



PROJECT: Procurement for the Design and Construction of Kindergarten, Elementary and Secondary School Buildings and Technical Vocational Laboratories for the Last Mile Schools CY 2021

CONTRACT NO.: 2021-AdmS4(006)-BI-CB-013a-__

CONTRACT AGREEMENT

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 _____, _____ as per Department Order No. 023, s. 2021 (hereinafter referred to as "**DepEd**"); and _____, represented herein by its Authorized Representative, _____, with office address at _____, _____, Philippines (hereinafter referred to as "**_____**").

DepEd and _____ are collectively called "**PARTIES**."

WHEREAS, **DepEd**, is desirous that _____ execute the Design and Construction of Kindergarten, Elementary and Secondary School Buildings and Technical Vocational Laboratories for the Last Mile Schools CY 2021 (hereinafter called "**the Works**") and **DepEd** has accepted the bid of _____ for Lot __ in the sum of **PHILIPPINE PESOS** _____ (**PhP** _____) **ONLY**, (hereinafter called the "**Contract Price**") for the execution and completion of such Works and the remedying of any defects therein.

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 attached, deemed to form, and be read and construed as integral part of this Agreement, to wit:
 - i. Philippine Bidding Documents (PBD);
 - a. Drawings/Plans;

- b. Specifications;
 - c. Bill of Quantities;
 - d. General and Special Conditions of the Contract; and
 - e. Bid Bulletin No. ___ dated _____.
- ii. _____'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 _____'s conforme thereto; and
 - v. Other contract documents required by existing laws and/or DepEd in the PBD. _____ 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. _____ 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 _____ is in default of any of its obligation under this contract. The performance security shall be in force and effect until the issuance by **DepEd** of a Certificate of Final Acceptance.
4. _____ shall execute the Works contemplated in this Contract within the following periods upon receipt of the Notice to Proceed in connection to the Completion of the Design and Construction Works:
- i. Pre-Detailed Engineering Design - 14 days from NTP;
 - ii. Detailed Design - 30 days from approval of Design Development Drawing; and
 - iii. Construction - 90 days from the issuance of Notice to commence work but in any case, completion should not be later than May 31, 2022.
5. The Works, including all materials and equipment used, under this Contract should conform to and comply with the standards mentioned in Section VI. Technical Specifications and Section VII. Drawings of the Bidding Documents.
6. In case _____ encounters condition(s) delaying completion of Works, _____ shall promptly notify **DepEd** in writing of such condition(s) and any request for work suspension and/or

contract completion period extension shall be promptly done in writing as soon as circumstances for such requests have become apparent. _____ must provide sufficient proof to support any request for work suspension and/or contract completion period extension.

7. The **Contract Price** shall be paid to _____ in accordance with the following disbursement, accounting and auditing procedures:
 - 7.1. An advance payment not exceeding fifteen percent (15%) of the Contract Price, to be made in lump sum or, at the most, two (2) installments, shall be paid upon _____'s written request, and only upon the submission to and acceptance by **DepEd** of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by **DepEd**.
 - 7.2. _____ may submit a request for progress payment for every completed school building package (turn-key). At least ten percent (10%) of the number of recipient schools must be turned-over to DepEd to be eligible for every progress payment. Every progress payment shall be subjected to a ten percent (10%) retention money to be released after the issuance of the Certificate of Final Acceptance.
 - 7.3. Progress payment shall be adjusted by deducting the amount in the recoupment of the advance payment contemplated in Clause 7.1 above and an additional retention money amounting to 10% of the progress billing.
8. _____ 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 unperformed portion for every day of delay. **DepEd** shall deduct the liquidated damages from any money due or which may become due to _____, or collect from any of the securities or warranties posted by _____, whichever is convenient to **DepEd**. Payment of liquidated damages shall not affect _____'s liabilities. 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.
9. In case _____ fails to undertake the repair works required under Section 62.2.2 of the Revised IRR of RA No. 9184, **DepEd** shall forfeit its performance security, subject its property(ies) to attachment or

garnishment proceedings, and may perpetually disqualify it from participating in any public bidding.

9.1 The Warranty Against Structural Defects/Failures, except that occasioned on force majeure, shall be fifteen (15) years from the date of issuance of the Certificate of Final Acceptance by **DepEd**.

10. Subcontracting of any portion of the Works to not more than fifty percent (50%) does not relieve _____ of any liability or obligation under the Contract. _____ will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants, or workmen as fully as if these were the Contractor’s own acts, defaults, or negligence, or those of its agents, servants, or workmen.

11. 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:

Department of Education

SIGNED IN THE PRESENCE OF:

DepEd’s Witness

_____’s Witness

CERTIFIED FUNDS AVAILABLE:

Chief Accountant

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

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for _____,
Philippines, this ____ day of _____ 2021 personally appeared:

NAME

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

Department of Education

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. _____;
Page No. _____;
Book No. _____;
Series of 2021.

NOTARY PUBLIC