



Republic of Philippines  
**DEPARTMENT OF EDUCATION**

DepEd Complex, Meralco Avenue, Pasig City  
 Trunk Line (08) 632-13-61, Website <http://www.deped.gov.ph>



**PROJECT:** Development, Printing and Delivery of Self-Learning Modules (SLMs) Quarter 3 (English, Science, Mathematics, Filipino, Araling Panlipunan, Edukasyon sa Pagpapakatao, Music, Arts, Physical Education and Health (Grades 4, 5, 6, 7, 8, 9 and 10)

**CONTRACT NO.:** 2021-BLR2(009-018)-BIV-CB-003-017

**CONTRACT AGREEMENT**

**MAY 10 2021**

*THIS AGREEMENT* made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2021 by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Undersecretary, **DIOSDADO M. SAN ANTONIO**, as per Department Order No. 8, s. 2021 (hereinafter referred to as “**DEPED**”); and **TORRENO PRINTING CORPORATION IN JOINT VENTURE WITH CANEO ENTERPRISES, KRZNAD TRADING AND MYRNA OLIVA ENTERPRISES**, represented herein by its Authorized Representative, **CECILE D. CRUZAT**, with office address at 27 Kalantiaw St., Brgy. Masagana, Project 4, Quezon City, Metro Manila, Philippines (hereinafter referred to as “**TORRENO JV CANEO, KRZNAD AND MYRNA**”).

**DEPED** and **TORRENO JV CANEO, KRZNAD AND MYRNA** are collectively called “**PARTIES**.”

*WHEREAS*, **DEPED** invited bids for the development, printing and delivery of Self-Learning Modules Quarter 3 consisting of sixty (60) Line Items and received bids from twenty-four (24) bidders; **DEPED** opened, read, and evaluated the bids of the twenty-four (24) bidders and declared **TORRENO JV CANEO, KRZNAD AND MYRNA** as having the lowest calculated bid for Line Item No. 14; after evaluation, **DEPED** post-qualified and declared the bid of **TORRENO JV CANEO, KRZNAD AND MYRNA** as the lowest calculated responsive bid for Line Item No. 14 in the sum of **PHILIPPINE PESOS FIFTY-THREE MILLION, THIRTY THOUSAND, FIVE HUNDRED NINETY and 70/100 (PhP 53,030,590.70) ONLY**, (hereinafter called the “**Contract Price**”) detailed as follows:

Line Item No.	Item Description	Quantity	Amount (PhP)
14	Science Q3 Grade 10	580,788	53,030,590.70

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

*MARIA VERONICA T. VAQUILAR*  
 TORRENO JV CANEO,  
 KRZNAD AND MYRNA'S WITNESS

*CECILE D. CRUZAT*  
 TORRENO JV CANEO,  
 KRZNAD AND MYRNA


*ARIZ DELSON ACAY D. CAWILAN*  
 Attorney IV  
 Officer-In-Charge, Office of the Director IV  
 DepEd Division Office - Pasig  
 Bureau of Learning Resources

*DIOSDADO M. SAN ANTONIO*  
 Department of Education

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 Specifications;
    - c. General and Special Conditions of the Contract;
    - d. Bid Bulletin No. 1 dated 15 March 2021; and
    - e. Bid Bulletin No. 2 dated 16 March 2021.
  - ii. **TORRENO JV CANEO, KRZNAD AND MYRNA'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 **TORRENO JV CANEO, KRZNAD AND MYRNA's** conforme thereto; and
  - v. Other contract documents required by existing laws and/or **DEPED** in the PBD. **TORRENO JV CANEO, KRZNAD AND MYRNA** 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 contract shall be performed in accordance with the delivery schedules indicated in the Notice to Proceed (NTP), or in any subsequent instruction duly issued by **DEPED**.
4. **TORRENO JV CANEO, KRZNAD AND MYRNA** 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 **TORRENO JV CANEO, KRZNAD AND MYRNA** is in default of any of its obligation under this contract. **TORRENO JV CANEO, KRZNAD AND MYRNA** shall be responsible for the extension of its performance security and/or undertake to renew its performance security whenever necessary, and without need of prior notice or instruction from the **DEPED**, to ensure that it is in force

  
**MARIA VERONICA T. AQUILINO**  
 TORRENO JV CANEO,  
 KRZNAD AND MYRNA's WITNESS

  
**CECHE D. CRUZAT**  
 TORRENO JV CANEO,  
 KRZNAD AND MYRNA

  
**ARIZ DELSON ACAY D. CAWILAN**  
 Attorney IV  
 DIOSDADO M. SAN ANTONIO, Officer-in-Charge, Office of the Director IV  
 Bureau of Learning Resources  
 Department of Education

and effect for the whole duration of the contract 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 VI. Schedule of Requirements of the bidding documents and the following final technical specifications:

Description	Specification
<b>Module Size</b>	8.25" x 10.75"
<b>Paper Requirements</b>	<ul style="list-style-type: none"> <li>Cover- Foldcote cal. 10 or better Solid white</li> <li>Inside Pages-Uncoated textpaper, 60 gsm or better, Brightness: 80%, Opacity: 90%</li> </ul>
<b>Colors</b>	<ul style="list-style-type: none"> <li>Cover - 4 / 1 with Overprint Varnish or better</li> <li>Inside Pages - 1 Color</li> </ul>
<b>Binding</b>	Saddle Stitched or better
<b>Packaging</b>	<ul style="list-style-type: none"> <li>Type of Material-Polyethylene Plastics</li> <li>Size- 30" x 33"</li> <li>Thickness/Gauge - .002"</li> <li>Capacity - 80 to 100 copies per Polyethylene</li> <li>Plastic Strap Plastic Twine or better</li> <li>Packaging Tape - Size: 50.8mm or 2" or better Color: Transparent or brown</li> <li>Proposed Packaging Details               <ol style="list-style-type: none"> <li>The SLMs together with the label containing the delivery details shall be compactly arranged and compressed inside the Polyethylene Plastic.</li> <li>Delivery details shall be printed in clean white paper.</li> <li>For loose sets, SLMs shall be wrapped in plastic or brown kraft paper. Package must be secured by packaging tape or better.</li> </ol> </li> </ul> <p>NOTE: The suppliers may use their own corrugated box with their company's name/logo etc. on their own account without any additional cost to the government provided that these are unused boxes. Delivery details however should be firmly placed outside the box.</p>

Any proposal to deliver items of equivalent, higher or superior technical specifications, in lieu of the abovestated, shall be discretionary to **DEPED** and is subject to the evaluation and recommendation of the end-user or


MARIA VERONICA T. VAQUINAK  
 TORRENO IV CANEO,  
 KRZNAD AND MYRNA'S WITNESS  
  
 CECHIE D. KRUZAT  
 TORRENO IV CANEO,  
 KRZNAD AND MYRNA  
  
 ARIZ DELSON ACAY D. CAWILAN  
 Attorney IV  
 Officer-in-Charge of the Director IV  
 Bureau of Learning Resources  
  
 DIOSDADO M. SAN ANTONIO  
 Department of Education

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 **TORRENO JV CANEO, KRZNAD AND MYRNA** in accordance with the warranty provisions in the bidding documents. **DEPED** shall have the option to inspect **TORRENO JV CANEO, KRZNAD AND MYRNA's** premises covered by the Contract, at any time or stage of contract implementation, to monitor and assess **TORRENO JV CANEO, KRZNAD AND MYRNA's** capacity to discharge its contractual obligations.
7. The procured goods or items contemplated under this Contract shall be inspected by **DEPED** Inspectorate Team duly constituted for this Project prior to delivery to the project sites 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. **TORRENO JV CANEO, KRZNAD AND MYRNA** shall deliver the goods in accordance with the Delivery Schedule to the various project sites as indicated in the Distribution List. Goods delivered to sites other than those indicated in the Distribution List without **DEPED's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents and reports submitted and validated by the authorized receiving personnel may be a cause for the termination of the Contract.
9. In case **TORRENO JV CANEO, KRZNAD AND MYRNA** encounters condition(s) impeding timely delivery of the goods, **TORRENO JV CANEO, KRZNAD AND MYRNA** shall promptly notify **DEPED** in writing of such condition(s). As a rule and on account of the emergency nature of this project, no work suspensions and/or contract delivery period extension shall be allowed.
10. The Contract Price shall be paid to **TORRENO JV CANEO, KRZNAD AND MYRNA** in accordance with the following disbursement procedures:
  - 10.1. An advance payment not to exceed fifteen percent (15%) of the Contract Price 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.

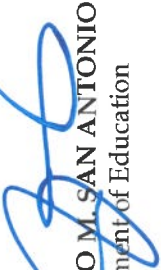
  
**MARIA VERÓNICA T. JAGWULAR**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA's WITNESS

  
**CECILE D. CRUZAT**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

  
**ARIZ DELSON ACAY D. CAVILAN**  
Attorney IV  
Officer-In-Charge/Office of the Director IV  
Bureau of Learning Resources

  
**DIOSDADO M. SAN ANTONIO**  
Department of Education



  
**DIOSDADO M. SAN ANTONIO**  
Department of Education

**ARIZ DELSON ACAY D. CAWILAN**  
Attorney IV  
Officer-In-Charge, Office of the Director IV  
Public Affairs and  
Bureau of Learning Resources

  
**CECILE D. CRUZ**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

  
**MARIA VERONICA I. VASQUEZ**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA's WITNESS


- 10.2. **TORRENO JV CANEO, KRZNAD AND MYRNA** may submit a request for payment based on 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 (IARs), including certification by **TORRENO JV CANEO, KRZNAD AND MYRNA**, duly signed and dated by the authorized representative of the **DEPED** indicating that the items have been delivered 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 **TORRENO JV CANEO, KRZNAD AND MYRNA** 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:
- 10.3.1. For the initial progress payment, a minimum of twenty-five percent (25%) of the Contract Price of the line item shall be paid to **TORRENO JV CANEO, KRZNAD AND MYRNA** upon a minimum of twenty-five percent (25%) delivery and acceptance of the items by **DEPED's** authorized representative;
- 10.3.2. 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.
11. 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 one percent (1%) of the Contract Price required under Section 62 of R.A. 9184 and its revised IRR.
12. **TORRENO JV CANEO, KRZNAD AND MYRNA** shall be liable for liquidated damages for the delay in its performance 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 **DEPED**. **DEPED** shall deduct the liquidated


damages from any money due or which may become due to **TORRENO JV CANEO, KRZNAD AND MYRNA**, or collect from any of the securities or warranties posted by **TORRENO JV CANEO, KRZNAD AND MYRNA**, 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. Subcontracting of any portion of the Project, which must not be more than twenty percent (20%) of the contracted goods, shall not relieve **TORRENO JV CANEO, KRZNAD AND MYRNA** of any liability or obligation under this Contract. **TORRENO JV CANEO, KRZNAD AND MYRNA** shall be responsible for the acts, default or negligence of any subcontractor and its agents, servants or workmen as fully as if these were **TORRENO JV CANEO, KRZNAD AND MYRNA**'s own acts, default or negligence, or those of its agents, servants or workmen.
14. 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:

  
**DIOSDADO M. SAN ANTONIO**  
Undersecretary  
Department of Education

  
**CECILE D. CRUZAT**  
Authorized Representative  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

SIGNED IN THE PRESENCE OF:

  
Ariz D. Cawilan

  
MARIA VERONICA T. VADULAR

  
**ARIZ DELSON ACAY D. CAWILAN**  
Attorney IV  
Officer-in-Charge, Office of the Director IV  
Bureau of Learning Resources  
Department of Education

  
**MARIA VERONICA T. VADULAR**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA'S WITNESS

  
**CECILE D. CRUZAT**  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

  
DEPED's Witness

TORRENO JV CANEO,  
KRZNAD AND MYRNA's Witness

CERTIFIED FUNDS AVAILABLE: ₱ 53,030,590.70

  
**MA. RHUNNA L. CATALAN**  
Chief Accountant  
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 MAY 10 2021 2021 personally appeared:

**NAME**

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

**DIOSDADO M. SAN ANTONIO**  
Undersecretary  
Department of Education

**CECILE D. CRUZAT**  
Authorized Representative  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

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 eight (8) 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.

MAMA YEUBNYCA T. VAQUILAN  
TORRENO JV CANEO,  
KRZNAD AND MYRNA'S WITNESS

CECILE D. CRUZAT  
TORRENO JV CANEO,  
KRZNAD AND MYRNA

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**CECILE D. CRUZAT**  
TORRENO IV CANEO,  
KRZNAD AND MYRNA

**MARA VERONICA T. XADUILLANA**  
TORRENO IV CANEO,  
KRZNAD AND MYRNA's WITNESS

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

Doc. No. 76 ;  
Page No. 16 ;  
Book No. VII ;  
Series of 2021.

NOTARY PUBLIC  
**ATTY PABLO B. AJESTA**  
NOTARY PUBLIC  
VALID UNTIL DECEMBER 31, 2021  
TIN NO. : 149-830-057  
PTR NO. : 0694766 / Jan. 4, 2021 Quezon City  
IBP ROLL NO. : 34661 / IBP NO. : 141228 / Jan. 4, 2020  
MCLE COMPLIANCE NO. : VI - 00001374  
Adm. MATTER NO. NP - 196 ( 2020 - 2021 )  
ADD. : 2A 3<sup>RD</sup> AVENUE BLNG CRAME, QUEZON CITY