



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

CONTRACT NO.: 2021-AdmS4(006)-BI-CB-013a-C204

CONTRACT AGREEMENT

THIS AGREEMENT made and entered into this 24 JAN 2022 day of 20__ by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Secretary, **LEONOR MAGTOLIS BRIONES**, as per Department Order No. 023, s. 2021 (hereinafter referred to as "**DepEd**"); and **D.L. CERVANTES CONSTRUCTION COPORATION IN JOINT VENTURE WITH 818 DRAGON CONSTRUCTION**, represented herein by its Authorized Representative, **JOHANNA B. ANGELES**, with office address at Gen. Malvar St., Brgy. Tubigan, Biñan City, Laguna, Philippines (hereinafter referred to as "**D.L. CERVANTES JV 818 DRAGON**").

DepEd and **D.L. CERVANTES JV 818 DRAGON** are collectively called "**PARTIES.**"

WHEREAS, DepEd, is desirous that **D.L. CERVANTES JV 818 DRAGON** execute the design and construction of Kindergarten, Elementary and Secondary School Buildings and Technical Vocational Laboratories for Last Mile Schools CY 2021 (hereinafter called "**the Works**"), and DepEd has accepted the bid of **D.L. CERVANTES JV 818 DRAGON** for Lot 3 in the sum of **PHILIPPINE PESOS FIVE HUNDRED FORTY-FIVE MILLION, FOUR THOUSAND, FIVE HUNDRED TWELVE AND 56/100 (PhP 545,004,512.56) 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:

[Signature]
D.L. Cervantes JV 818 Dragon's Witness

[Signature]
JOHANNA B. ANGELES
D.L. Cervantes JV 818 Dragon

[Signature]
DepEd's Witness
MRS. ANABELLE R. FANGAN
Chief, DepEd

[Signature]
LEONOR MAGTOLIS BRIONES
Department of Education


D.L. Cervantes JV 818 Dragon's Witness

- 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 Nos. 1 and 2 dated 14 September 2021 and 7 October 2021, respectively.


JOHANNA B. ANGELES
D.L. Cervantes JV 818 Dragon

- ii. **D.L. CERVANTES JV 818 DRAGON'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 **D.L. CERVANTES JV 818 DRAGON'S** conforme thereto; and
- v. Other contract documents required by existing laws and/or DepEd in the PBD. **D.L. CERVANTES JV 818 DRAGON** 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.


DepEd Office

3. **D.L. CERVANTES JV 818 DRAGON** 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 **D.L. CERVANTES JV 818 DRAGON** 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.


LEONOR MAGTOLIS BRIONES
Department of Education

4. **D.L. CERVANTES JV 818 DRAGON** shall execute the Works contemplated in this Contract within **one hundred fifty (150) calendar days** from the date of receipt of the Notice to Proceed (NTP), and in accordance with the following periods in connection to the Completion of the Design and Construction of Works:

- i. Pre-Detailed Engineering Design -14 calendar days from receipt of the Notice to Proceed;
- ii. Detailed Design - 30 calendar days from approval of the Design Development Drawing; and
- iii. Construction - 90 calendar days from the issuance of the notice to commence work, but in any case, completion should not be later than May 31, 2022.


LEONOR MAGTOLIS BRIONES
Department of Education


Department of Education


DEPED's Witness
ZIGOR ANNABELLE PANGAN
Chief, DepEd-EFD

DEPED's Witness
ZIGOR ANNABELLE PANGAN
Chief, DepEd-EFD


JOHANNA B. ANGELES
D.L. Cervantes JV 818 Dragon

D.L. Cervantes JV 818 Dragon


D.L. Cervantes JV 818 Dragon's Witness

D.L. Cervantes JV 818 Dragon's Witness

5. The Works, including all materials and equipment used, under this Contract should conform to and comply with the standards mentioned in Section V. Special Conditions of the Contract and Section VI. Technical Specifications of the Bidding Documents.
6. In case **D.L. CERVANTES JV 818 DRAGON** encounters condition(s) delaying completion of Works, **D.L. CERVANTES JV 818 DRAGON** 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. **D.L. CERVANTES JV 818 DRAGON** 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 **D.L. CERVANTES JV 818 DRAGON** 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 **D.L. CERVANTES JV 818 DRAGON'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. **D.L. CERVANTES JV 818 DRAGON** 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 school 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. **D.L. CERVANTES JV 818 DRAGON** may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to Government, provided that the project is on schedule and is satisfactorily undertaken.

D.L. Cervantes JV 818 Dragon's Witness

7.3 Progress payment shall be adjusted by deducting the amount in the recoupment of the advance payment contemplated in Clause 7.1 above to as much as amounting to 15% and an additional retention money amounting to 10% of the progress billing.

8. **D.L. CERVANTES JV 818 DRAGON** 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 **D.L. CERVANTES JV 818 DRAGON**, or collect from any of the securities or warranties posted by **D.L. CERVANTES JV 818 DRAGON**, whichever is convenient to **DepEd**. Payment of liquidated damages shall not affect **D.L. CERVANTES JV 818 DRAGON'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.

D.L. Cervantes JV 818 Dragon

JOHANNA B. ANGELES

9. In case **D.L. CERVANTES JV 818 DRAGON** 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 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**.

ENGR. A. MARCELO W. PARSAN

Chief, DepEd-EDD

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.

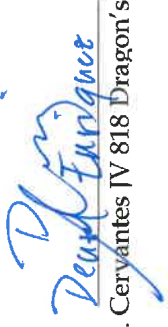
LEONOR MAGTOLIS BRIONES

Department of Education


LEONOR MAGTOLIS BRIONES
Department of Education



JOHANNA B. ANGELES
D.L. Cervantes JV 818 Dragon


ENGR. ANNABELLE P. PANGAN
Chief, DepED-EFD


D.L. Cervantes JV 818 Dragon's Witness

SIGNED, SEALED AND DELIVERED BY:


LEONOR MAGTOLIS BRIONES
Secretary
Department of Education


JOHANNA B. ANGELES
Authorized Representative
D.L. CERVANTES JV 818 DRAGON

SIGNED IN THE PRESENCE OF:


ENGR. ANNABELLE P. PANGAN
DepEd's Witness


D.L. CERVANTES JV 818
DRAGON's Witness

CERTIFIED FUNDS AVAILABLE: ₱245,004,572.56


MA. RHUNNA L. CATALAN
Chief Accountant

[Signature]
D.L. Cervantes JV 818 Dragon's Witness

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

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for _____
Philippines, this ____ day of 24 JAN 2022 20__ personally appeared:

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

LEONOR MAGTOLIS BRIONES
Department of Education

JOHANNA B. ANGELES
D.L. CERVANTES JV 818 DRAGON

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. 256 ;
Page No. 52 ;
Book No. XX ;
Series of 2022 .

[Signature]
ATTY. ELISEO S. CALMA, JR.
NOTARY PUBLIC
UNIT REGISTRATION NO. 2022
PTR No. 2454358-D-1/3/2022
IHP No. 141058-1/4/2021
ADM. REGISTER NO. NP-067
RAT No. 50883
MGLI Compliance No. VI 0812817
Ext. as Commissioned Under B.M. 3795
20 Kamagong St., Sampalod
Village East Fairview, Q.C.

[Signature]
LEONOR MAGTOLIS BRIONES
Department of Education