AMADO V. TABLARIN
Supplier's Witness

AACHILLES L. BAYANO
Supplier

ENGR. ANNABELLE R. PANGAN
Procuring Entity's Witness

ALAIN DEL B. PASCUA
Procuring Entity

Republic of Philippines
Department of Education
Deped Complex, Meralco Avenue, Pasig City
Trunk Line (02) 632-13-61, Website http://www.deped.gov.ph

PROJECT : Supply and Delivery of School Furniture for Elementary, and Junior and Senior High Schools under the 10% Allocation for Cooperatives of Persons with Disability (PWD) CY 2019

CONTRACT NO.: 2019-07-AdmS4(008)-BIV-CB002-C003

CONTRACT

THIS Contract made and entered into this 5th day of December **2019** by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Undersecretary for Administration, **ALAIN DEL B. PASCUA,** as per Department Order No. 67, s. 2016, hereinafter referred to as the **"PROCURING ENTITY"** of the one part and **SAN FRANCISCO ASSOCIATION OF DIFFERENTLY ABLED PERSONS MULTI-PURPOSE COOPERATIVE** represented herein by its Authorized Representative and Manager, **AACHILLES L. BAYANO** with office address at Sitio Damilag, Brgy. Pisaan, San Francisco, Agusan Del Sur, Philippines, hereinafter referred to as the **"SUPPLIER"** of the other part;

WHEREAS, the **Procuring Entity** invited bids for certain goods and ancillary services as stated in the above-mentioned project consisting of six (6) lots, and received bids from four (4) bidders, has passed and approved Resolution to Award No. 2019-07-AdmS4(008)-BIV-CB-002, and therefore, accepted Bids from **Supplier** for the supply of the goods and services in the sum of **PHILIPPINE PESOS THIRTY-SIX MILLION SEVEN HUNDRED EIGHTEEN THOUSAND SEVENTY AND 00/100 (PhP36,718,070.00) ONLY**, inclusive of VAT, hereinafter called the **"CONTRACT PRICE"**, broken down as follows:

Lot No.	Regions	No. of Sites	ELEM. 2-Seater Table & Chairs Set (23Set/CL)	JHS 2-Seater Table & Chairs Set (23Set/CL)	SHS 2-Seater Table & Chair Set (20Set/CL)	Teacher's Table & Chair Set	Contract Duration (Calendar Days)	Contract Price (in Php)
3	Region III	40	3,450	3,173	800	328	210	36,718,070.00

NOW, THEREFORE, PREMISES CONSIDERED, the parties hereby agree as follows:

1. In this **Contract**, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to;

2. The following documents shall be deemed to form, be read and construed as part of the Contract:

a) The entity's Notice of Award;
b) Resolution to Award No. 2019-07-AdmS4(008)-BIV-CB-002 dated 23 August 2019;
c) Bid Form and Price Schedule of Bidder;
d) The Performance Security;
e) The Supplier's Bid, including Technical and Financial Proposals, and all other documents/statements submitted;
f) The General and Special Conditions of the Contract;
g) The Technical Specifications;
h) The Schedule of Requirements;
i) Bid Bulletin No. 1 dated 24 July 2019.

3. The goods and services referred to in this Contract shall be delivered to the Project Sites in the following number of days, from the date of receipt of the Notice to Proceed (NTP) by the **Supplier**:

Lot	Region	Contract Duration (calendar days)
3	Region III	210

4. The **Supplier** shall post a Performance Security within ten (10) calendar days from receipt of the Notice of Award in the form and amount prescribed in the Notice of Award. The Performance Security shall be posted in favor of the **Procuring Entity**, and shall be forfeited in the event it is established that the **Supplier** is in default of any of its obligation under the contract. The performance security shall be in force and effect until issuance by the **Procuring Entity** of the Certificate of Final Acceptance. For this purpose, the **Supplier** undertakes to renew its performance security whenever necessary and without need of prior notice or instruction from the **Procuring Entity**, to ensure that it is in force and effect for the whole duration of the contract delivery period and until a Certificate of Final Acceptance is duly issued;

5. The goods supplied under this Contract should conform to Section VII. Technical Specifications and standards mentioned in Section VI. Schedule of Requirements;

6. In consideration of the Contract Price mentioned herein to be paid by the **Procuring Entity** to the **Supplier**, the **Supplier** hereby covenants, unto the **Procuring Entity**, to provide all of the incidental and additional services as specified in Section VI. Schedule of Requirements, and should be in

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accordance with the terms and/or specifications indicated therein or otherwise contemplated by the parties;

7. The **Supplier** hereby covenants to provide all of the materials, notifications, and information pertaining to spare parts manufactured by the **Supplier**, such as but not limited to the spare parts as the **Procuring Entity** may elect to purchase from the **Supplier**, provided that this election shall not relieve the **Supplier** of any warranty obligations under this **Contract;**

8. The **Supplier** hereby covenants to provide advance notification to the **Procuring Entity** in the event of termination of production of the spare parts, in sufficient time to permit the **Procuring Entity** to procure needed requirements and to furnish, at no cost, to the **Procuring Entity**, drawings and specifications of the spare parts, upon request by the **Procuring Entity;**

9. Goods delivered with defects or non-compliant with the required specifications shall be rejected by the **Procuring Entity** and replaced by the **Supplier**. The **Procuring Entity** shall have the option to inspect the **Supplier's** premises covered by the contract, at any time or stage of contract implementation, to monitor and assess **Supplier's** capacity to discharge its contractual obligations;

10. The **Supplier** shall deliver the goods to the appropriate recipient schools only as indicated in the allocation list attached to the bidding documents unless otherwise instructed by the **Procuring Entity**, for justifiable cause. Goods delivered to another school other than the recipient school without the **Procuring Entity's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents, reports submitted and validated by the authorized receiving personnel may be a possible cause for termination of the Contract;

11. The procured goods contemplated under this contract shall be inspected by the **Procuring Entity** prior to delivery at the **Supplier's** premises, or at the delivery sites, or both, at the option of the **Procuring Entity**, in accordance with the provisions of Special Conditions of Contract, the Schedule of Requirements or otherwise indicated in other parts of the bidding documents;

12. In case the **Supplier** encounters condition(s) impeding timely delivery of the goods, **Supplier** shall promptly notify the **Procuring Entity** in writing of such condition(s) and any request for work suspension and/or contract delivery period extension shall be promptly done in writing as soon as

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circumstances providing justification for such request have become apparent. **Supplier** must provide sufficient proof to support any request for work suspension and/or contract delivery period extension;

13. The **Contract Price** shall be paid to the **Supplier** through the Government disbursement procedures as follows:

    13.1. Upon submission of an irrevocable letter of credit or Bank Guarantee issued by a Universal or Commercial Bank, advance payment not to exceed fifteen percent (15%) of the contract amount shall be allowed and paid within sixty (60) calendar days from signing of the contract;

    13.2. **Supplier** may submit a request for payment based on the **Supplier's** monthly Progress Reports which shall be attached to the progress billing and include the following: (i) cumulative quantities of items delivered based on the schedule of deliveries and other relevant terms and conditions of the contract; (ii) Inspection and Acceptance Reports, including certification by **Supplier,** as approved by the duly authorized representative of the **Procuring Entity**, that the items have been delivered and/or properly installed and commissioned;

    13.3. Payment shall be made to the **Supplier** as promptly as possible, in the following manner:

        13.3.i. **Progress Payments**: A minimum of twenty-five percent (25%) of the Contract Price per region shall be paid to the Supplier upon a minimum of 25% delivery of the requirements per region and duly accepted by the school's representatives. Payment shall be made within sixty (60) days after the date of acceptance of the Goods at the Project Sites and upon submission of the documents (i) to (vi) specified in the SCC for GCC Clause 6.2;

        13.3.ii. **Final Payment:** The remaining balance of the Contract Price per region shall be paid to the **Supplier** upon delivery of the remaining balance of the requirement per region and duly accepted by the school's authorized representatives. Payment shall be made within sixty (60) days after the date of acceptance of the Goods at the Project Site and upon submission of the documents (i) to (vi) specified in SCC for GCC Clause 6.2 and other

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documents required in accounting and auditing rules and regulations;

14. Payment shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to five percent (5%) of payment, or a special bank guarantee in the amount equal to five percent (5%) of the Contract Price required in Section 62 of R.A. 9184 and its IRR. The retention money or special bank guarantee shall be released only after the lapse of the Warranty in SCC Clause 17.3;

15. The **Supplier** shall be liable for the damages for the delay in its performance of the Contract and shall pay the **Procuring Entity** liquidated damages, not by way of penalty, in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the recipient school concerned. The **Procuring Entity** shall deduct the liquidated damages from any money due or which may become due to the **Supplier**, or collect from any of the securities or warranties posted by the **Supplier**, whichever is convenient to the **Procuring Entity**. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, **Procuring Entity** may, at its option, and taking into account the greater advantage to the government, rescind or terminate the **Contract**, without prejudice to other courses of action and remedies available under the circumstances;

16. Parties shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the parties in connection with the implementation of the Contract. Should such dispute not be resolved amicably, it shall be submitted to arbitration in the Philippines, with the Philippines as the seat of arbitration according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004." Provided, however, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

AMADO W. TABLARIN
Supplier's Witness

AACHILLES L. BAYANO
Supplier

ENGR. ANNABELLE R. PANGAN
Procuring Entity's Witness

ALAIN DEL B. PASCUA
Procuring Entity

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in accordance with their respective laws on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY:

ALAIN DEL B. PASCUA
Undersecretary
PROCURING ENTITY

AACHILLES L. BAYANO
Authorized Representative
SUPPLIER

SIGNED IN THE PRESENCE OF:

ENGR. ANNABELLE R. PANGAN
Procuring Entity's Witness

AMADO V. TABLARIN
Supplier's Witness

APPROVED BY:

LEONOR MAGTOLIS BRIONES
Secretary
Department of Education

Funds Available: ₱36,718,070.-

MA. RHUNNA L. CATALAN
Chief Accountant

CHOLITA F. TIONG
Accountant III
OIC, Chief Accountant

REPUBLIC OF THE PHILIPPINES)

PASIG CITY, METRO MANILA) S.S

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for QUEZON CITY, Philippines, this _____ day of DEC 05 2019 2019 personally appeared:

NAME	**GOVERNMENT ISSUED ID** *(Number, Issued On, Issued By)*
ALAIN DEL B. PASCUA *Undersecretary* PROCURING ENTITY	Passport No. EC7146422 Valid Until 17 March 2021
AACHILLES L. BAYANO *Authorized Representative* SUPPLIER	PWD ID No. 160308013-010

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledge to me that the same is the free and voluntary act and deed of the entities which they respectively represent.

The foregoing instrument is a CONTRACT consisting of seven (7) pages (exclusive of attachments), including this page on which this acknowledgment is written and signed by the parties hereto and their instrument witness on the left margin of each and every page hereof.

WITNESS MY HAND AND SEAL on the date and place first above written.

Doc. No. 105;
Page No. 19;
Book No. 19;
Series of 2019.

NOTARY PUBLIC

ATTY. CONCEPCION P. VILLAREÑA
Notary Public for Quezon City
Until December 31, 2019
PTR No. 7323642 – 1-03-2019/ QC
IBP No. AR14460591 – 12-17-2018/ QC
Roll No. 30457 – 05-09-80
MCLE 5-0012536 – 12-21-2015
Adm. Matter No. NP 270 (2018-2019)

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