



TERMS AND CONDITIONS

1. Supplier shall be responsible for the source(s) of its supplies/materials/equipment; and shall make deliveries in accordance with schedule, quality and specifications of the award or purchase order (PO). Failure by the Supplier to comply with the same shall be ground for cancellation of the award or purchase order issued to the Supplier and for awarding the item(s) to the next lowest responsive bidder at Procuring Entity's option.
2. Supplier shall pick up purchase order(s) issued in its favor within three (3) days after receipt of notice to that effect. A fax transmission or electronic mail shall constitute an official notice to the Supplier. Thereafter, if the purchase order remains unclaimed, the said purchase order shall be cancelled. To avoid delay in the delivery of the requesting agency's requirement, all defaulting Suppliers shall be precluded from delivering substitute items.
3. Subject to the provisions of the preceding paragraph, where Supplier has accepted a purchase order but fails to deliver the required goods within the time called for in the purchase order, Supplier shall be charged liquidated damages (LD). The amount of LD, deductible from payments due to Supplier, shall be one tenth of one percent (0.1%) of the cost of the undelivered goods in the PO for every day of delay. Once the cumulative amount of LD reached 10% of the amount of PO, the Procuring Entity shall rescind the PO without prejudice to other courses of actions open to the Procuring Entity under RA 9184 and its IRR, and other laws.
4. All deliveries of the Supplier shall be subject to inspection and acceptance by the Procuring Entity. All necessary tests undertaken or caused to be undertaken by the Procuring Entity on the goods shall be for the account of the supplier. For the purpose of this condition, DepEd shall constitute an Inspectorate Team to conduct pre-delivery inspection of the Goods at the Supplier's warehouse or production site and inspection upon delivery at the Project site.
5. Rejected deliveries shall be construed as non-delivery of goods so ordered and shall be subject to liquidated damages and rescindment of the PO prescribed in paragraph 3 hereof.
6. Supplier shall guarantee its deliveries to be free from defects. Any defective item or goods that may be discovered by the Procuring Entity within the warranty period after acceptance of the same shall be replaced by the supplier with seven (7) calendar days upon receipt of a written notice to that effect free of cost to the Procuring Entity. Supplier hereby commits a 3-month warranty on the goods in this PO.
7. All duties, excise and other taxes and revenue charges, if any, shall be for the supplier's account.
8. As a pre-condition to payment, IMPORTATION DOCUMENTS specifically showing the condition and serial numbers of the imported equipment purchased should be submitted by the supplier to the Procuring Entity.
9. All payments are subject to withholding of creditable Value Added Tax (VAT) per Revenue Regulation No. 10-93.
10. Supplier may submit a request for payment based on Progress Reports which shall be attached to the progress billing and shall include (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) duly signed by the authorized representative of the DepEd indicating that the items have been delivered accordance with the Contract.  
  
(Note: Supplier must furnish copy of the above-mentioned documents to DepEd Accounting, End-user, and Contract Management Division of the Procurement Management Service, Central Office).  
  
Initial progress payment of a minimum of twenty-five percent (25%) of the Contract Price shall be paid to Supplier upon a minimum of twenty-five percent (25%) delivery of items and acceptance of goods by DepEd's authorized representative.  
  
Final payment shall constitute release of the retention money in case of expiry of the warranty period, or in case of use in part of the retention money by reason of a call upon the warranty, the final payment shall constitute release of the balance amount.  
  
Advance Payment  
  
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 upon submission of an irrevocable Letter of Credit or Bank Guarantee issued by a Universal or Commercial Bank.
11. Supplier shall deliver the goods/items to the Procuring Entity at the Asset Management Division, Alonzo Bldg., DepEd Complex, Meralco Ave., Pasig City.

Conforme:

Signature over printed name of Supplier

Date

*[Handwritten Signature]*  
GERMA T. PENTIA  
*[Handwritten Signature]*  
17-06-21