



PROJECT: **Procurement of Medical Supplies (Rebid)**

CONTRACT NO.: **2020c-BLSS2(003)-BI-CB014-0053**

CONTRACT AGREEMENT

THIS CONTRACT made and entered into this 27th day of DECEMBER 2020 by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Officer-in-Charge, Undersecretary for Administration, **ATTY. SALVADOR C. MALANA III** (hereinafter referred to as "**DepEd**"); and **SURGICOM TRADING CORP.**, represented herein by its CEO/President, **IMRAN HANIF**, with office address at Unit LG16, LG/F, Cityland Shaw Tower, Shaw Blvd., Cor. St. Francis St., Mandaluyong City, Philippines, (hereinafter referred to as "**SURGICOM TRADING CORP.**").


DepEd and **SURGICOM TRADING CORP.** are collectively called "**PARTIES.**"

WHEREAS, **DepEd** invited bids for the procurement of medical supplies consisting of nine (9) lots and received bids from six (6) bidders; **DepEd** opened, read, and evaluated the bids of the six (6) bidders, and, after evaluation, **DepEd** post-qualified and declared the bid of **SURGICOM TRADING CORP.** as the lowest calculated responsive bid for **Lot 1** in the sum of **PHILIPPINE PESOS THIRTY-SEVEN MILLION, FIVE HUNDRED FIFTY-SEVEN THOUSAND, SEVENTY-TWO and 00/100 (Php37,557,072.00) ONLY**, (hereinafter called the "**Contract Price**"), detailed as follows:


Lot No.	Region	No. of Set	Item Description	Amount (in Php)
Medical Equipment				
1	NCR	6	1. Clinic bed 2. Weighing scale 3. Nebulizer, portable 4. Oxygen tank with regulator and nasal cannula, 15 Li capacity 5. Wheelchair 6. Stretcher	37,557,072.00
	CAR	81		
	I	142		
	II	137		
	III	140		
	IVA	88		
	IVB	29		
	V	117		

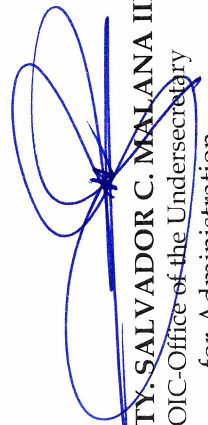
NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, 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 as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as part of this Agreement, viz:
 - i. Philippine Bidding Documents (PBD);
 - a. Schedule of Requirements;
 - b. Technical Specification;
 - c. General and Special Conditions of the Contract; and
 - d. Bid Bulletin No. 1 dated 11 November 2020, Bid Bulletin No. 2 dated 17 November 2020 and Bid Bulletin No. 3 dated 19 November 2020;
 - ii. **SURGICOM TRADING CORP.**'s bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;
 - iii. Performance Security;
 - iv. Notice of Award of Contract and **SURGICOM TRADING CORP.**'s conforme thereto; and
 - v. Other contract documents required by existing laws and/or DepEd in the PBD. **SURGICOM TRADING CORP.** agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Order, and Warranty Security, shall form part of the Contract.
3. The goods and services referred to in this Contract shall be delivered to the Project Site/s within **one hundred twenty (120) calendar days** from receipt of **SURGICOM TRADING CORP.** of the Notice to Proceed or the date provided in the NTP;
4. **SURGICOM TRADING CORP.** 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 **DepEd**, and shall be forfeited in the event it is established that **SURGICOM TRADING CORP.** is in default of any of its obligation under the contract. The performance security shall be in force and effect until issuance by **DepEd** of the Certificate of Final Acceptance. For this purpose, **SURGICOM TRADING CORP.** undertakes to renew its performance security whenever necessary and


JEMINI V. MEJIA
SURGICOM TRADING CORP.'s Witness

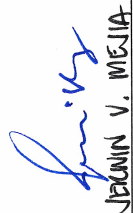

IMRAN HANIF
SURGICOM TRADING CORP.


LOPE B. SANTOS III
Executive Assistant IV
Office of the Director IV
BSS-Office of the Director IV
DepEd's Witness


ATTY. SALVADOR C. MALANA III
OIC-Office of the Undersecretary
for Administration

without need of prior notice or instruction from **DepEd**, 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;

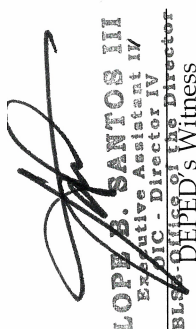
5. The goods supplied under this **Contract** should conform to Section VII. Technical Specifications and to the standards mentioned in Section VI. Schedule of Requirements, or as amended by subsequently issued Bid Bulletin, if any, and must be in accordance with the technical specifications of the items as offered in the bid; or in case where samples were submitted and evaluated during the post-qualification stage of the procurement, in accordance with the technical specifications of the approved samples. Any proposal to deliver items of equivalent, higher or superior technical specifications, in lieu of those of the approved bids or samples shall be discretionary to **DepEd** and is subject to the evaluation and recommendation of the end-user or implementing units and the approval of the herein authorized representative and signatory;
6. In consideration of the **Contract Price** mentioned herein to be paid by **DepEd** to **SURGICOM TRADING CORP.**, **SURGICOM TRADING CORP.** hereby covenants to provide all of the incidental and additional services as specified in Section VI. Schedule of Requirements or as amended by subsequently issued Bid Bulletin, if any, and should be in accordance with the terms and/or specifications indicated therein or otherwise contemplated by the parties;
7. Goods delivered with defects or non-compliant with the required specifications shall be rejected by **DepEd** and replaced by **SURGICOM TRADING CORP.** **DepEd** shall have the option to inspect **SURGICOM TRADING CORP.**'s premises covered by the **Contract**, at any time or stage of the contract implementation, to monitor and assess **SURGICOM TRADING CORP.**'s capacity to discharge its contractual obligations;
8. **SURGICOM TRADING CORP.** shall deliver the goods to the project site - DepEd Elementary Schools, unless otherwise instructed by **DepEd**. Goods delivered to another project site other than DepEd Elementary Schools without **DepEd**'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;
9. In case **SURGICOM TRADING CORP.** encounters condition(s) impeding timely delivery of the goods, **SURGICOM TRADING CORP.** shall promptly notify **DepEd** 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 circumstances providing justification for such request have become apparent. **SURGICOM**

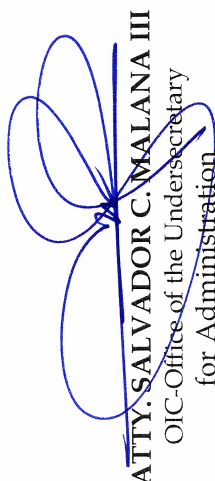

JERMIN V. MEJIA

SURGICOM TRADING CORP.'s Witness


IMRAN HANIF

SURGICOM TRADING CORP.


LOPE B. SANTOS III
Executive Assistant IV
BLSA - Office of the Director
DEPED's Witness


ATTY. SALVADOR C. MALANA III
OIC-Office of the Undersecretary
for Administration

TRADING CORP. must provide sufficient proof to support any request for work suspension and/or contract delivery period extension;

10. The Contract Price shall be paid to **SURGICOM TRADING CORP.** in accordance with the following disbursement procedures:

10.1. An 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. An irrevocable Letter of Credit or Bank Guarantee of an equivalent amount must be submitted, and shall remain valid until the goods are delivered, and accompanied by a claim for advance payment;

10.2. **SURGICOM TRADING CORP.** may submit a request for payment based on 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 **SURGICOM TRADING CORP.**, as approved by the duly authorized representative of **DepEd**, that the items have been delivered and/or properly installed and commissioned in accordance with the contract. Other documents in support of a request for payment may be prescribed by **DepEd** pursuant to existing disbursement, accounting and auditing rules and procedures;

10.3. Subject to the recoupment of the advance payment contemplated in Clause 10.1 above, and retention contemplated in the immediately succeeding clause, payment shall be made to **SURGICOM TRADING CORP.** within sixty (60) days from submission of the documents specified in SCC Clause 2.2 and other documents as may be prescribed by **DepEd**, in the following manner:

10.3.i. One hundred percent (100%) of payment shall be made upon one hundred percent (100%) completion/delivery of the requirement under this Contract duly delivered and accepted by **DepEd's** authorized representative;

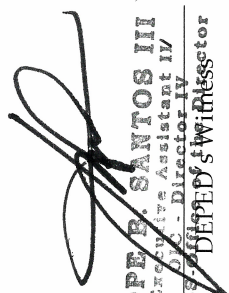
10.3.ii. Final payment shall constitute release of the retention money in case of expiry of the warranty period, or whatever is left of it, after it has been called for use under the warranty provision.

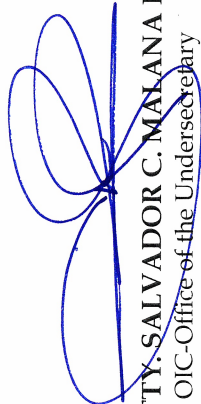

JERWIN V. MEJIA

SURGICOM TRADING CORP.'s Witness


IMRAN HANIF

SURGICOM TRADING CORP.


LOPE B. SANTOS III
Executive Assistant IV
Director-IV
BESS
DepEd Division Office - Marikina City


ATTY. SALVADOR C. MALANA III
OIC-Office of the Undersecretary
for Administration



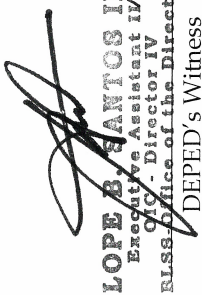
JENIN V. MEJIA

SURGICOM TRADING CORP.'s Witness



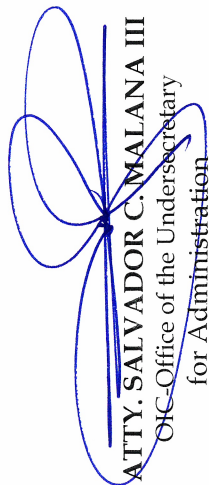
IMRAN HANIF

SURGICOM TRADING CORP.



LOPE B. SANTOS III
Executive Assistant IV
DepEd - Director IV
R188, Office of the Director

DEPED's Witness



ATTY. SALVADOR C. MALANA III


Office of the Undersecretary
for Administration

11. Payments shall be subject to the Warranty provision in the form of either retention money in an amount equivalent to three percent (3%) of every progress payment, or a special bank guarantee in the amount equivalent to three percent (3%) of the Contract Price, as provided under Section 62.1 of R.A. 9184 and its Revised IRR;
- 11.1. In case **SURGICOM TRADING CORP.** opts for retention money, the amount shall only be released after the lapse of the entire warranty period, unless during the remainder of the warranty period, the retention money is substituted with a special bank guarantee as prescribed above;
- 11.2. Warranty shall be for a period of three (3) months for expendable supplies and one (1) year for non-expendable supplies or equipment reckoned from the date of acceptance of the goods at the project site;
- 11.3. A comprehensive and onsite warranty for the procured items shall be applied. The said warranty shall reckon from the date of issuance of a Certification by **DepEd** that the delivered goods have been duly inspected and accepted (*i.e.*, final acceptance);
- 11.4. The period for correction of defects covered by the warranty period is within thirty (30) calendar days from receipt by **SURGICOM TRADING CORP.** of any claim arising from the warranty;
- 11.5. For defects arising from within the first half of the warranty period, **DepEd** may opt to demand for recall and replacement of the defective items. On the other hand, for defects arising from the onset until the expiry of the warranty period, **DepEd** may ask for repairs of the defective items.
12. **SURGICOM TRADING CORP.** shall be liable for liquidated damages for the delay in its performance of the Contract 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. **DepEd** shall deduct the liquidated damages from any money due or which may become due to **SURGICOM TRADING CORP.**, or collect from any of the securities or warranties posted by the **SURGICOM TRADING CORP.**, whichever is convenient to **DepEd**. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, **DepEd** may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances.

13. The 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 Agreement. Should such dispute not be resolved amicably, it shall be submitted to arbitration in the Philippines according to the provisions of Presidential Decree No. 242 and Executive Order No. 292. Provided, however, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.


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

SIGNED, SEALED AND DELIVERED BY:


ATTY. SALVADOR C. MALANA III
Officer-in-Charge Undersecretary for Administration
DEPARTMENT OF EDUCATION


IMRAN HANIF
CEO/President
SURGICOM TRADING CORP.

SIGNED IN THE PRESENCE OF:



LC. E. SANTOS III
Executive Assistant IV
OIC - Director IV
BLSS Office of the Director
DepEd's Witness


Jerwin V. MEJIA
SURGICOM TRADING CORP.'s Witness

APPROVED BY:


LEONOR MAGTOLIS BRIONES
Secretary
DEPARTMENT OF EDUCATION

CERTIFIED FUNDS AVAILABLE: ₱37,557,072.-


MA. RHUNNA L. CATALAN
Chief Accountant

Page 6 of 7

310400100011000 - ₱37,557,072.-
ALLOTMENT AVAILABLE (Cont.)


SELWYN C. BRIONES
Supervising Administrative Officer
OIC, Budget Division

REPUBLIC OF THE PHILIPPINES)
MAKATI, METRO MANILA) S.S

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for MAKATI,
Philippines, this ____ day of 29 DEC 2020 personally appeared:

NAME

GOVERNMENT ISSUED ID
(Number, Issued On, Issued By)

ATTY. SALVADOR C. MALANA III
Officer-in-Charge
Undersecretary for Administration
DEPARTMENT OF EDUCATION

BOA-06-003716
APRIL 2018
LTO - BOA

IMRAN HANIF
CEO/President
SURGICOM TRADING CORP.

UMLD
CRM-0111-2583594-2

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-hand margin of each and every page hereof.

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

Doc. No. 450;
Page No. 91;
Book No. CXI;
Series of 2020

NOTARY PUBLIC

ATTY. MARICHELL S. CALALANG - ENFESTAN

NOTARY PUBLIC

Roll of Attorney No. 68773

Commission No. 7452 until December 31, 2020

PTB 4248737 Taguig City

IBP Lifetime No. 017962; 08/18/2017 - Pasig City

MCLE Compliance No. VI-0003029; 08/07/2017 - Pasig City