

CHECKLIST OF ELIGIBILITY DOCUMENTS

Documents to be contained in the First Envelope			Remarks
For individuals	1	Duly accomplished Representations and Warranties Form. <i>(Schedule 1)</i>	
	2	Copies of Two (2) valid government-issued IDs.	
	3	Certificate of Employment and Compensation, if employed.	
	4	Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Negotiating Party is known to them, maintains a deposit account with them and is in good financial credit standing, and that, should the Negotiating Party be declared as the Winning Negotiating Party, they will provide sufficient credit facilities as required in the Winning Negotiating Party's Financial Offer.	
	5	Letter authorizing the PSALM representative/s to verify the validity of all the documents submitted. <i>(Schedule 4)</i>	
	6	Certification under oath of the Negotiating Party 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. <i>(Schedule 3)</i>	
	7	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 Negotiating Party/Buyer. <i>(PSALM Form No. 3)</i>	
For Sole Proprietorship	1	Duly accomplished Representations and Warranties Form. <i>(Schedule 1)</i>	
	2	Certified True copy of DTI Registration and Business Profile.	
	3	Certified True Copy of Latest Audited Financial Statement. The latest audited financial statements for fiscal year 2020 filed in 2021.	
	4	Certified True Copy of Mayor's/Business Permit issued by the City or Municipality where the principal place of business of the Negotiating Party is located. Expired Mayor's/Business Permits shall not be acceptable.	
	5	Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Negotiating Party is known to them, maintains a deposit account with them and is in good financial and credit standing, and that, should the Negotiating Party be declared as the Winning Negotiating Party, they will provide sufficient credit facilities as required in the Winning Negotiating Party's Financial Offer.	
	6	Letter authorizing the PSALM representative/s to verify the validity of all the documents submitted. <i>(Schedule 4)</i>	
	7	Certification under oath of the Negotiating Party 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. <i>(Schedule 3)</i>	
	8	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 Negotiating Party/Buyer. <i>(PSALM Form No. 3)</i>	

Documents to be contained in the First Envelope		Remarks	
For Partnership/Corporation/Joint Venture/Consortium	1	Duly accomplished Representations and Warranties Form (<i>Schedule 1</i>)	
	2	Certified True Copy of SEC Registration and Company Profile of the Negotiating Party; or in case of a foreign entity, at least 60% Filipino owned and licensed to do business in the Philippines.	
	3	Certified True Copy of Articles of Incorporation/Partnership, By-Laws of the Negotiating Party as amended, if any.	
	4	Certified True Copy of Mayor's/Business Permit issued by the City or Municipality where the principal place of business of the Negotiating Party is located. Expired Mayor's/Business Permits shall not be acceptable	
	5	Certification from at least one (1) commercial/universal bank, legally operating in the Philippines, stating that the Negotiating Party is known to them, maintains a deposit account with them and is in good financial and credit standing, and that, should the Negotiating Party be declared as the Winning Negotiating Party, they will provide sufficient credit facilities as required in the Winning Negotiating Party's Financial Offer.	
	6	Board Resolution duly certified by the Negotiating Party's Corporate Secretary expressly authorizing the Negotiating Party's/Corporation's participation in the negotiated sale process, nominating, appointing, and authorizing a representative to communicate, represent, sign and execute DOAS and other documents relative thereto.	
	7	If a JV or Consortium, the Negotiating Party (including all its JV/Consortium members) shall submit a copy of the duly notarized JV Agreement / Memorandum of Agreement (MOA) / Understanding (MOU) which: <ul style="list-style-type: none"> 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 on behalf of the JV/Consortium; and c) Provides that the members shall be jointly and severally liable for the obligations of the Negotiating Party under the award/contract. 	
	8	Letter authorizing the PSALM representative/s to verify the validity of all the documents submitted. (<i>Schedule 4</i>)	
	9	Waiver of Rights to seek legal remedies (e.g., Temporary Restraining Order (TRO), law suits, etc.) to prevent PSALM from awarding and executing a DOAS with the Winning Negotiating Party/Buyer. (<i>PSALM Form No. 3</i>)	
	10	A declaration of any legal or other impediments which may affect the Negotiating Party's (and its JV or Consortium members) ability to participate in the negotiated sale process or a certification to be submitted by the Negotiating Party (and its JV or Consortium members) stating the absence of such legal impediments.	
	11	Certification under oath of the Negotiating Party 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. (<i>Schedule 3</i>)	

Documents to be contained in the First Envelope			Remarks
For Government Corp./Entities	1	Duly accomplished Representations and Warranties Form. (<i>Schedule 1</i>)	
	2	Board Resolution duly certified by the Negotiating Party's Corporate Secretary expressly authorizing the Negotiating Party's/Corporation's participation in the negotiated sale process, nominating, appointing and authorizing a representative to communicate, represent, sign and execute contracts and other documents relative thereto.	
	3	Certified True Copy of Charter or applicable law on the creation of the entity.	
	4	Bank Certification or any proof of funds availability.	
For Local Government Units	1	Duly accomplished Representations and Warranties Form. (<i>Schedule 1</i>).	
	2	Resolution of the Sanggunian authorizing the Local Chief Executive to enter into a contract of sale.	
	3	Ordinance appropriating the amount to pay for the purchase of the property.	
	4	Certification of the Local Treasurer as to availability of funds.	

Documents to be contained in the Second Envelope			
For all	1	Financial Offer (<i>PSALM Form No. 1</i>)	
	2	Offer Security (<i>Schedule 6</i>)	

Financial Offer Form

(To be submitted on the Negotiating Party's letterhead)

Date: _____

THE CHAIRMAN
Privatization Bids and Awards Committee (PBAC)
Power Sector Assets and Liabilities
Management Corporation
24th Floor, Vertis North Corporate Center 1
Astra corner Lux Drives, North Avenue
Quezon City, Philippines 1105

Gentlemen and/or Ladies:

Having examined the Negotiation Procedures dated ___ July 2021, including Supplemental Negotiation Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to purchase the *Paco-Manila Property located in Isla de Provisor, Paco, Manila* in conformity with the said Negotiation Procedures, for the sum of *[Total Offer Amount, in words]*, as follows:

PARTICULARS	AMOUNT IN PHILIPPINE PESOS (PHP)
Paco-Manila Property	
TOTAL OFFER AMOUNT	

We agree to abide by this Offer for the Offer Validity Period specified in item IB-11 (Offer Validity Period) of the Negotiating Procedures and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal DOAS is prepared and executed, this Offer, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We certify/confirm that we comply with the eligibility requirements as provided under the Negotiation Procedures.

Dated this _____ day of _____ 2021.

[signature]

[in the capacity of]

Duly authorized to sign Offer for and on behalf of _____.

SITE VISIT REQUEST FORM

Negotiating Party's Name:		Date:	
Contact No.:			
Fax No:			
Requested Schedule:		Alternative Dates:	
Approved Schedule:			
NOMINATED PERSONS			
Name		Position	Company
1.			
2.			
3.			
Requested by:		Receiving PSALM Personnel:	
<hr style="width: 80%; margin-left: 0;"/>		<hr style="width: 80%; margin-left: 0;"/>	
Name and Signature of Authorized Representative		Signature Over Printed Name/ Date	

WAIVER OF RIGHT TO SEEK LEGAL REMEDIES
(To be submitted on the Negotiating Party's letterhead)

Date

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

Subject: Sale of Paco-Manila Property Through Negotiated Sale

Sir:

As a duly authorized representative of *[Name of Company]*, (hereinafter referred to as the "Company"), and in connection with the negotiated sale of the Paco-Manila Property with an aggregate area of 20,975.70 square meters, located at Isla de Provisor, Paco, Manila the undersigned on behalf of the Company, hereby expressly and formally commits to abide by the decision of the PSALM PBAC for the Paco-Manila Property to determine the eligibility of Negotiating Parties as well as the eventual Winning Negotiating Party among them.

Accordingly, and in accordance with the Negotiation Procedures for the negotiated sale of the Paco-Manila Property, the Company hereby holds PSALM, its Board of Directors, officers, and employees free and harmless from any liability, costs and expenses, suit or allegation arising out of the Company's participation in the negotiated sale process. This also serves as a formal waiver by the Company of any right to file any form of legal remedy or action before any court, tribunal or administrative body to prevent, restrain, or prohibit PSALM from continuing the negotiated sale proceedings related thereto and from awarding and executing a DOAS with the Winning Negotiating Party as determined by the PSALM PBAC.

Very truly yours,

Authorized representative (Please enclose letter of authority)

Name and Signature: _____
Title/Position : _____
Date : _____

SCHEDULE 1 - REPRESENTATIONS AND WARRANTIES FORM

(To be submitted on the Negotiating Party's letterhead)

[date of Offer Submission Deadline]

THE CHAIRMAN

PSALM Privatization Bids and Award Committee (PBAC)

Sale of Paco-Manila Property

Power Sector Assets and Liabilities Management Corporation (PSALM)

24th Floor, Vertis North Corporate Center 1

Astra corner, Lux Drives, North Avenue

1105 Quezon City, Philippines

Sir:

We refer to the Negotiation Procedures dated __ July 2021, as amended or supplemented, (*Negotiation Procedures*) for the Sale of the Paco-Manila Property located at Isla de Provisor, Paco, Manila (The Property). We submit this Offer Form - Purchase Price of the Property to the PBAC after having completed a comprehensive and complete business, legal, technical and financial due diligence.

Capitalized terms used but not defined in this document shall have the meaning given in the Negotiation Procedures.

We unconditionally, voluntarily and irrevocably state that:

1. This document represents our voluntary offer for the purchase of the Property, all on the basis and terms set forth in the Negotiation Procedures.
2. This document constitutes an unconditional and irrevocable offer, which shall be valid and may be accepted by PSALM within forty-five (45) days from the day of the Offer Submission Deadline, regardless of any event including force majeure affecting the *Property*, that may occur within such period or as may be extended, as provided in the Negotiation Procedures.
3. The Offer for the purchase of the Property on the terms set forth in the DOAS for, the *Property* which we executed and delivered, is being made on an “as-is, where-is” basis.
4. [Negotiating Party's name] unconditionally and voluntarily represents and warrants that:
 - A. It has secured, read and understood all sections and pages of the Negotiation Procedures, the Supplemental Negotiation Bulletin/s (SNB/s), their respective provisions, undertakings, terms and conditions, and corresponding amendments, supplements or modifications, the PBAC's decisions and the DOAS for the *Property*;
 - B. It accepts, agrees to be bound, and shall fully abide by and comply with the terms and conditions of the Negotiation Procedures, the SNB/s, their respective provisions, undertakings, terms and conditions, and corresponding amendments, supplements or modifications, the PBAC's decisions and the DOAS for the *Property*;

- C. The Negotiating Party and its representatives have conducted an independent due diligence, investigation, analysis and verification of the quality, quantity and condition of the *Property* and the Negotiating Party confirms that it and its representatives have been provided adequate access to the *Property*, Data Room, personnel, premises and pertinent records of PSALM and NPC;
- D. It has fully informed itself and understood all the conditions and matters affecting or that could affect its Offer, participation or undertaking in the Negotiation Procedures or the implementation of the sale of the *Property* and other contemplated transactions as contained in the DOAS;
- E. It unconditionally and irrevocably waives all claims and causes of action against the PBAC, PSALM, or any of their advisors and consultants in the event that the Negotiated Sale Process, selection and/or award be: (i) stopped or terminated by PSALM; or (ii) restrained, enjoined, declared invalid or is set aside by a court of competent jurisdiction or any Governmental Entity for any reason;
- F. It unconditionally and irrevocably waives any defect, deviation, fault or infirmity in the Negotiated Sale Process conducted by the Committee or by PSALM;
- G. All of the documents submitted in satisfaction of the Negotiation Procedures are original copies or true and faithful reproductions or copies of the original;
- H. All the documents and information submitted as part of the Offer are true and correct as of the Offer Submission Deadline. Any falsity, error, or misrepresentation shall constitute ground for disqualification from this negotiated sale process or revocation of award as determined by the PBAC;
- I. It will advise the PBAC within two Business Days of any change in the information contained in any portion of its Offer or in previous submissions to PSALM or the PBAC;
- J. It is not barred or blacklisted from participating in any bidding/negotiated sale process by any Government Entity or in any contract with a Government Entity;
- K. It has not been disqualified from participating in PSALM's bidding/negotiated sale activities by reason of fraudulent acts or has not committed fraud or breach in the provisions of any agreement with PSALM;
- L. The Negotiating Party, its officers and directors are not related to the Chairman, President and CEO, members of the Board of Directors of PSALM and members of the PBAC by consanguinity or affinity up to the fourth civil degree, legitimate or common law;
- M. The Negotiating Party and/or its incorporators, past or present shareholders and directors, officers, employees, representatives or agents have not given, authorized or offered any commission or bribe or, in any manner, given or offered any money or other consideration directly or indirectly to any past or present director, officer, employee or agent of any Government

Entity, including PSALM, which violates Philippine Law, including the Revised Penal Code (Act Number 3815, as amended) and the Anti-Graft and Corrupt Practices Act (RA 3019, as amended);

- N. The Negotiating Party and/or its parent company, stockholders, subsidiaries, Affiliates, directors, 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, with the DOE, PSALM, NPC or TRANSCO, which affect the privatization of NPC Assets or TRANSCO, 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 Negotiating Party, the termination of the DOAS, or forfeiture of the Offer Security, without prejudice to the filing of civil and/or criminal action under Philippine Law against the Negotiating Party and/or its representatives.
- O. It shall at all times comply with Philippine Law and it accepts Philippine Law as the law governing the Negotiated Sale Process and the DOAS for the Property;
- P. It 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 Negotiated Sale Process or any related proceedings, the issuing bank, confirming or advising bank, the conduct of a negotiated sale or any related proceeding, the selection of the Negotiating Party with the Highest Offer, Buyer or Winning Negotiating Party, the performance of the DOAS and the draw on or forfeiture of the Offer Security. The Negotiating Party commits to abide by the decision of the PBAC, waives its right to seek legal remedies against PSALM officers and employees, consultants, the PBAC and its Secretariat, and holds them free and harmless from any liability, cost and expenses, suit or allegation arising from Negotiating Party's participation in this Negotiated Sale Process;
- Q. In the event it is declared the Winning Negotiating Party, it commits to comply with the terms and conditions of the negotiated sale process and the terms and conditions of the DOAS, it also undertakes to submit a Performance Bond to guarantee prompt, faithful and complete performance of its obligations under the DOAS for the Property in accordance with its terms;
- R. It is qualified under Philippine Law to offer for the sale and disposal of the Property and in the event it is declared the Winning Negotiating Party, it is qualified under Philippine Law to be its Winning Negotiating Party for the Property;
- S. It has secured the necessary licenses and permits required by Philippine Law to participate in the Negotiated Sale Process and submit an Offer and all such permits and licenses are valid and existing;

- T. It is not an Affiliate of another Negotiating Party, or does not hold or acquire any ownership interest in another Negotiating Party as listed in the General Information Sheet;
- U. It does not have any Affiliate: (i) who is a Negotiating Party; or (ii) who holds or acquires any ownership interest in another Negotiating Party as listed in the latest General Information Sheet;
- V. It has no pending or unpaid tax liabilities in the Philippines;
- W. The Negotiating Party, its Directors, Officers and staff or any representative thereof, shall not attempt to establish any contact with any PSALM officers and employees, consultant, PBAC and its Secretariat on matters concerning the negotiated sale from the date of submission of its offer, up to the conclusion of the negotiated sale process, except for clarifications on the Offer which must be in writing and addressed to the PBAC through its Chairperson;
- X. It is not involved in any money laundering activity as defined by the Anti-Money Laundering Act of 2001 (R.A. No. 9160); and
- Y. It authorizes PSALM or its authorized representatives to conduct the investigation and verification of the statements, documents and information submitted relative to its Offer;

For this purpose, the Negotiating Party hereby authorizes any public office or any person or firm to furnish pertinent information deemed necessary and requested by PSALM to verify statements and information provided in this statement.

- 5. The Second Envelope contains four copies of Financial Offer.

[NEGOTIATING PARTY'S NAME]

Signature
 Printed Name
 Title/Designation

Witnessed by:

ACKNOWLEDGEMENT

SUBSCRIBE AND SWORN TO BEFORE ME on this _____ day of _____ 2021 at the City of _____, affiant exhibited to me _____ issued at _____ on _____.

Doc No. _____;
 Page No. _____;
 Book No. _____;
 Series of 2021.

SCHEDULE 2 - FORM OF ACCEPTANCE OF THE NEGOTIATION PROCEDURES

(To be submitted on the Negotiating Party's letterhead)

[date]

THE CHAIRPERSON

PSALM Privatization Bids and Award Committee

Sale of Paco-Manila Property

Power Sector Assets & Liabilities Management Corporation

24th Floor, Vertis North Corporate Center 1

Astra corner, Lux Drives, North Avenue

1105 Quezon City, Philippines

Madam:

We refer to the Negotiation Procedures, dated __ July 2021, as amended or supplemented, (*Negotiation Procedures*) for the Sale of the Paco-Manila Property (the Property).

Capitalized terms used but not defined in this document shall have the meaning given in the Negotiation Procedures.

[Negotiating Party's name] declares, represents and warrants that:

1. It has received the Negotiation Package dated _____, which includes the Negotiation Procedures;
2. It has read and understood each and every section and page of the Negotiation Procedures, its provisions, terms and conditions, amendment, supplement or modification, all Supplemental Negotiation Bulletins, and the PBAC's decisions, and accepts and agrees to be bound and fully abide by and comply with their terms and conditions;
3. It 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 Negotiated Sale Process or related proceedings, the conduct of a negotiated sale or any related proceeding, the selection of the Negotiating Party with the Highest Offer, Buyer or Winning Negotiating Party, the performance of the DOAS for the Property and any draw on or forfeiture of the Offer Security. Such waiver shall be without prejudice to the right of the undersigned to question the basis for any disqualification or the rejection of its Offer by appropriate administrative or judicial processes not involving the issuance of a writ of injunction or prohibition or restraining order;
4. It shall at all times comply with Philippine Law; and,
5. It unconditionally and irrevocably waives any defect, deviation, fault or infirmity in the Negotiated Sale Process conducted by the PBAC or by PSALM up to and including the date of this document.

[NEGOTIATING PARTY'S NAME]

By:
[Name]
[Designation]
[Title]

Witnessed by:
[Name]

ACKNOWLEDGMENT

SUBSCRIBE AND SWORN TO BEFORE ME on this _____ day of _____ 2021 at the
City of _____, affiant exhibited to me _____ issued at _____ on
_____.

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 2021.

SCHEDULE 3 - STATEMENT UNDER OATH

(To be submitted on the Negotiating Party's letterhead)

[date]

THE CHAIRPERSON

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

Madam:

We refer to the Negotiation Procedures, dated __ July 2021, as amended or supplemented, (*Negotiation Procedures*) for the Sale of the Paco-Manila Property (the Property).

[Negotiating Party's name] declares, represents and warrants that:

- A. It is not barred or blacklisted from participating in any bidding/negotiated sale conducted by a government entity or entering into any kind of contract with a government entity;
- B. The Negotiating Party, 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) any 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 Negotiating Party, the termination of the Notice of Award or the Deed of Absolute Sale, and/or forfeiture of the Offer Security, without prejudice to the filing of civil and/or criminal action under Philippine Law against the Negotiating Party and/or its representatives;
- C. It is qualified under Philippine Law to offer for the Property and in the event it is declared the Winning Negotiating Party, it is qualified under Philippine Law to own the Property;
- D. Each of the documents submitted in satisfaction of the negotiated sale process requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

- E. It has not been disqualified from participating in PSALM's bidding/negotiated sale activities by reason of fraudulent acts or has not committed fraud or breach in the provisions of any agreement with PSALM; and
- F. It shall at all times fully comply with Philippine Law.

[NEGOTIATING PARTY'S NAME]

Signature
Printed Name
Title/Designation

Witnessed by:

ACKNOWLEDGMENT

SUBSCRIBE AND SWORN TO BEFORE ME on this _____ day of _____ 2021 at the City of _____, affiant exhibited to me _____ issued at _____ on _____.

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 2021.

SCHEDULE 4 - FORM OF AUTHORITY TO VERIFY

(To be submitted on the Negotiating Party's letterhead and must be separate for each of the entities)

[date]

The Commissioner
Bureau of Internal Revenue
Agham Road
Quezon City, Philippines

The Chairman
Securities and Exchange Commission
SEC Building
EDSA, Mandaluyong City, Philippines

[Banks]

[Any other appropriate government agency]

Gentlemen:

This is to authorize the Power Sector Assets and Liabilities Management Corporation (PSALM) or its representatives to verify, examine and secure copies of all records pertaining to our Company on file with your office. We issue this authorization in furtherance of the Negotiation Procedures dated __ July 2021, for the Sale of the Paco-Manila Property located in Isla de Provisor, Paco, Manila.

[NEGOTIATING PARTY'S NAME]

By:
[Name]
[Designation]
[Title]

Witnessed by:
[Name]

**SCHEDULE 5 - TABULAR FORM OF NEGOTIATING PARTY’S COMMENTS TO THE
NEGOTIATION PROCEDURES and DRAFT DOAS FOR THE SALE OF PACO-MANILA
PROPERTY**

[to be submitted in printed and electronic copies]

<u>Section and Page</u>	<u>Comment / Suggested Revision</u>	<u>Explanation for the Comment / Suggested Revision</u>

Submitted by: _____
Negotiating Party’s Name and Authorized Signatory

Date: _____

**SCHEDULE 6 - FORM OF OFFER SECURITY ISSUED BY A BANK LICENSED TO DO
BUSINESS AND IS OPERATING IN THE PHILIPPINES**

(To be submitted on the letterhead of the Issuing Bank)

IRREVOCABLE STANDBY LETTER OF CREDIT

Number: [●]
Amount: PhP _____
Stated Expiration Date [●]
Account Party: [●]

Power Sector Assets and Liabilities Management Corporation
24th Floor, Vertis North Corporate Center 1
Astra corner, Lux Drives, North Avenue
1105 Quezon City, Philippines

Subject: Letter of Credit No. [●]

We refer to the Negotiation Procedures, dated __ July 2021, as amended or supplemented, (*Negotiation Procedures*) for the Sale of the Paco-Manila Property. Unless otherwise defined, capitalized terms used in this document shall have the meaning ascribed to them in the Negotiation Procedures.

We establish this Irrevocable Standby Letter of Credit No. [●] (*SBLC*) for the benefit of the Power Sector Assets and Liabilities Management Corporation (*PSALM* or *Beneficiary*) in the amount of Philippine Pesos _____ (PhP_____). Funds under this SBLC are available to PSALM, at sight, upon our receipt of the original copy of the SBLC and a Demand Certificate: (1) in the form of Annex A attached to this document notifying us of the occurrence of an Offer Security Drawing Event defined in the Negotiation Procedures; (2) appropriately completed and signed by PSALM's authorized officer, employee or signatory; and, (3) presented as specified on or before the Expiration Date defined in this document. The SBLC does not contain any condition to drawing other than our confirmation that the Demand Certificate appears, on its face, to comply with the requirements of the immediately preceding sentence.

The SBLC shall be drawable at our office in Metro Manila, Philippines.

PSALM shall present one Demand Certificate dated the date of presentation for the drawing to [name and address of Issuing Bank]. If PSALM presents the Demand Certificate by 10:00 AM local time on any day on which we are open for business (*Business Day*), in strict conformance with the SBLC's terms and conditions, we will honor it by making payment in immediately available funds: (1) in accordance with PSALM's payment instructions; (2) without any restrictions, conditions, inquiry or right of objection on our part; (3) without notice to the Account Party prior to such payment; and (4) notwithstanding any condition, demand, or objection by the Account Party or any other party, without PSALM having to further substantiate such demand, by 3:00 PM local time on such Business Day. Otherwise, we will honor PSALM's Demand Certificate by 10:00 AM local time on the following Business Day.

If demand for payment does not conform to the terms and conditions of this SBLC, we shall give PSALM prompt notice of and the reasons for the same, and that we will, upon PSALM's request, hold any document presented to us for five (5) Business Days or return the same to PSALM. Upon being notified that a demand for payment did not conform to this SBLC, PSALM may correct such non-conforming demand; provided that the corrected demand shall be made and presented to us on or before the Expiration Date.

This SBLC shall expire at 3:00 PM at our office on the earliest of the following: (1) the Stated Expiration Date; (2) our honoring of the Demand Certificate presented equal to the Drawing Amount, and, (3) PSALM's surrender of the original SBLC for cancellation. The earliest of these dates is the *Expiration Date*. Except if expressly provided in this paragraph, this SBLC shall not terminate prior to the Stated Expiration Date. Neither the Account Party nor us may terminate this SBLC prior to its Stated Expiration Date without the written consent of PSALM. Notwithstanding the occurrence of the Stated Expiration Date, we will honor and pay for the amount drawn by PSALM as stated in the Demand Certificate; provided, that the Demand Certificate was presented to us before the Expiration Date.

This SBLC sets forth in full our undertaking and references made to any document, instrument or agreement, except the Demand Certificate, shall not amend, modify, amplify or limit our undertaking.

All documents presented to us in connection with the demand for payment, and all notices and communications to us with respect to this SBLC shall be in writing and addressed and presented to us at our office at [address of Issuing Bank] Attention: [●], and shall make reference to this SBLC by number.

This SBLC shall be subject to the 1998 International Standby Practices and in case of dispute arising from, or in connection with, its interpretation or implementation, shall be subject to Philippine Law.

[Insert Date and Place of Issue]

[Issuing Bank]

THIS ANNEX A IS AN INTEGRAL PART OF
LETTER OF CREDIT NO. [●]
DATED [●]

ANNEX A
DEMAND CERTIFICATE
[Date]

[Address of Issuing Bank]

Attention: [●]

Re: Demand for Payment under Letter of Credit No.

Ladies and Gentlemen:

We refer to your Letter of Credit No. [●] (*SBLC*). Any term defined in the SBLC shall have the same meaning when used in this document. An Offer Security Drawing Event has occurred and the Beneficiary demands payment of [amount] under the SBLC, such payment to be made to [insert account instructions].

This Certificate has been executed and delivered by the Beneficiary on [●] [date].

**POWER SECTOR ASSETS AND LIABILITIES
MANAGEMENT CORPORATION**

By: _____
Name:
Title:

**SCHEDULE 7
DEED OF ABSOLUTE SALE**

KNOW ALL MEN BY THESE PRESENTS:

This Deed of [Absolute] Sale (the “DOAS”), made and executed this ____ at the City of _____, by and between:

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION, a government owned and controlled corporation created by virtue of Section 49 of Republic Act No. 9136, otherwise known as the “Electric Power Industry Reform Act of 2001” (“EPIRA”) with principal office at the 24th Floor, Vertis North Corporate Center 1, Astra corner, Lux Drives, North Avenue, 1105 Quezon City, Philippines, represented by its President and Chief Executive Officer, IRENE JOY BESIDO-GARCIA, who is authorized for this purpose under PSALM Board Resolution No. _____, as evidence by Secretary’s Certificate dated _____ attached as Annex A of this Deed, hereinafter referred to as the “SELLER”;

-and-

The _____, a _____ duly organized and existing under the laws of the Philippines, with principal address at _____, represented herein by its (Designation), (Name), who is authorized for this purpose under Board Resolution No. _____, as evidenced by Secretary’s Certificate dated _____ attached as Annex B of this Deed, hereinafter referred to as the “BUYER”;

The SELLER and BUYER hereinafter individually referred to as the “PARTY”, and collectively, the “PARTIES”.

WITNESSETH:

WHEREAS, the SELLER is the owner of parcels of land [or, together with improvements, as may be applicable] thereon located at _____ (the “Property”), herein specifically described, listed and defined in Annex C;

WHEREAS, the SELLER desires to sell through public negotiated sale the abovementioned Property on an “AS IS, WHERE IS” basis;

WHEREAS, the BUYER has offered to buy the Property and has represented and warranted himself/herself/itself as qualified to own properties under existing laws, rules and regulations; has inspected the Property, has determined the conditions and has verified the possessory documents thereto;

WHEREAS, on the basis of the abovementioned representation and warranty by the BUYER, the SELLER accepted the offer of the former to buy the Property on cash basis and, pursuant to the recommendation of the PSALM Privatization Bids and Awards

Committee (PBAC) per its memorandum dated _____, the Property was awarded to the BUYER after a public negotiated sale process duly conducted for the purpose;

WHEREAS, pursuant to the Resolution issued by the PSALM Board of Directors during its meeting held on _____, its _____ was authorized to sign, execute, and deliver this Deed for and its behalf;

WHEREAS, the acceptance of the offer and award of the Property to the BUYER by the SELLER were approved by the _____.

NOW, THEREFORE, for and in consideration of the foregoing premises, this Deed of Absolute Sale is entered into under the following terms and conditions:

1. **PURCHASED PROPERTIES:** In consideration of the Purchase Price and on the terms and subject to the conditions of this DOAS and of the Negotiation Procedures/Documents dated _____ between the SELLER and the BUYER, the SELLER hereby sells, transfers and conveys to the BUYER, and the BUYER hereby purchases and accepts from the SELLER, all of the SELLER's right, title, interest in and to the properties herein described, listed and defined in Annex C, free and clear of any and all encumbrances except those that are registered and annotated in the title of the Property as of the date of execution of this DOAS. The BUYER purchases the Property on an "As Is, Where Is" basis and shall be limited to those that are described, listed and defined in Annex C.
2. **PURCHASE PRICE:** The total consideration for the sale of the Property is _____ (PhP_____).
3. **PAYMENT:** Full payment shall be acknowledged to have been received by the SELLER upon the signing of this DOAS.
4. **POSSESSION:** It shall be understood that the SELLER has fully delivered, and the BUYER has accepted the peaceful possession of the properties herein described, listed and defined in Annex C upon SELLER's receipt in full of the Purchase Price".
5. **EXPENSES:** The BUYER shall be liable for all expenses for documentation, Taxes, registration fees, transfer fees and other expenses for the transfer of the title to his/her/its name. It is understood that any expenses incurred by the BUYER related to the transfer of the title/s to its name is over and above the Purchase Price.
6. **TAXES and ASSESSMENTS:** Upon the execution of this DOAS, all Taxes, fees and expenses related to this Deed, including registration fees and transfer and documentary stamp taxes shall be for the account of the BUYER.
7. **VENUE:** Should any dispute arise out of this DOAS, the PARTIES agree to file any action in the Court of proper jurisdiction of Quezon City, Metro Manila, to the exclusion of any other courts.
8. **INCORPORATION:** The terms of the Negotiation Procedures dated __ ____ 2021 are incorporated herein by reference.
9. **REGISTRATION AND ISSUANCE OF NEW TITLE:** This DOAS shall be registered with the appropriate Register of Deeds and all Taxes, costs, fees

and expenses necessary to cause the registration of this DOAS and the issuance of a new title in the name of the BUYER shall be for the sole account of the BUYER. Any and all permits necessary to transfer title to the Property from the SELLER to the BUYER shall be the responsibility and for the account of the BUYER.

10. EFFECTIVITY: This DOAS shall be effective and bind the SELLER only after the necessary governmental approvals have been obtained.

11. SEPARABILITY: Should any portion of this DOAS be declared unconstitutional, illegal, and void or contrary to public policy, the remainder of the DOAS shall remain in full force and effect.

12. EXECUTION IN COUNTERPARTS: This DOAS shall be executed in counterparts and shall be effective when at least one counterparts shall have been executed by one of the parties herein, and each set of counterparts shall constitute one single and binding agreement.

IN WITNESS WHEREOF, the parties and their witnesses have hereunto set their hands on the date and place first above-written.

POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION

Represented by:

IRENE JOY BESIDO-GARCIA
President and CEO

Date: _____, 2021

BUYER

Represented by:

Name of Authorized Signatory
Designation

Date: _____, 2021

Signed in the Presence of:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
) s.s.

Before me, this _____ day of _____, in _____, personally appeared:

<u>Name</u>	<u>Identification Document Presented</u>	<u>Date and Place of Issue</u>
BUYER		
Represented by:		

Known to me to be the same person who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is his free and voluntary act and deed, in the capacities in which he appears.

This instrument consists of ____ (__) pages including this page where the acknowledgment appears.

WITNESS my hand and seal at the date and place above-written.

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2021.

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
) s.s.

Before me, this _____ day of _____, in _____, personally appeared:

<u>Name</u>	<u>Identification Document Presented</u>	<u>Date and Place of Issue</u>
Power Sector Assets and Liabilities Management Corporation		
Represented by: Irene Joy Besido-Garcia		

Known to me to be the same person who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is his free and voluntary act and deed, in the capacities in which he appears.

This instrument consists of ____ (___) pages including this page where the acknowledgment appears.

WITNESS my hand and seal at the date and place above-written.

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2021.

Annex “C” of the DOAS

List of Properties

Property: Paco-Manila Property

1. Parcels of Land situated in Isla de Provisor, Paco, Manila, with details as follows:

Lot /Block No.	TCT No.	Lot Area (sq.m.)	Tax Dec. No.
Lot 2	002-2018002578	510.50	AD-05661-00046
Lot 3		7,336.70	
Lot 4		10,025.40	
Lot 5, Blk. 918	002-2018002579	547.80	
Lot 6, Blk. 921	002-2018002580	2,217.90	
Lot 21, Blk. 921		36.20	
Lot 9, Blk. 921	002-2018002581	297.40	
Lot 10, Blk. 921		3.80	
	Total area	20,975.70	