



[Signature]
ABIGAIL D. ECHANO
 LG&M CORPORATION's Witness

PROJECT: Printing and Delivery of Grade 1 English Activity Sheets

CONTRACT NO.: 2020-BLR2(002)-BIV-CB012-COM4

CONTRACT AGREEMENT FEB 08 2021

THIS AGREEMENT made and entered into this ____ day of _____ 20__ by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Assistant Secretary, **ALMA RUBY C. TORIO**, as per Department Order No. 67, s. 2016 (hereinafter referred to as "**DepEd**"); and **LG&M CORPORATION**, represented herein by its Authorized Representative, **CHRISTOPHER A. DATOL**, with office address at G. Araneta Avenue., Cor. Ma. Clara St., Quezon City (hereinafter referred to as "**LG&M CORPORATION**").

DepEd and **LG&M CORPORATION** are collectively called "**PARTIES.**"

WHEREAS, **DepEd** invited bids for the printing and delivery of Grade 1 English Activity Sheets consisting of four (4) Lots, and received bids from seven (7) bidders; **DepEd** opened, read, and evaluated the bids of the seven (7) bidders and declared **LG&M CORPORATION** as having the lowest calculated bid for Lot No. 2; after evaluation, **DepEd** post-qualified and declared the bid of **LG&M CORPORATION** as the lowest calculated responsive bid for Lot No. 2 in the sum of **PHILIPPINE PESOS TWELVE MILLION, SIXTY-SEVEN THOUSAND, ONE HUNDRED THIRTY-SIX AND 20/100 (PhP 12,067,136.20) ONLY**, (hereinafter called the "**Contract Price**") detailed as follows:

Lot No.	Description	Quantity	Amount (in Php)
2	Zone 2	677,929	12,067,136.20

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;

[Signature]
CHRISTOPHER A. DATOL
 LG&M CORPORATION

[Signature]
ARIZ DELSON ACAY D. CAWILAN
 DEPED's Witness

[Signature]
ALMA RUBY C. TORIO
 Department of Education


ABIGAIL O. ECHANO
LG&M CORPORATION's Witness


CHRISTOPHER A. DATOL
LG&M CORPORATION


ARIZ DELSON ACAY D. CAWILAN
DEPED's Witness


ALMA RUBY C. TORIO
Department of Education

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 Specifications;
 - c. General and Special Conditions of the Contract; and
 - d. Bid Bulletin Nos. 1 and 2 dated November 4 and 11, 2020, respectively.
 - ii. **LG&M CORPORATION'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 **LG&M CORPORATION's** conforme thereto; and
 - v. Other contract documents required by existing laws and/or DepEd in the PBD. **LG&M CORPORATION** 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 items shall be ready for pick up/hauling within **one hundred fifty (150) calendar days** from receipt of **LG&M CORPORATION** of the Notice to Proceed or as may be indicated in the Notice to Proceed;
4. **LG&M CORPORATION** shall post a Performance Security within ten (10) calendar days from receipt of the Notice of Award in the form and amount prescribed therein. The performance security shall be posted in favor of **DepEd**, and shall be forfeited in the event it is established that **LG&M CORPORATION** is in default of any of its obligation under this contract. The Supplier shall be responsible for the extension of its performance security and/or 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 and services supplied under this Contract should conform to and comply with the standards mentioned in Section VII. Technical Specifications and in Section VI. Schedule of Requirements of the Bidding Documents, or as amended by subsequently issued Bid Bulletin, if any, and must be in accordance with the technical specifications of the items as


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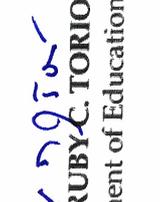
offered in the bid, or in case where samples were submitted and evaluated during the post-qualification stage of the procurement, in accordance with the technical specifications of the approved samples. Any proposal to deliver items of equivalent, higher or superior technical specifications, in lieu 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. Goods with defects or non-compliant with the required specifications shall be rejected by **DepEd** and replaced by **LG&M CORPORATION**. **DepEd** shall have the option to inspect **LG&M CORPORATION's** premises covered by the contract, at any time or stage of contract implementation, to monitor and assess **LG&M CORPORATION's** capacity to discharge its contractual obligations;
7. The procured goods or items contemplated under this Contract shall be inspected by **DepEd** either prior to pick-up/hauling at **LG&M CORPORATION's** premises, or at the project site, or both, in accordance with the provisions of the Special Conditions of the Contract, the Schedule of Requirements, or otherwise indicated in other parts of the bidding documents;
8. In case **LG&M CORPORATION** encounters condition(s) impeding timely delivery of the goods, **LG&M CORPORATION** 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 requests have become apparent. **LG&M CORPORATION** must provide sufficient proof to support any request for work suspension and/or contract delivery period extension;
9. The Contract Price shall be paid to **LG&M CORPORATION** in accordance with the following disbursement procedures:
 - 9.1. 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.
 - 9.2. **LG&M CORPORATION** may submit a request for payment based on **LG&M CORPORATION's** monthly Progress Reports which shall be attached to the progress billing and include the following: (i) cumulative quantities of items picked up/hauling based on the schedule of hauling and other relevant terms and


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LG&M CORPORATION's Witness


CHRISTOPHER A. DATOL
LG&M CORPORATION


ARIZ DELSON ACAY D. CAWILAN
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Department of Education

conditions of the contract; (ii) Inspection and acceptance reports (IARs), including certification by Supplier, and duly accomplished and signed by the authorized representative of the **DepEd**. Other documents in support of a request for payment may be prescribed by **DepEd** pursuant to existing disbursement, accounting and auditing rules and procedures;

9.3. Subject to the recoupment of the advance payment contemplated in Clause 9.1 above, and retention contemplated in the immediately succeeding clause, payment shall be made to **LG&M CORPORATION** within sixty (60) days after the date of acceptance of the Goods at the project site and upon submission of other documents required under this Contract, in the following manner:

9.3.1. For the initial progress payment, a minimum of twenty-five percent (25%) of the Contract Price per lot shall be paid to **LG&M CORPORATION** upon pick-up/hauling by the third-party logistics provider of a minimum of twenty-five percent (25%) of the requirement per lot and acceptance by DepEd's authorized representative;

9.3.2. 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.

10. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a Special Bank Guarantee in the amount equal to at least 1% of the Contract Price as required under Section 62 of R.A. 9184 and its Revised IRR;

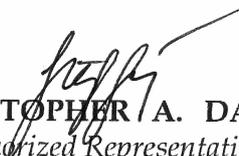
11. **LG&M CORPORATION** shall be liable for liquidated damages for the delay in its performance of the Contract in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for pick-up/hauling, for every day of delay until such goods are finally picked up/hailed and accepted by **DepEd**. **DepEd** shall deduct the liquidated damages from any money due or which may become due to **LG&M CORPORATION**, or collect from any of the securities or warranties posted by **LG&M CORPORATION**, 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;

12. 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 Agreement to be executed in accordance with governing laws on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY:


ALMA RUBY C. TORIO
Assistant Secretary
DEPARTMENT OF EDUCATION


CHRISTOPHER A. DATOL
Authorized Representative
LG&M CORPORATION

SIGNED IN THE PRESENCE OF:


ARIZ DELSON ACAY D. CAWILAN
DEPED's Witness


ABIGAIL D. ECHARD
LG&M CORPORATION's Witness

APPROVED BY:


DIOSDADO M. SAN ANTONIO
Undersecretary
DEPARTMENT OF EDUCATION

CERTIFIED FUNDS AVAILABLE: ₱12,067,130.20


MA. RHUNNAL. CATALAN
Chief Accountant

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

MANDALUYONG CITY

ACKNOWLEDGMENT MANDALUYONG CITY

BEFORE ME, a Notary Public in and for _____
Philippines, this ____ day of ~~FEB 08 2021~~ 20__ personally appeared:

NAME

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

ALMA RUBY C. TORIO
Assistant Secretary
DEPARTMENT OF EDUCATION

A07 - 02 - 059 045, MARCH 27, 2018
LTO - LA UNION

CHRISTOPHER A. DATOL
Authorized Representative
LG&M CORPORATION

CKN - 0111 - 5692644-8

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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 six (6) 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. 152.
Page No. 32.
Book No. 2;
Series of 7021.

ATTY. JAMES L. ABUGAN
NOTARY PUBLIC
APP. NO. 0442-19
LEGISLATIVE NOTARY PUBLIC
IBP No. 134105 Dec. 9, 2020 Rizal Chapter
Roll No. 26890 Lubang
MCLE No. VI-0019374 until 4/14/2022
IBP No. 118 078-036
PTR No. 457451 / 01/31/2021
Tel. No. 671-8880
Rm. 313 JSH Bldg., 201 EDSA,
Mandaluyong City

[Signature]
ABIGAIL O. ETHAN
LG&M CORPORATION's Witness

[Signature]
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Department of Education