



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-003-037

CONTRACT AGREEMENT

THIS AGREEMENT made and entered into this 10 day of May 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 **NEW CENTURY BOOKS & GENERAL MERCHANDISE IN JOINT VENTURE WITH FORGEMS MARKETING COMPANY, INC.** represented herein by its Authorized Representative, **JONNALYN NAVA-CABASAL**, with office address at Rm. 400, Topaz Building, #101 Kamias Road, Quezon City, Metro Manila, Philippines (hereinafter referred to as "NEW CENTURY JV FORGEMS").

DEPED and NEW CENTURY JV FORGEMS 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 **NEW CENTURY JV FORGEMS** as having the lowest calculated bid for Line Item No. 48; after evaluation, DEPED post-qualified and declared the bid of **NEW CENTURY JV FORGEMS** as the lowest calculated responsive bid for Line Item No. 48 in the sum of **PHILIPPINE PESOS TWENTY-TWO MILLION, FIVE HUNDRED TWENTY-THREE THOUSAND, NINE HUNDRED THIRTY-FOUR and 33/100 (PhP 22,523,934.33) ONLY**, (hereinafter called the "Contract Price") detailed as follows:

Line Item No.	Item Description	Quantity	Amount (PhP)
48	Arts Q3 Grade 8	636,809	22,523,934.33

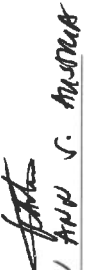
NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:


Handwritten signature
 LAMEN TRUJ S. ALFONSO
 NEW CENTURY JV FORGEMS WITNESS


Handwritten signature
 JONNALYN NAVA-CABASAL
 NEW CENTURY JV FORGEMS
 Donn Maribao Valenzona

Handwritten signature
 ARIZ DELSON ACAY D. CAWILAN
 Attorney IV
 Office-in-Charge, Office of the Director IV
 DEPED's Witness, Bureau of Learning Resources

Handwritten signature
 DIOSDADO M. SAN ANTONIO
 Department of Education


KAREN ANN S. MASURA
NEW CENTURY JV FORGEMS' WITNESS


JONNALYN NAVA-CABASAL
NEW CENTURY JV FORGEMS
Rosa Marlou Valencia


ARIZ DELSON ACAY D. CAWILAN
Attorney IV
Office-In-Charge, Office of the Director IV
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. **NEW CENTURY JV FORGEMS'** 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 **NEW CENTURY JV FORGEMS'** conforme thereto; and
 - v. Other contract documents required by existing laws and/or **DEPED** in the PBD. **NEW CENTURY JV FORGEMS** 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. **NEW CENTURY JV FORGEMS** 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 **NEW CENTURY JV FORGEMS** is in default of any of its obligation under this contract. **NEW CENTURY JV FORGEMS** 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 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
Module Size	8.25" x 10.75"
Paper Requirements	<ul style="list-style-type: none"> Cover- Foldcote cal. 10 or better Solid white Inside Pages-Uncoated textpaper, 60 gsm or better, Brightness: 80%, Opacity: 90%
Colors	<ul style="list-style-type: none"> Cover - 4 / 1 with Overprint Varnish or better Inside Pages - 1 Color
Binding	Saddle Stitched or better
Packaging	<ul style="list-style-type: none"> Type of Material-Polyethylene Plastics Size- 30" x 33" Thickness/Gauge - .002" Capacity - 80 to 100 copies per Polyethylene Plastic Strap Plastic Twine or better Packaging Tape - Size: 50.8mm or 2" or better Color: Transparent or brown Proposed Packaging Details <ol style="list-style-type: none"> The SLMs together with the label containing the delivery details shall be compactly arranged and compressed inside the Polyethylene Plastic. Delivery details shall be printed in clean white paper. For loose sets, SLMs shall be wrapped in plastic or brown kraft paper. Package must be secured by packaging tape or better. <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>

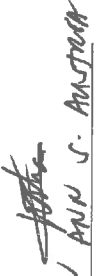
Any proposal to deliver items of equivalent, higher or superior technical specifications, in lieu of the abovestated, shall be discretionary to **DEPED** and is subject to the evaluation and recommendation of the end-user or implementing units and the approval of the herein authorized representative and signatory.


[Signature]
 JAKEN ANH J. MURTAHA
 NEW CENTURY JV FORGEMS' WITNESS


[Signature]
 JONNALYN NAVA-CABASAL
 NEW CENTURY JV FORGEMS
 Rom Marked Valenzona

[Signature]
 ARIZ DELSON ACAY D. CAWILAN
 Attorney IV
 Officer-In-Charge, Office of the Director IV
 DEPED's Learning Resources
 Bureau of Learning Resources

[Signature]
 DIOSDADO M. SAN ANTONIO
 Department of Education


KAREN ANN S. ANGSTROM
NEW CENTURY JV FORGEMS' WITNESS


JONNALYN NAVA-CABASAL
NEW CENTURY JV FORGEMS
Donna Maribel Valenzona


ARIZ DELSON ACAY D. CAWILAN
Attorney IV
Officer-in-Charge, Office of the Director IV
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6. Goods with defects or non-compliant with the required specifications shall be rejected by **DEPED** and replaced by **NEW CENTURY JV FORGEMS** in accordance with the warranty provisions in the bidding documents. **DEPED** shall have the option to inspect **NEW CENTURY JV FORGEMS'** premises covered by the Contract, at any time or stage of contract implementation, to monitor and assess **NEW CENTURY JV FORGEMS'** 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. **NEW CENTURY JV FORGEMS** 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.

In case **NEW CENTURY JV FORGEMS** encounters condition(s) impeding timely delivery of the goods, **NEW CENTURY JV FORGEMS** 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 **NEW CENTURY JV FORGEMS** 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.

10.2. **NEW CENTURY JV FORGEMS** 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 **NEW CENTURY JV FORGEMS**, duly signed and dated by the


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


DIOSDADO M. SAN ANTONIO
Department of Education


JONNALYN NAVA-CABASAL
NEW CENTURY JV FORGEMS

Ronny Marlow Valenzona


LAREN ANN S. AMSTUTZ
NEW CENTURY JV FORGEMS WITNESS

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 **NEW CENTURY JV FORGEMS** 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 **NEW CENTURY JV FORGEMS** 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.

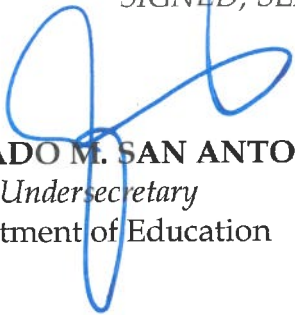
11. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to at least one percent (1%) of every progress payment or a Special Bank Guarantee in the amount equal to at least one percent (1%) of the Contract Price required under Section 62 of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


12. **NEW CENTURY JV FORGEMS** 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 **NEW CENTURY JV FORGEMS**, or collect from any of the securities or warranties posted by **NEW CENTURY JV FORGEMS**, 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 **NEW CENTURY JV FORGEMS** of any liability or obligation under this Contract. **NEW CENTURY JV FORGEMS** shall be responsible for the acts, default or negligence of any subcontractor and its agents, servants or workmen as fully as if these were **NEW CENTURY JV FORGEMS'** 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


JONNALYN NAVA-CABASAL
 Authorized Representative
 NEW CENTURY JV FORGEMS

SIGNED IN THE PRESENCE OF:


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


KAREN ANN S. AMORIA
 NEW CENTURY JV FORGEMS' Witness

CERTIFIED FUNDS AVAILABLE: ₱22,529,924.00


MA. RHUNNAL CATALAN
 Chief Accountant

ARIZ DELSON ACAY D. CAWILAN
 Attorney IV
 Officer-in-Charge, Office of the Director IV
 Bureau of Learning Resources
 DIOSDADO M. SAN ANTONIO
 Department of Education
 JONNALYN NAVA-CABASAL
 NEW CENTURY JV FORGEMS
 Karen Ann S. Amoria
 NEW CENTURY JV FORGEMS' WITNESS
 Ronny Maribon Valenzona

REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for QUEZON CITY,
Philippines, this 10 day of May 2021 personally appeared:

NAME

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

DIOSDADO M. SAN ANTONIO
Undersecretary
Department of Education

JONNALYN NAVA-CABASAL
Authorized Representative
NEW CENTURY JV FORGEMS

UMID CRN: 033-4136124-3 / 555

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. 28;
Page No. 26;
Book No. 14;
Series of 2021.

ATTY. ELISEO S. CALMA JR.
NOTARY PUBLIC
Until December 31, 2021
NOTARY PUBLIC
PTR No. 0694702-D, Jan. 4, 2021
IBP No. 041058, Jan. 4, 2021
Adm Matter No. NP-067
Roll No. 50183
MCLE Comp No. VI-0012617 Until April 14, 2022

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

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