA AND CLARIFICATION OF THE BIDDING PROCEDURES.....</i>	<i>4</i>
<i>IB-03</i> <i>BIDDING SCHEDULE</i>	<i>5</i>
<i>IB-04</i> <i>SUBJECT OF THE BID/BACKGROUND OF THE PROPERTY</i>	<i>5</i>
<i>IB-05</i> <i>CONDITIONS OF THE SALE.....</i>	<i>6</i>
<i>IB-06</i> <i>ELIGIBLE BIDDER.....</i>	<i>7</i>
<i>IB-07</i> <i>DUE DILIGENCE</i>	<i>8</i>
<i>IB-08</i> <i>PRE-BID CONFERENCE.....</i>	<i>9</i>
<i>IB-09</i> <i>PREPARATION AND CONTENTS OF BIDS</i>	<i>9</i>
<i>IB-10</i> <i>SEALING AND MARKING OF BIDS</i>	<i>12</i>
<i>IB-11</i> <i>BID VALIDITY PERIOD</i>	<i>13</i>
<i>IB-12</i> <i>BID SECURITY</i>	<i>13</i>
<i>IB-13</i> <i>SUBMISSION OF BIDS</i>	<i>15</i>
<i>IB-14</i> <i>DISQUALIFICATION OF BIDS</i>	<i>15</i>
<i>IB-15</i> <i>MINIMUM BID PRICE</i>	<i>16</i>
<i>IB-16</i> <i>OPENING AND PRELIMINARY EVALUATION OF SEALED BIDS</i>	<i>16</i>
<i>IB-17</i> <i>POST-QUALIFICATION</i>	<i>17</i>
<i>IB-18</i> <i>AWARD TO THE WINNING BIDDER.....</i>	<i>18</i>
<i>IB-19</i> <i>RIGHTS AND RESPONSIBILITIES OF THE PARTIES</i>	<i>18</i>
<i>IB-20</i> <i>FAILURE OF BIDDING.....</i>	<i>19</i>
<i>IB-23</i> <i>EFFECTIVITY OF THE DEED OF ABSOLUTE SALE (DOAS).....</i>	<i>20</i>
<i>IB-24</i> <i>CANCELLATION OF DEED OF ABSOLUTE SALE (DOAS)</i>	<i>20</i>
<i>IB-25</i> <i>TURNOVER OF THE POSSESSION OF THE PROPERTY</i>	<i>20</i>
<i>IB-26</i> <i>GENERAL CONDITIONS.....</i>	<i>20</i>
PART II - DEFINITIONS AND CONSTRUCTION.....	27
<i>DEFINITIONS.....</i>	<i>27</i>
<i>CONSTRUCTION.....</i>	<i>30</i>

BIDDING PROCEDURES

SALE OF CEBU PROPERTY LOCATED AT TALAVERA, TOLEDO CITY, CEBU

This Bidding Procedures govern the bidding for the sale of Cebu Property located at Talavera, Toledo City, Cebu (the “Property”).

BID TERMS AND SPECIFICATIONS

PART I - INSTRUCTIONS TO BIDDERS

IB-01 REQUIREMENTS FOR ISSUANCE OF THE BIDDING PACKAGE

1. The Bidding Package is issued by the Privatization Bids and Awards Committee (“PBAC”) of the Power Sector Assets and Liabilities Management Corporation (“PSALM”) to Interested Parties/Bidders who want to bid for the sale of the “Property”.
2. The Bidding Package consists of the following:
 - A. The Bidding Procedures, which is composed of:
 1. Bid Terms and Specifications
 - a) Part I - Instructions to Bidders
 - b) Part II - Definitions and Construction
 2. Bid Form (Form No. 1)
 3. Site Visit Request Form (Form No. 2)
 4. Form of Waiver of Rights to Seek Legal Remedies (Form No. 3)
 5. Representations and Warranties Form (Schedule 1)
 6. Form of Acceptance of Bidding Procedures (Schedule 2)
 7. Statement Under Oath (Schedule 3)
 8. Form of Authorization to Verify (Schedule 4)
 9. Tabular Form of Bidder’s Comments to the Deed of Absolute Sale/Deed of Conditional Sale (DOAS) (Schedule 5)
 10. Form of Bid Security Issued by a Bank Licensed to Do Business and is Operating in the Philippines Bid Security (Schedule 6)
 11. Draft Deed of Absolute Sale (DOAS) (Schedule 7)
 - B. Property Profile
3. The Bidding Package shall be issued to Interested Parties in accordance with the Invitation to Bid published on 28, 29 and 30 June 2019 in three leading newspapers of general circulation, and on the PSALM website (<http://www.psal.gov.ph>), upon payment of a non-refundable fee of Philippine Pesos One Hundred Thousand Pesos (PhP100,000) (the

“Participation Fee’). The Bidding Package shall be issued from 28 June 2019 until two (2) days before Bid Submission Deadline.

4. Interested Parties may purchase the Bidding Package at the PSALM Office from 28 June 2019 until two (2) days before Bid Submission Deadline, from 9:00 AM to 4:00 PM.
5. Interested Parties are required to acknowledge receipt of the Bidding Package and accept its terms and conditions through its submission of the form attached as Schedule 2 (Form of Acceptance of Bidding Procedures). Only those that have submitted the Form of Acceptance of the Bidding Procedures shall be considered eligible and allowed further participation in the Bidding Process.

IB-02 ADDENDA AND CLARIFICATION OF THE BIDDING PROCEDURES

1. The PBAC reserves the right to amend, revise, supplement, modify or clarify the Bidding Procedures through a Supplemental Bid Bulletin (SBB), a copy of which will be made available to all Bidders. The SBB, upon its issuance, shall automatically be incorporated in and made an integral part of the Bidding Procedures. It shall be the Bidder’s responsibility to inquire into and secure the SBB that the PBAC may issue.
2. Failure of a Bidder to secure the SBB and acknowledge receipt and acceptance of the terms and conditions of each SBB on the space provided in the transmittal letter shall constitute a waiver of its right to be informed of its contents. The Bidder shall take into account the information and procedure set forth in the Bidding Package, including the Bidding Procedures and SBBs, in preparing its Bid.
3. Any request for clarification on any of the provisions of the Bidding Procedures should be immediately relayed to the PBAC Chairman on or before the Pre-bid Conference. Any further revision or clarification on the Bidding Procedures shall be contained in an SBB for the general information of all Bidders.
4. Any deviation of a Bid from the Bidding Procedures shall render the Bid unresponsive, resulting in the disqualification and/or rejection of the Bid.
5. Nothing contained in this Section shall impair the rights reserved by the PBAC in the Invitation to Bid and the Bidding Procedures.

IB-03 BIDDING SCHEDULE

1. The schedule and process for the Bidding (Bidding Schedule) are as follows:

Activity	Date
Publication of Invitation to Bid	28-30 June 2019
Issuance of the Bidding Package (Bidding Procedures, Property Profile)	28 June 2019 until two (2) days before the Bid Submission Deadline 9:00 AM to 4:00 PM
Due Diligence Period	28 June 2019 until two (2) days before the Bid Submission Deadline
Pre-bid Conference	2:00 P.M., 12 July 2019
Bidders' Comments Deadline on the Bidding Procedures and/or DOAS/DOCS	5:00 P.M., 19 July 2019
Bid Submission Deadline	12:00 NN, 01 August 2019
Opening of Bids	01 August 2019 immediately after Bid Submission Deadline
Evaluation of Bids	02 August 2019
Issuance of Post-qualification	05 August 2019
Post-qualification	06-08 August 2019
Issuance of Notice of Award	23 August 2019
Buyer's Remittance to PSALM of the full Purchase Price / Execution of DOAS	02 September 2019
PSALM Execution of the Deed of Absolute Sale	03-04 September 2019
Turnover of the Property	05 September 2019

2. The PBAC may change the Bidding Schedule without prior notice. Bidders will be notified promptly of any change in the schedule through SBBs.
3. All references to times and dates shall refer to Philippine Standard Time, unless otherwise expressly specified in writing. If any of the dates should fall on a holiday, the deadline shall be extended to the same time of the immediately succeeding Business Day. The PSALM Office on the 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Philippines shall be the venue of all the foregoing activities, unless otherwise expressly specified in writing.

IB-04 SUBJECT OF THE BID/BACKGROUND OF THE PROPERTY

1. The Property subject of this Project consists of 21 lots with a total area of 129,589.00 square meters more or less, as enumerated and described in the Property Profile issued to Bidders as part of the Bidding Package. The subject of the sale, shall be the Property, excluding the land underlying the TransCo Substation, having an estimated area of 20,174.00 sq. m.

2. PSALM reserves the right to withdraw, without prior notice, any or all properties offered for sale at any time before the Bid Submission Deadline. *[See Property Profile]*

IB-05 CONDITIONS OF THE SALE

1. **The sale shall be for CASH, and on an “As Is, Where Is” basis.**
 - A. The sale of the Property is on an “As Is, Where Is” basis. The descriptions in the Invitation to Bid, and in the Property Profile, are based on documents in the custody of PSALM, which might differ from the actual description, status, and physical condition of the Property. In all cases, Interested Parties should conduct their own investigation and analysis of the Property, their condition and prospects, and of the data set forth in the Property Profile.
 - B. The term “As Is, Where Is” shall refer not only to the description and physical condition of the Property and its contents or inclusions at the time of the bidding, if any is declared to be part of the sale, but also to the condition of the title of the Property or other evidence of ownership and the extent and state of whatever rights, interest and participation over the property PSALM may have at the time of bidding.
 - C. The term “As Is, Where Is” shall also include the Winning Bidder’s assumption of all unpaid taxes, fees and/or expenses, such as but not limited to, capital gains tax or creditable withholding tax, whichever is applicable, documentary stamp tax, registration and transfer fees, association or condominium fees and/or assessments, and all other expenses and charges to, as applicable, cause the transfer of the title to the winning Bidder.
 - D. PSALM shall not be liable in any way for the presence of any unauthorized person or illegal occupant on the property or removal of any structure, improvement, receptacle, and waste, if any, it being clearly agreed upon that it shall be the responsibility of the winning Bidder, at its/his/her own expense, to evict/clear said illegal occupant, structure, receptacle, and waste from the premises. Identification, location, and survey of the property shall be the responsibility of the winning Bidder at its/his/her sole expense.
 - E. The Bidder/s shall be responsible in taking steps to determine the actual condition, site, area, shape, and other circumstances of the property.
2. **Currency.** All bids shall be expressed in Philippine Pesos only.

3. **Bid Security.** The Bid Security shall be in an amount equal to at least 10% of MBP, valid for at least 45 Calendar days from Bid Submission Deadline, and in the form of:
 - a) Cashier's or manager's check;
 - b) Stand-by letter of credit issued by any commercial or universal bank licensed to do business and operating in the Philippines; 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.
4. **Payment.** Within ten (10) Business Days from the date of the Notice of Award, the Buyer shall pay a one-time full payment of the Purchase Price in accordance with the payment instruction to be issued by PSALM.
5. In case the Winning Bidder fails to submit the DOAS and the full payment of the Purchase Price within 10 business days from the receipt of the Notice of Award and DOAS for signing, PSALM shall cancel the sale and forfeit the Bid Security thereof.

IB-06 ELIGIBLE BIDDER

1. Any person (natural or juridical) authorized by law to acquire, own, hold or develop real properties in the Philippines may be allowed to participate in the public bidding.
 - A. Individual Buyer/Sole Proprietorship (Filipino Citizen)
 - B. Corporations/partnerships duly registered and organized under the laws of the Philippines and at least 60% Filipino-owned.
 - C. An incorporated joint venture (JV) or consortium of local individuals/entities, i.e., a group of 2 or more persons/entities with the intention to be jointly and severally responsible or liable for the particular transaction with PSALM.
 - D. A joint venture of local entity/ies with a foreign entity/ies licensed to do business in the Philippines provided there is a written Joint Venture Agreement/Memorandum of Agreement/Understanding for the purpose of acquiring the PSALM Property/ies, provided further that the ownership of such joint venture shall not be in violation of existing laws restricting foreign ownership of land in the Philippines and provided finally that should the joint venture be declared as the Winning Bidder/Buyer, it shall organize or incorporate under Philippine Laws to qualify with the constitutional requirement to contract and acquire real property in the Philippines, within a non-extensible period of thirty (30) working days from the date of receipt of the Notice of Award.
 - E. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b)

operate under commercial law, and (c) are not dependent agencies of the Government of the Philippines or of PSALM.

- F. Local Government Units (LGU's) may be eligible to participate only if they can provide (a) Resolution of the Sanggunian authorizing the Local Chief Executive to enter into a contract of sale, (b) Ordinance appropriating the amount to pay for the purchase of the Property, and (c) a Certification of the Local Treasurer as to availability of funds to pay for the purchase of the Property.
2. PSALM personnel and their relatives up to the 2nd degree of affinity or consanguinity shall be ineligible to bid, including corporations, partnerships or joint ventures participating in the bidding process owned or partially owned by PSALM personnel and their relatives within the 2nd degree of affinity or consanguinity.

IB-07 DUE DILIGENCE

1. Bidders shall be allowed to conduct due diligence during Business Days from 28 June 2019 until two (2) Business Days prior to Bid Submission Deadline.
2. Each Bidder shall be solely responsible for its own due diligence of the Property and all matters relating to this Bidding Procedures which may, in any manner, affect the nature of its bid. PSALM shall not be responsible for any erroneous interpretation or conclusion by the Bidder out of the data furnished or indicated in this Bidding Procedures and official eligibility and bid proposal forms, including addenda, amendments or Bid Bulletins issued by the PBAC. Failure of the prospective Bidders to examine and inform itself shall be at its sole risk and no relief for error or omission shall be given.
3. The Bidder shall investigate the Property, existing structures and improvements, if any, facilities, and utilities as to all topographical, geological, and other conditions thereat that may affect directly or indirectly the full implementation of the proposed sale and to carefully examine conditions of the Property and its surrounding vicinities affecting the actual execution of the sale and such other information as to allow the Bidder to make a competitive estimate. The Bidder, by the act of submitting its bid proposal, acknowledges that it has inspected the Property, its existing structures and improvements, if any, facilities, and utilities and accepted all the terms and conditions for this public bidding as set forth in the Bidding Procedures.
4. No verbal agreement or conversation with, nor any verbal clarification from, PSALM, NPC, the PBAC, their directors, officers, employees, advisors, consultants, and agents shall affect or modify any of the terms and conditions contained in this Bidding Procedures. Only amendments, supplements or clarifications to this Bidding Procedures that are set down in the SBBs issued

to Bidders who have purchased the Bidding Procedures shall be relied upon as authorized.

5. The Bidders are responsible for having taken steps to carefully examine this Bidding Procedures including its attachments and deemed to have become familiar with all existing laws, decrees, ordinances, acts, rules, and regulations which may affect this Bidding Package.
6. A Bidder who shall opt to conduct its due diligence shall accomplish Form No. 2 - Site Visit Request Form. The Bidder shall bear all costs and risks associated with the conduct of due diligence, and preparation and submission of the bid.

IB-08 PRE-BID CONFERENCE

1. Bidders are encouraged to attend the Pre-bid Conference on 12 July 2019, 2:00 PM, at the PSALM Office to discuss the Property, the Bidding Package and other possible questions and/or clarifications from Bidders. Non-attendance of the Bidder will in no way prejudice its bid, however, the Bidder is expected to know the changes and/or amendments to the Bidding Procedures discussed during the Pre-Bid Conference.
2. Any statement made at the Pre-bid Conference shall not modify the terms of the Bidding Procedures, unless such statement is issued through an SBB.

IB-09 PREPARATION AND CONTENTS OF BIDS

1. Bids shall be composed of two (2) separate envelopes containing the First Bid Envelope (Eligibility Component) and the Second Bid Envelope (Financial Component).
 - A. The First Bid Envelope shall be marked "Eligibility Component" and shall contain the following Eligibility Documents:
 - a. For Individuals
 - i. Duly accomplished Representations and Warranties Form (Schedule 1)
 - ii. Copies of Two (2) valid government-issued IDs
 - iii. Certificate of Employment and Compensation, if employed.
 - iv. Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Bidder is known to them, maintains a deposit account with them and is in good financial credit standing, and that, should the Bidder be declared as the Winning Bidder, they will provide sufficient credit facilities as required in the Winning Bidder's Financial Offer.
 - v. Letter authorizing PSALM representative/s to verify the validity of all documents submitted (Schedule 4)

- vi. Certification under oath of the Bidder that all documents submitted in satisfaction of the eligibility requirements is original/authentic copy of the original, and that all statements and information provided therein are true and correct (Schedule 3)
 - vii. Waiver of Rights to seek legal remedies (e.g. Temporary Restraining Order (TRO), lawsuits, etc.) to prevent PSALM from awarding and executing a contract with the Winning Bidder/Buyer; (*PSALM Form No. 3*)
- b. For Sole Proprietorship
- i. Duly accomplished Representations and Warranties Form (Schedule 1)
 - ii. Certified True Copy of DTI Registration and Business Profile
 - iii. Certified True Copy of Latest Audited Financial Statement. The latest audited financial statements for fiscal year 2018 filed in 2019.
 - iv. Certified True Copy of Mayor's/Business Permit issued by the City or Municipality where the principal place of business of the prospective Bidder is located. Expired Mayor's/Business Permits shall not be acceptable;
 - v. Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Bidder is known to them, maintains a deposit account with them and is in good financial and credit standing, and that, should the Bidder be declared as the Winning Bidder, they will provide sufficient credit facilities as required in the Winning Bidder's Financial Offer.
 - vi. Letter authorizing PSALM representative/s to verify the validity of all the documents submitted (Schedule 4).
 - vii. Certification under oath of the Bidder that all documents submitted in satisfaction of the eligibility requirements is original/authentic copy of the original, and that all statements and information provided therein are true and correct. (Schedule 3)
 - viii. Waiver of Rights to seek legal remedies (e.g. Temporary Restraining Order (TRO), lawsuits, etc.) to prevent PSALM from awarding and executing a contract with the Winning Bidder/Buyer; (*PSALM Form No. 3*)
- c. For Corporation/Partnership/Joint Venture (JV)/Consortium
- i. Duly accomplished Representations and Warranties Form (Schedule 1)
 - ii. Certified True Copy of SEC Registration and Company Profile of the Bidder; or in case of a foreign entity, at least 60% Filipino-owned and licensed to do business in the Philippines.
 - iii. Certified True Copy of Articles of Incorporation/Partnership, By-Laws of the Bidder, as amended, if any;
 - iv. Certified True Copy of Mayor's/Business Permit issued by the City or Municipality where the principal place of business of the prospective Bidder is located. Expired Mayor's/Business Permits shall not be acceptable;

- v. Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Bidder is known to them, maintains a deposit account with them and is in good financial and credit standing, and that, should the Bidder be declared as the Winning Bidder, they will provide sufficient credit facilities as required in the Winning Bidder's Financial Offer.
 - vi. Board Resolution duly certified by the Bidder's Corporate Secretary expressly authorizing the Bidder's participation in the bidding process, nominating, appointing, and authorizing a representative to communicate, represent, sign and execute contracts and other documents relative thereto;
 - vii. If a JV or Consortium, the Bidder (including all its JV/Consortium members) shall submit a copy of the duly notarized JV Agreement/Memorandum of Agreement (MOA)/Understanding (MOU) which:
 - a. Briefly describes the JV/Consortium, the individual members of the JV/Consortium and the extent of the participation of each member;
 - b. Identifies the lead member of the JV/Consortium who is authorized by all the members to represent and sign any and all documents related to this process, receive notices/instructions and to make payments for and in behalf of the JV/Consortium; and
 - c. Provides that the members shall be jointly and severally liable for the obligations of the Bidder under the award/contract.
 - viii. Letter authorizing PSALM representative/s to verify the validity of all documents submitted (Schedule 4);
 - ix. Waiver of Rights to seek legal remedies (e.g. Temporary Restraining Order (TRO), law suits, etc.) to prevent PSALM from awarding and executing a contract with the Winning Bidder/Buyer; (*PSALM Form No. 3*)
 - x. A declaration of any legal or other impediments which may affect the Bidder's (and its JV or Consortium members) ability to participate in the bidding or a certification to be submitted by the Bidder (and its JV or Consortium members) stating the absence of such legal impediments;
 - xi. Certification under oath of the Bidder that all documents submitted in satisfaction of the eligibility requirements is original/authentic copy of the original, and that all statements and information provided therein are true and correct (Schedule 3).
- d. For Government Corporations/Entities
- i. Duly accomplished Representations and Warranties Form (Schedule 1)
 - ii. Board resolution duly certified by the Bidder's Corporate Secretary expressly authorizing the Bidder's/Corporation's participation in the bidding process, nominating, appointing and authorizing a

- representative to communicate, represent, sign and execute contracts and other documents relative thereto;
 - iii. Certified True Copy of Charter or applicable law on the creation of the entity;
 - iv. Bank Certification or any proof of funds availability.
- e. For Local Government Units
- i. Duly accomplished Representations and Warranties Form (Schedule 1)
 - ii. Resolution of the Sanggunian authorizing the Local Chief Executive to enter into a contract of sale;
 - iii. Ordinance appropriating the amount to pay for the purchase of the property;
 - iv. Certification of the Local Treasurer as to availability of funds.
- B. The Second Bid Envelope shall be marked “Financial Bid Component” (the “Second Bid Envelope”) and shall contain the duly accomplished Form No. 1-Bid Form together with the Bid Security (Schedule 6).
1. Bidders are required to submit one (1) set of original Bids and three (3) sets of copies thereof, with each set contained in a sealed envelope. In the event of any discrepancy between the original and the copies, the original shall prevail.
 2. Interlineations, erasures, overwriting, alterations or modifications in the bid and documents accompanying the same shall not be allowed and shall invalidate the bid.
 3. A Bidder must type/print its name below its signature or that of its authorized representative on the Bid Form. Bids of a partnership or a corporation shall be signed in the name of the entity by an authorized partner or authorized officer, followed by the name, signature and designation of the person authorized to sign the Bid.
 4. All Bids, documents, specifications, and related information shall be prepared and submitted in the English language.

IB-10 SEALING AND MARKING OF BIDS

1. Bidders shall enclose their original Eligibility Documents in one sealed envelope marked “ORIGINAL - Eligibility Component”, and the original of their financial component in another sealed envelope marked “ORIGINAL - Financial Bid Component”, sealing them together in an outer envelope marked “ORIGINAL BID”.

2. Each copy of the first and second envelopes shall be similarly sealed, with inner envelopes duly marked as “COPY No. ___ - Eligibility Component” and “COPY No. ___ - Financial Bid Component”, and the outer envelope as “COPY NO. ___” respectively.
3. The envelopes containing the original and the copies shall then be enclosed in one single envelope. All envelopes shall:
 - a. contain the name of the Property to be bid in capital letters;
 - b. bear the name and address of the Bidder in capital letters;
 - c. be addressed to “The CHAIRPERSON, Privatization Bids and Awards Committee” as identified in the Invitation to Bid; and
 - d. bear a warning “DO NOT OPEN BEFORE ___”, the date and time of the opening of the Bid.
4. PSALM shall assume no responsibility for the misplacement or premature opening of the Bids should the envelopes be not sealed and marked as required.

IB-11 BID VALIDITY PERIOD

1. The Bid shall be valid for a period of at least forty-five (45) Calendar Days from Bid Submission Deadline.

IB-12 BID SECURITY

1. Each Eligible Bidder shall submit as part of its Bid, a Bid Security equivalent to a minimum of ten percent (10%) of the Bid. The Bid Security shall be in any of the following acceptable forms:
 - a) Cashier’s or manager’s check;
 - b) Stand-by letter of credit issued by any commercial or universal bank licensed to do business and operating in the Philippines; 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.
2. The Bid Security shall be payable to PSALM Corporation and shall be valid throughout the Bid Validity Period or any extension thereof.
3. If in the form of cashier’s or manager’s check, the Bid Security of the Winning Bidder shall be treated as part of the Purchase Price.
4. Except for Bid Security of the 2nd Highest Bidder, the Bid Security of all losing Bidder/s shall be returned immediately without interest after the Bidder with the Highest Bid has been determined. The receipt by the losing Bidder/s of its/his/her bid security shall be deemed a waiver on its/his/her part to

contest the result of the Bidding. However, should a losing Bidder contest/protest/appeal the outcome of the bidding, its/his/her Bid Security shall be retained until the resolution thereof. Once the contest/protest/appeal is resolved, the Bid Security of the losing Bidder shall be returned without interest. The Bid Security of the 2nd Highest Bidder shall be returned immediately after the Winning Bidder has remitted its full payment of the Purchase Price.

5. A Bid submitted without the required Bid Security, or with a non-compliant Bid Security, shall be rejected outright and returned to the Bidder. The Bidder shall be disqualified from participating further in the Bidding Process.
6. The Bid Security shall be forfeited in any of the following instances:
 - a) Any misrepresentation, error and/or fraudulent declaration made by the Bidder in the bid documents or any of the required attachments discovered at any time after the preliminary assessment of Eligibility Documents;
 - b) Withdrawal or modification, whether conditional or otherwise, of the Bid after the deadline for submission of Bids;
 - c) Any material inconsistencies, errors or misrepresentations in the submitted documents of the Bidder with the highest bid;
 - d) Post-disqualification of the Bidder with the highest bid due to misrepresentation, fraudulent acts, falsification, submission of spurious/fake documents or commission of offense in connection with the bidding process;
 - e) Failure of the Winning Bidder to pay the Purchase Price and/or to submit the necessary documents upon written notification from PSALM of the approval of the bid or the required submission of the necessary documents;
 - f) Any judicial or extrajudicial action by the Winning Bidder that shall delay the execution of the Deed of Absolute Sale (DOAS) and/or its compliance with its obligations as set out in the Bidding Procedures;
 - g) Any circumstances or reason that provides PSALM a reasonable and valid basis to believe the Bidder is or has been rendered incapable of completing its obligation, as proposed.
7. The decision of the PBAC shall be final.

IB-13 SUBMISSION OF BIDS

1. The Bids must be submitted on or before the Bid Submission Deadline, to:

THE CHAIRMAN
PSALM Privatization, Bids and Award Committee
Sale of Cebu Property
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center 1,
Astra corner Lux Drives, North Avenue,
Quezon City 1105, Philippines

2. The venue for the submission of Bids shall be at the PSALM Office
3. PSALM reserves the right to change the date, time, and venue for the submission, opening, or evaluation of Bids.
4. Bids submitted after the Bid Submission Deadline shall be rejected outright

IB-14 DISQUALIFICATION OF BIDS

1. The PBAC shall disqualify the following Bids:
 - A. Bids of parties who are disqualified from participating in any bidding by a government entity or entering any kind of contract with a Government Entity;
 - B. Bids submitted without a Bid Security or which do not comply with the requirements in Section IB-12 (Bid Security);
 - C. Bids with prices expressed in currencies other than Philippine Peso;
 - D. The Bid of a Bidder who breaches the warranty against offering or paying commission or consideration to any government officer or any PSALM official or employee provided in Paragraph 12 (K) of Section IB-26;
 - E. The Bid of a Bidder who breaches the warranty against conflict, dispute or unsettled issue provided in Paragraph 15 (B) of Section IB-26;
 - F. Bids from Bidders who breached the warranty on Compliance with Philippine Law, as provided in Paragraph 15 (C) of Section IB-26;
 - G. When PSALM determines that there is a material change in the information provided in the Eligibility Documents;
 - H. There is a subsequent event that causes a material adverse change in the information provided in the Eligibility Documents;
 - I. Any other ground for disqualification of a Bid and/or a Bidder as provided for in the Bidding Procedures; or
 - J. Any other analogous cases.

IB-15 MINIMUM BID PRICE

1. The Minimum Bid Price for the Sale of the Property is Philippine Pesos: **One Hundred Seventy-One Million Four Hundred Seventy-Three Thousand Five Hundred (PhP171,473,500.00)**.
2. The Financial Bid of the Highest Bidder must meet or exceed the Minimum Bid Price in order to qualify for the award of the Property.

IB-16 OPENING AND PRELIMINARY EVALUATION OF SEALED BIDS

1. The PBAC shall open the first bid envelopes of Bidders in public, at the time, date and place specified by the PBAC, to determine each Bidder's compliance with the prescribed eligibility documents. For this purpose, the PBAC shall check the documents submitted by each Bidder against a checklist of required documents to ascertain if all are present, using a non-discretionary "pass/fail" criterion. If the Bidder submits the required document, it shall be rated as "passed" for that particular requirement. Bids that fail to include any requirement or are incomplete or patently insufficient shall be rated as "failed".
2. Immediately after determining compliance with the requirements in the first envelope, the PBAC shall open the second bid envelope of each remaining Bidder whose first bid envelope was rated "passed". In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted bid price is lower than the Minimum Bid Price, the PBAC shall rate the particular bid as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
3. The Bids which is at least equal to or higher than the Minimum Bid Price shall be ranked from highest to lowest to identify the order of Bids.
4. A tie for the Highest Bid shall be resolved immediately through an auction conducted by the PBAC among the Bidders. The Bidders shall each submit a revised and signed Bid Form. A Bidder shall not submit a Bid lower than its original Bid. This process shall be repeated until the tie is broken. Each Bidder must ensure that its representative has the authority to bind the Bidder in case of an auction. The PBAC shall declare the Bidder who submits the highest Bid as the Highest-Ranking Bidder. The highest among the Bids that a Bidder submitted shall be deemed as its Bid.

5. In case there is a tie for 2nd Highest Bid, and the Highest Bidder has been disqualified, the 2 Bidders which submitted the 2nd Highest Bid shall each submit a revised and signed Bid Form. The 2 Bidders which submitted the 2nd Highest Bid shall not submit a Bid lower than its original Bid. This process shall be repeated until the tie is broken.
6. The PBAC has the sole discretion to allow the correction of innocuous or clerical errors.
7. If none of the Bids meets the Minimum Bid Price, the PBAC shall declare all the Bids to be non-compliant and declare a failure of bidding.
8. The decision of the PBAC may be questioned by filing a request for reconsideration within three (3) calendar days upon receipt of written notice or upon verbal notification. The PBAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. The bidder shall not be allowed to submit additional documents to correct any defects in the bid submitted. If a failed bidder signifies his intent to file a request for reconsideration, the PBAC shall keep the bid envelopes of the said failed bidder unopened and/or duly sealed until such time that the request for reconsideration has been resolved.

IB-17 POST-QUALIFICATION

1. The PBAC shall conduct post-qualification within a period of five (5) Business Days from declaration of Highest Bidder to verify the accuracy and authenticity of all the documents and information submitted by the Bidder with the highest bid. Any material inconsistency, error, or misrepresentation in the submitted documents shall be a ground for disqualification and forfeiture of the Bid Security.
2. If the Highest-Ranking Bidder passes post-qualification, its bid shall be declared as the Highest-Ranking and Responsive Bid. The PBAC shall recommend to the PSALM Board, through the PSALM President and CEO that the sale of the Property be awarded to the Highest-Ranking and Responsive Bidder as the Winning Bidder.
3. If the Bidder with the highest bid fails post-qualification due to misrepresentation, fraudulent acts, falsification, submission of spurious/fake documents or commission of an offense in connection with the bidding process, the PBAC shall notify the Bidder of the results thereof and forfeit its Bid Security, without prejudice to other remedies available to PSALM.
4. Immediately after the PBAC has notified the bidder with the highest bid of its post-disqualification, notwithstanding any request for reconsideration, or after post-qualification, if the Winning Bidder withdrew prior to the issuance of the Notice of Award, or refused to accept the same, the PBAC shall initiate

and complete the post-qualification of the Bidder with the second highest bid, provided the second highest bid is not lower than the Minimum Bid Price. Otherwise, the PBAC shall declare a failure of bidding.

IB-18 AWARD TO THE WINNING BIDDER

1. Within fifteen (15) Business Days after the Highest-Ranking Bidder is declared, the PBAC shall serve a Notice of Award to the Highest-Ranking Bidder as the Winning Bidder.
2. The Notice of Award shall be sent together with the Deed of Absolute Sale for signature of the Winning Bidder.
3. The Winning Bidder shall submit to the PBAC its/his/her confirmation on the receipt of the Notice of Award within two (2) Business Days from receipt thereof.

IB-19 RIGHTS AND RESPONSIBILITIES OF THE PARTIES

1. Rights and Responsibilities of the Winning Bidder

- A. The Winning Bidder shall:
 - a. Strictly comply with the terms and conditions of the DOAS to be executed between PSALM and the Winning Bidder and maintain all warranties and representations in good standing until PSALM's execution of the DOAS.
 - b. Pay all applicable taxes, licenses, fees, and charges due on the sale transaction.
 - c. Deliver the duly signed DOAS to PSALM together with the full payment; and if the Winning Bidders/Buyer is a corporation, its Board Resolution/Secretary's Certificate approving the DOAS and appointment of its authorized signatory/ies shall be submitted as additional supporting document.
- B. Failure of the Winning Bidder/Buyer to comply with the requirements shall render the award nullified and the Bid Security forfeited in favor of PSALM.

2. Rights and Responsibilities of PSALM

- A. PSALM shall deliver the possession of the Property, excluding the land underlying the TransCo Substation, to the Winning Bidder, on an "AS IS, WHERE IS" basis, upon the execution of the DOAS.
- B. PSALM shall be responsible for the segregation survey of the land underlying the TransCo Substation.

IB-20 FAILURE OF BIDDING

1. There shall be a failure of Bidding in any of these instances:
 - A. The Bidding Package is issued to only one entity;
 - B. Less than two (2) Bids are received by Bid Submission Deadline;
 - C. All Bidders, except one, withdrew from the Bidding Process prior to Bid Submission Deadline;
 - D. All Bidders, except one, withdrew their Bids prior to the Opening of Bids;
 - E. No Financial Bid meets the Minimum Bid Price;
 - F. No Bid has passed the post qualification stage;
 - G. The Winning Bidder withdrew prior to the issuance of the Notice of Award, or the Winning Bidder refused to accept the same and there is no other post-qualified Bidder;
 - H. Winning Bidder failed to remit the full payment of the Purchase Price in accordance with the payment instruction issued by PSALM;
 - I. Winning Bidder failed to submit and execute the DOAS; and
 - J. Other grounds provided in the Bidding Procedures.

IB-21 PROTEST MECHANISMS

1. A Bidder determined as failed/disqualified and/or whose bid has been found non-compliant may file a request for reconsideration within three (3) calendar days upon receipt of written notice or upon verbal notification. The PBAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof.
2. Upon receipt of the PBAC's decision denying the request for reconsideration, a Bidder may file an appeal in writing (Notice of Appeal) to the PBAC. The appeal must be filed within five (5) Business Days from receipt of the written notice denying the Request for Reconsideration. The Notice of Appeal shall be accompanied by a Sworn Statement stating the grounds relied upon for the appeal and the corresponding payment of a non-refundable appeal fee in an amount equivalent to at least one percent (1%) of the Minimum Bid Price or such amount as may be recommended by the PBAC, in the form of a Manager's Check issued by a local commercial or universal bank.
3. A Bidder may not file a Notice of Appeal without filing first a request for reconsideration.
4. The bidding process will proceed even when the Request for Reconsideration or Appeal was filed, except when the Notice of Award cannot be issued unless a decision has been made.

IB-22 WAIVER

1. Bidders shall hold PSALM, its Board of Directors, officers, and employees free and harmless from any liability, costs and expenses, suit or allegation arising out of Bidders participation in this bidding process. All Bidders waive their right to seek legal action (e.g. Temporary Restraining Order, lawsuits, etc.) to prevent PSALM, its Board of Directors, officers, and employees from awarding and executing a contract with the Winning Bidder.

IB-23 EFFECTIVITY OF THE DEED OF ABSOLUTE SALE (DOAS)

1. The effectivity of the Deed of Absolute Sale shall be in accordance with its terms.

IB-24 CANCELLATION OF DEED OF ABSOLUTE SALE (DOAS)

1. PSALM shall have the right to rescind the DOAS, revert back ownership of the property to PSALM in case of default of the Winning Bidder in its/his/her obligations with PSALM under the DOAS.

IB-25 TURNOVER OF THE POSSESSION OF THE PROPERTY

1. PSALM shall turnover possession of the Property in accordance with the terms of the DOAS.

IB-26 GENERAL CONDITIONS

1. PSALM, its representatives, the PBAC, and NPC shall not be responsible for the interpretation or conclusion drawn by a Bidder from data or information furnished by PSALM, NPC, the PBAC, their directors, officers, employees, advisors, consultants, or agents, or for the accuracy or completeness of such data or information.
2. A Bidder shall, at all times, comply with Philippine Law.
3. All risks, taxes, costs, fees, expenses, and liabilities incurred, directly or indirectly, by a Bidder in the preparation of its Bid, inclusive of its due diligence effort and the cost incurred in securing the Bid Security, including fees and disbursements of its advisors, shall be borne and paid by such Bidder whether its Bid is accepted or rejected. PSALM, NPC and/or the PBAC shall not be held liable for such risks, taxes, costs, fees, expenses, and liabilities. PSALM, NPC, the PBAC, their directors, officers, employees, advisors, consultants, and agents shall not be held liable in the event that a court of competent jurisdiction or other Government Entity declares the Bidding,

selection and/or award invalid or sets it aside, for any reason and at any time.

4. Any request and/or receipt of Bids or any information or document will not constitute an invitation or commitment by PSALM or the PBAC to enter into any agreement, undertaking or covenant with the Bidder.
5. All deadlines in the Bidding Procedures and other relevant document or communication issued during the course of the Bidding must be strictly adhered to. Late submissions will not be accepted.
6. PSALM and the PBAC, at their discretion, reserve the right to: (i) accept or reject any or all Bids or any part thereof; (ii) withdraw from the proposed sale or any part of the Bidding Process or to vary any of its or their terms at any time without giving any reason therefore; (iii) waive any defect contained therein; (iv) accept the offer which the PBAC deems most advantageous to the Government; (v) draw and forfeit the full amount of the Bid Security upon the occurrence of a Bid Security Drawing Event; (vi) exercise any other remedy granted by Philippine Law or the Bidding Procedures; and (vii) require the submission of additional documents and/or information in relation to the Bidding.
7. The PBAC reserves the right to: (1) add to, modify, supplement, change the Bidding Procedures, including the Bidding Schedule, without prior notice, at any time and for any reason through SBBs; (2) accept or reject a Bid or any of its parts; (3) waive any defect contained in a Bid or any document; (4) accept an offer deemed most advantageous to the Government; (5) exercise any remedy granted by Philippine Law or the Bidding Procedures; and (6) require the submission of additional documents and/or information in relation to the Bidding.
8. Bidders shall carefully examine the Bidding Package, including the Bidding Procedures, all SBBs, the Property Profile, and the DOAS and fully inform themselves of all conditions and matters that could affect their Bid, participation or undertaking in the Bidding and the DOAS. The Bidder, by submitting its Bid, declares that it has read and understood each and every section and page of the Bidding Procedures, each SBB, and the DOAS, and the respective provisions, terms and conditions of the same, and accepts and agrees to be bound and fully abide by and comply with the fore stated documents.
9. A document, which is required to be submitted under oath and acknowledged, shall comply with the following:
 - a. if executed in the Philippines, it shall be sworn to or acknowledged before a Philippine Notary Public; or

- b. if executed outside the Philippines, either it is sworn to or acknowledged before: (a) a Philippine consular official authorized to administer oaths; or (b) any person authorized to administer oaths in that jurisdiction and the same is authenticated before a Philippine consular official authorized to authenticate documents.

10. Bidders shall be responsible for their own due diligence investigation on all related matters, the Bidding Procedures, the Bidding Process, and the DOAS. PSALM, NPC, the PBAC, their directors, officers, employees, advisors, consultants, or agents do not make any representation or warranty concerning any matter affecting this transaction.

11. In computing a period, the first day shall be excluded and the last day included. Unless otherwise expressly specified in writing, all references to times and dates shall refer to Philippine Standard Time. If any of the dates fall on a day that is not a Business Day, the deadline shall be extended to the same time of the immediately succeeding Business Day.

12. Disqualification

In addition to the grounds for the disqualification of Bids stated in Section IB-14 (Disqualification of Bids) and other provisions of the Bidding Procedures, the PBAC shall be entitled, in its sole discretion, and without prejudice to its other rights or remedies, to disqualify a Bidder from participation in this Bidding Process in any of the following instances:

- A. The Bidder makes a material misrepresentation in any document or information communicated to the PBAC, whether verbal or written;
- B. The Bidder submits a Bid, which is inconsistent with or fails to comply with the Bidding Procedures;
- C. The Bidder fails to promptly comply with the PBAC's reasonable request for further information or clarification in relation to documents, information or the Bid submitted by such Bidder;
- D. An administrator, supervisor, receiver, liquidator, or other lien holder takes possession of or is appointed over the whole or any part of the Bidder's assets, or any attachment, execution or other process is enforced upon the whole or a substantial part of its assets;
- E. If the Bidder is in the process of liquidation, winding up, bankruptcy, dissolution, corporate rehabilitation, or suspension of payments;
- F. The Bidder signifies its intention to withdraw or modify its Bid after the Bid Submission Deadline or actually withdraws or modifies its Bid;
- G. The Bidder withdraws its Bid during the Bid Validity Period;
- H. The Bidder submits a Bid with conditions or delivers a Bid Security that does not comply with the requirements of Section IB-12 (Bid Security);
- I. The Bidder or its Affiliate has participated in the valuation of the Property, or their respective advisors in relation to the Bidding Process of the Property and the Bidder failed to disclose such fact;
- J. The Bidder breaches any of the conditions of the Bidding Procedures;

- K. The Bidder or anyone on its behalf breaches the warranty against offering or paying commission or consideration to any government officer or pays a PSALM director, official, employee, advisor, consultant, any member of the PBAC, or agent consideration or commission for the Bidding or DOAS;
- L. The Bidder breaches the warranty against compliance with Philippine Law provided in Paragraph 15 (C) of Section IB-26;
- M. The Bidder is disqualified or prohibited from participating in any bidding, or entering into a contract with, a Government Entity;
- N. The Bidder is an Affiliate of another Bidder, or holds or acquires any ownership interest in another Bidder as listed in the General Information Sheet;
- O. The Bidder has an Affiliate, and such Affiliate: (i) is a Bidder; or (ii) holds or acquires any ownership interest in another Bidder as listed in the latest General Information Sheet;
- P. Upon the occurrence of an event or omission which is a ground for disqualification in the Bidding Procedures;
- Q. The Bidder makes a material change in the information provided in the Eligibility Documents;
- R. There is a subsequent event that causes a material adverse change in the information provided in the Eligibility Documents;
- S. The Bidder or anyone on its behalf exerts or utilizes any corrupt or unlawful influence to secure or solicit the Bidding, the DOAS for a consideration or commission;
- T. Any ground for disqualification of a Bid and/or a Bidder provided for in the Bidding Procedures; or
- U. The Bidder has been disqualified from participating in PSALM's bidding activities due to fraudulent acts or has committed fraud or breach in the provisions of any agreement with PSALM.

13. Whenever an address is required, the full address must be given. The use of Post Office box as an address is prohibited.

14. All submissions to PSALM must be in the English language. If the document is in a foreign language, both the document in the foreign language and its legal translation in English must be submitted and the document must be authenticated before a Philippine consular official authorized to authenticate documents. The official language to be used in the Bidding, Bidding Procedures, the DOAS, reports, notices and correspondences shall also be in English.

15. An Interested Party, Bidder, Highest-Ranking Bidder, Buyer or Winning Bidder (collectively referred to as Bidder for purposes of this paragraph) represents and warrants that:

- A. The Bidder, or anyone on its behalf, has neither directly or indirectly offered or paid a PSALM director, official, employee or any member of the PBAC any consideration or commission for the Bidding or DOAS, nor

exerted or utilized any corrupt or unlawful influence to secure or solicit the Bidding, or the DOAS for any consideration or commission. A violation of this warranty shall constitute sufficient ground for the disqualification of the Bidder, the termination of the DOAS and the forfeiture of the Bid Security, without prejudice to the filing of any civil and/or criminal action under Philippine Law, including the Anti-Graft and Corrupt Practices Act (Republic Act No. 3019) against the Bidder and the PSALM director, official, employee or any member of the PBAC involved;

- B. From acceptance of the terms and conditions of the Bidding Documents until Turnover Date, the Bidder, its parent company, stockholders, subsidiaries, Affiliates, directors or officers or any of their relatives within the fourth civil degree of consanguinity or affinity, legitimate or common law, have no conflict, dispute or unsettled issue, arising out of, or in connection with the EPIRA or its Implementing Rules and Regulations, the DOE, PSALM, NPC or TRANSCO, which affect the privatization of NPC assets or TRANSCO or the appointment of IPPAs, namely: (i) an unresolved issue, as determined by the inter-agency committee, arising from the renegotiation of contracts with IPPs mandated by Section 68 of the EPIRA; and (ii) any unpaid account arising from contractual obligations with the DOE, PSALM, NPC or TRANSCO. Any violation of this warranty shall constitute a sufficient ground for the disqualification of the Bidder, the termination of the DOAS, or forfeiture of the Bid Security, without prejudice to the filing of civil and/or criminal action under Philippine Law against the Bidder and/or its representatives;
- C. A Bidder shall comply with Philippine Law at all times. A violation of this warranty shall constitute sufficient ground for the disqualification of the Bidder, the termination of the DOAS, and the forfeiture of the Bid Security, without prejudice to the filing of civil and/or criminal action under Philippine Law against the Bidder and/or its representatives;
- D. The Bidder shall indemnify PSALM and the PBAC and hold them free and harmless against all losses, claims, liabilities, damages, and expenses arising out of or relating to its fault or negligence in the Bidding, including but not limited to, third party claims for personal injuries, property damage, or consequential damages as provided in the DOAS for the Property;
- E. The Bidder shall pay: (a) all costs, expenses, fees, and taxes, including all documentary stamp taxes payable in connection with the execution, amendment, or modification of the DOAS; and (b) all costs, expenses, fees, and taxes related to and arising from the exercise or performance of its obligations under the Bidding, Bidding Procedures or the DOAS; and

- F. The Bidder unconditionally and irrevocably waives any right to seek and obtain a writ of injunction or prohibition or restraining order against the PBAC, PSALM, NPC and/or any third party to prevent or restrain the Bidding Process or any related proceedings, the issuing bank, the conduct of a bidding or any related proceeding, the selection of the Highest-Ranking Bidder, Buyer or Winning Bidder, the performance of the DOAS and forfeiture of the Bid Security.
16. In case of conflict or discrepancy between the Bidding Procedures and the Bid, the Bidding Procedures shall prevail.
17. Certified true copies of documents to be submitted under the Bidding Procedures shall be certified by the entity issuing such documents (e.g., the SEC Certificate of Registration shall be certified by the SEC). In case of documents which the issuing entity does not issue any certification, then the Bidder shall submit a written certification under oath that the document submitted is a true and faithful reproduction of the original and that the original document is in the Bidder's possession.
18. If there is a dispute between (a) PSALM, and (b) any of the Interested Parties, Bidders, the Highest-Ranking Bidder, Buyer or Winning Bidder arising from the Bidding Procedures or in the interpretation of its provisions, the parties shall endeavor to resolve such dispute through negotiations done in good faith. If the parties fail to resolve the dispute, they shall refer the matter to the court of proper jurisdiction of the Republic of the Philippines, which shall have exclusive jurisdiction over any action or proceeding arising from or in connection with the Bidding, the Bidding Procedures and the DOAS. In case of litigation, the venue of action shall be the proper courts of the Quezon City, Philippines, to the exclusion of any other courts. PSALM, the Interested Party, Bidder, Highest-Ranking Bidder, Buyer or Winning Bidder voluntarily and irrevocably agree to submit to the jurisdiction of such court.
19. PSALM's failure to exercise, or any delay in the exercise of, its rights under the Bidding Procedures and the DOAS shall not operate as a waiver of such rights. PSALM's single or partial exercise of a right shall not preclude the exercise of any other right. The right and remedies in this process and related documents are cumulative and not exclusive of any other right or remedy provided by Philippine Law.
20. PSALM and the PBAC shall not be liable to the Interested Party, Bidder, Highest Ranking Bidder, Highest Ranking and Responsive Bidder, Buyer, Winning Bidder, or any third party in contract, tort or for any loss or damage sustained in connection with the utilization of the Property, including without limitation to any claim for loss of use, lost income, lost profits, or consequential damages.

21. All notices to and communications with PSALM and the PBAC pursuant to the Bidding Procedures shall be in writing and shall be sent to:

THE CHAIRMAN
PSALM Privatization, Bids and Awards Committee
Sale of Cebu Property
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center 1,
Astra corner Lux Drives, North Avenue,
Quezon City 1105, Philippines

22. PSALM, its Directors, officers, employees, and the PBAC shall not be liable for any loss or damage arising from their delay or inability to perform their obligations under the Bidding, Bidding Procedures and the Final DOAS, if the same is due to causes beyond their reasonable control including, without limitation to, acts of God, accidents, acts of war, labor shortages or labor difficulties, strikes, civil disturbances, insurrections, riots, revolutions, acts of sabotage, governmental actions, delay or failure by the appropriate Government Entity to issue necessary licenses, permits or authorizations, delay or accident occurring in the course of transportation, unavailability of material or equipment, acts or omissions of the Bidder for the Property, their contractors, suppliers, agents, or employees, and/or third parties.
23. No Government official or employee shall directly or indirectly give, nor shall any Bidder be entitled to, any information regarding the Bidding Process or the other Bidders, other than what is contained in the Bidding Procedures, or disclosed in the Pre-bid Conference, SBBs and in the official announcements.
24. If a provision of the Bidding Procedures or a part of the Bidding Package is held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions will not be affected and shall remain in full force and effect.
25. If the Bidder does not have the officer required by the Bidding Procedures, the Bidder must certify under oath that the person executing the required document is authorized to execute it and to bind the Bidder.

PART II - DEFINITIONS AND CONSTRUCTION

DEFINITIONS

In the Bidding Procedures, the following capitalized terms and their variations have the meanings specified in this Section:

Affiliate	any person which, alone or together with any other person, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. Affiliate shall include a subsidiary company and parent company and subsidiaries, directly or indirectly, of a common parent.
Bid	a signed offer or proposal submitted by a Bidder in compliance with Section IB-09 (Preparation and Contents of Bids).
Bidder	an Interested Party to whom the PBAC issues the Bidding Package.
Bidding or Bidding Process	the bidding process for the sale of the Property, as outlined in the Bidding Procedures.
Bidding Package	the set of documents for the sale of the Property, as specified in Section IB-01 (Requirements for Issuance of The Bidding Package).
Bidding Procedures	shall have the meaning set forth in Section IB-01 (Requirements for Issuance of The Bidding Package).
Bidding Schedule	shall mean the schedule for the Bidding as set out in Section IB-03 (Bidding Schedule).
Bid Price	Refers to the amount that the Bidder is willing to purchase the Property.
Bid Security	Refers to an amount which serves as an expression of intent to participate in the public bidding for the Property, which shall be a minimum of ten percent (10%) of the Minimum Bid Price, in the form of bank manager's check or cashier's check, or Stand-by letter of credit issued by any commercial or universal bank licensed to do business and operating in the Philippines, or surety bond callable upon demand, issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.
Bid Security Drawing Event	any occurrence which entitles PSALM to draw upon the Bid Security under IB-12 (Bid Security), including but not limited to: (i) a Bidder's failure to completely, faithfully, fully and promptly comply with its obligations under the Bidding Procedures during the Bid Validity Period, or its extension; or (ii) a violation of the Bidding Procedures.

Bid Submission Deadline	the deadline for the submission of Bids set forth in Section IB-03 (Bidding Schedule).
Bid Validity Period	the 45 Calendar Day period which starts on the Bid Submission Deadline.
Business Day	any day other than a Saturday, Sunday, public holiday in the Republic of the Philippines or Quezon City, or a day on which banks located in Quezon City are authorized by law to be closed.
Business Hours	shall mean 9:00 a.m. to 5:00 p.m. of a Business Day.
Buyer	shall mean the Winning Bidder with whom PSALM enters into the DOAS for the sale of the Property.
Deed Of Absolute Sale (DOAS)	shall mean the agreement to be entered into between the PSALM and the BUYER for the sale and purchase of the Property, including the schedules, attachments, and annexes thereto as well as the pertinent attachment, annexes and schedules to such schedules, attachments, and annexes, which was distributed to the Bidders as part of the Bidding Package.
DOE	the Department of Energy of the Republic of the Philippines.
ERC	the Energy Regulatory Commission.
Eligible Bidder	Refers to a Bidder who, in response to the Invitation to Bid, has submitted Eligibility Documents and was declared “Eligible” based on the provisions set in this Bidding Procedures.
Government Entity	any government agency, authority, bureau, department, court, tribunal, legislative body, public official, statutory or legal entity or person (whether autonomous or not), commission, corporation or instrumentality, whether national or local, of the Republic of the Philippines having jurisdiction over these Bidding Procedures, the Bidding Process, and the DOAS.
Highest-Ranking Bidder	shall have the meaning set forth in IB-16 (Opening and Preliminary Evaluation Sealed Bids).
Latest Audited Financial Statements	the latest audited financial statements for fiscal year ending 2018.
Minimum Bid Price	Refers to the minimum bid amount which PSALM shall accept from the Bidder as purchase price for the Property.
NGCP	shall mean the National Grid Corporation of the Philippines
Notice of Award	shall have the meaning set forth in Section IB-18 (Award to the Winning Bidder).
NPC	shall mean the National Power Corporation.

PBAC	shall mean the PSALM Privatization Bids and Awards Committee.
Property	Refers to the Cebu Property, referred to in Annex A of this Bidding Procedures.
Philippine Law	shall mean: (i) the Constitution of the Republic of the Philippines and all Philippine laws, statutes, treaties, rules, codes, ordinances, regulations, certificates, decisions, orders, memoranda, circulars, decrees, resolutions, directives, rulings, interpretations, approvals, licenses, and permits of any Governmental Body; and (ii) judgments, decrees, injunctions, writs, orders or like actions of any court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction, in each case: (a) that apply to these Bidding Procedures and the privatization and performance of the DOAS by the parties; and (b) as amended, supplemented, replaced, interpreted by a duly authorized Government Entity, or otherwise modified from time to time.
Philippine Peso	the lawful currency of the Republic of the Philippines.
Philippine Standard Time	shall have the meaning set forth in Republic Act No. 10535.
Pre-bid Conference	shall have the meaning set forth in IB-08 (Pre-bid Conference).
PSALM	the Power Sector Assets and Liabilities Management Corporation created under Republic Act No. 9136.
PSALM Office	shall mean the office of PSALM located 24 th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Philippines
Public Bidding	Refers to a method of disposal which is open to participation by any interested party; public bidding ensures that PSALM would get the highest selling price for the Property offered for sale.
Purchase Price	Refers to the amount a Bidder is willing to pay in order to purchase the Property.
SBLC	shall have the meaning set forth in Section IB-12 (Bid Security).
Supplemental Bid Bulletins (SBBs)	amendments, supplements or clarifications to the Bidding Procedures or the Bidding Process that the PBAC may issue, which shall be in writing and numbered sequentially. The SBBs are automatically incorporated into and made an integral part of the Bidding Procedures.
TRANSCO	the National Transmission Corporation, a government owned and controlled corporation created by virtue of the Republic Act No. 9136.
Winning Bidder	Refers to the eligible bidder whose Bid Price has been evaluated by the PBAC as the highest bid, compliant with

CONSTRUCTION

In the Bidding Procedures, unless the context otherwise requires:

1. The singular shall include the plural and vice versa.
2. Words referred to as “he”, shall be deemed to include the male, female and neuter (e.g., his/hers/its), and vice-versa.
3. The terms “include” and “including” shall be construed as being at all times followed by the words “without limitation” unless the context specifically indicates otherwise.
4. Whenever a Bidder is required to form an opinion, make a determination or designation, give a notice of approval or consent, incur costs or expenses, request any item or action, exercise discretion or perform any act in relation to the Bidding, it must be done in accordance with the Bidding Procedures.
5. References to the Bidding Procedures shall, in addition to its terms, include SBB provision, terms and conditions, any amendment, supplement or modification of these provisions, and the PBAC’s decisions.
6. Article and Section headings are for convenience of reference only and shall not be deemed to limit or otherwise affect any of the provisions.
7. Unless expressly provided,
 - a. reference to a Paragraph, Section, Exhibit or Schedule shall refer to a Paragraph, Section, Exhibit or Schedule respectively, of the Bidding Procedures;
 - b. any reference to a “day” shall refer to a calendar day;
 - c. reference to a person shall refer to a natural or juridical person; and
 - d. capitalized terms used in the Exhibits and Schedules shall have the meanings ascribed to those terms in the Bidding Procedures.