



**PROJECT:** Procurement of Network Connectivity Solution to Department of Education

**CONTRACT NO.:** 2021c-ICTS3(006)-BI-CB-027-0205

**CONTRACT AGREEMENT**

*THIS CONTRACT* made and entered into this 29 day of December 2021 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 the **JOINT VENTURE OF COMCLARK NETWORK AND TECHNOLOGY CORP., CONVERGE INFORMATION AND COMMUNICATIONS TECHNOLOGY SOLUTIONS INC. AND WE ARE IT PHILIPPINES, INC.**, represented herein by their Authorized Representative, **CECIL S. GARCIA**, with office address at Manuel Roxas Ave., Clark Special Economic Zone, Clarkfield, Angeles City, Pampanga, Philippines, (hereinafter referred to as "THE JOINT VENTURE").

**DEPED** and **THE JOINT VENTURE** are collectively called "PARTIES."

*WHEREAS*, **DEPED** invited bids for the procurement of network connectivity solution consisting of three (3) lots, and received bids from three (3) bidders; **DEPED** opened, read, and evaluated the bids of the three (3) bidders and declared **THE JOINT VENTURE** as the bidder having the single calculated bid for Lot 1; after evaluation, **DEPED** post-qualified and declared **THE JOINT VENTURE** as the single calculated responsive bid for Lot 1 in the sum of **PHILIPPINE PESOS FOUR HUNDRED EIGHTEEN MILLION, SEVENTEEN THOUSAND, NINE HUNDRED NINETY-NINE and 84/100 (PhP418,017,999.84) ONLY**, (hereinafter called the "Contract Price"), detailed as follows:

Lot No.	Region	Amount (in PhP)
1	Supply, Delivery, Installation, Configuration and Maintenance of 2,000 units Very Small Aperture Terminal (VSAT) for DepEd Remote Schools and 2,000 units Web Caching Proxy Appliance	418,017,999.84

*REGINE CLAYTON F. FELICIANO*  
 THE JOINT VENTURE's Witness

*CECIL S. GARCIA*  
 THE JOINT VENTURE

*ABRAM Y. C. ABANIL*  
 DEPED's Witness

*LEONOR MAGTOLIS BRIONES*  
 Department of Education



NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

  
REGINE CLARICE F. DELONGCO  
THE JOINT VENTURE'S Witness

  
CECILIO S. GARCIA  
THE JOINT VENTURE

  
ABRAM Y.C. ABANILLA  
DEPED'S Witness

  
LEONOR MAGTOLIS BRIONES  
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 Specification;
    - c. General and Special Conditions of the Contract; and
    - d. Bid Bulletin No. 1 dated October 27,, 2021.
  - ii. **THE JOINT VENTURE'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 **THE JOINT VENTURE'S** conforme thereto; and
  - v. Other contract documents required by existing laws and/or DepEd in the PBD. **THE JOINT VENTURE** 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 goods and services shall be delivered within **one hundred twenty (120) calendar days** from receipt of **THE JOINT VENTURE** of the Notice to Proceed or as may be indicated in the Notice to Proceed. Risk and title to the goods shall pass from **THE JOINT VENTURE** to **DEPED** upon receipt and final acceptance at the project sites.
4. **THE JOINT VENTURE** shall post a Performance Security within ten (10) calendar days from receipt of the Notice of Award in the form and amount prescribed in the Notice of Award. The performance security shall be posted in favor of **DEPED**, and shall be forfeited in the event it is established that **THE JOINT VENTURE** is in default of any of its obligation under the contract. The performance security shall be in force



and effect until issuance by **DEPED** of the Certificate of Final Acceptance. For this purpose, **THE JOINT VENTURE** undertakes to renew its performance security whenever necessary and without need of prior notice or instruction from **DEPED**, to ensure that it is in force and effect for the whole duration of the contract delivery period and until a Certificate of Final Acceptance is duly issued.

  
REGINE CLARISSA P. PAREDES  
THE JOINT VENTURE'S Witness

5. The goods supplied under this **Contract** should conform to the Technical Specifications of the approved samples that were submitted and evaluated during the post-qualification stage of the procurement. Any proposal to deliver items of equivalent, higher or superior technical specifications, in lieu of those of the approved bids or samples shall be discretionary to **DEPED** and is subject to the evaluation and recommendation of the end-user or implementing unit and the approval of the herein authorized representative and signatory.

  
CECILIA S. GARCIA  
THE JOINT VENTURE

6. Goods with defects or non-compliant with the required specifications shall be rejected by **DEPED** and replaced by **THE JOINT VENTURE**. **DEPED** shall have the option to inspect **THE JOINT VENTURE'S** premises covered by the contract, at any time or stage of contract implementation, to monitor and assess **THE JOINT VENTURE'S** capacity to discharge its contractual obligations.

  
ABRAHAM Y.C. ABANIL  
DEPED'S Witness

7. In case **THE JOINT VENTURE** encounters condition(s) impeding timely delivery of the goods, **THE JOINT VENTURE** 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.

8. The **Contract Price** shall be paid to **THE JOINT VENTURE** in accordance with the following disbursement procedures:

8.1. 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;

8.2. **THE JOINT VENTURE** may submit a request for payment based on the monthly 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 delivery and other relevant terms and conditions of the contract; (ii) Inspection and acceptance reports, including certification by

  
LEONOR MAGTOLIS BRIONES  
Department of Education



**THE JOINT VENTURE**, as approved by the duly authorized representative of **DEPED**, that the goods and services have been delivered. Other documents in support of a request for payment may be prescribed by **DEPED** pursuant to existing disbursement, accounting and auditing rules and procedures;

8.3. Subject to the recoupment of the advance payment contemplated in Clause 8.1 above, and retention contemplated in the immediately succeeding clause, progress payment shall be made to **THE JOINT VENTURE** as promptly as possible in accordance with the following schedule:

Milestone	% of Payment	Description	Documentary Requirements
1	10%	Conduct Engineering Preliminary Design Review and Submission of Inception Report	<ul style="list-style-type: none"> <li>• Request for payment;</li> <li>• Approved Engineering Design;</li> <li>• Approved Submission Report;</li> <li>• Billing/ Invoice;</li> <li>• Signed Delivery Receipts;</li> <li>• Signed Inspection and Acceptance Report (IAR)</li> </ul>
2	5%	Submission of Test Plan and Comprehensive Network Design for the full coverage of the recipient sites  Detailed designs/drawings/plans showing the Solution Diagram, signed and sealed by Professional Electronics Engineer (PECE) for the nature of detailed designs/plans being submitted.	<ul style="list-style-type: none"> <li>• Request for payment;</li> <li>• Billing/ Invoice;</li> <li>• Signed Delivery Receipts;</li> <li>• Signed Inspection and Acceptance Report (IAR);</li> <li>• Approved Test Plan and Comprehensive Design</li> </ul>
3	40%	Delivery of 2,000 units Very Small Aperture Terminal (VSaT) Hardware and 2,000 units	<ul style="list-style-type: none"> <li>• Request for payment;</li> <li>• Billing/ Invoice;</li> </ul>



*[Signature]*  
 REGINE CARLOS F. PULONAGA  
 THE JOINT VENTURE's Witness

*[Signature]*  
 CECILIA GARCIA  
 THE JOINT VENTURE

*[Signature]*  
 ABRAMY C. ABANIL  
 DEPED's Witness

*[Signature]*  
 LEONOR MAGTOLIS BRIONES  
 Department of Education

*[Signature]*  
 REGINA CLARITA FELONIA  
 THE JOINT VENTURE's Witness

*[Signature]*  
 CECIL S. GARCIA  
 THE JOINT VENTURE

*[Signature]*  
 ABEL Y. C. ABANIL  
 DEPED's Witness

*[Signature]*  
 LEONOR MAGTOLIS BRIONES  
 Department of Education

		Remote Data Cast Receiver/ Cache Server	<ul style="list-style-type: none"> <li>Signed Delivery Receipts (for 2000 units VSAT);</li> <li>Signed Delivery Receipts (for 2000 units Remote Data cast Receiver/ Cache Server);</li> <li>Signed Inspection and Acceptance Report (IAR)</li> <li>Signed Property Transfer Report (PTR)</li> </ul>
4	30%	<p>Implementation in the Schools (Central Elementary, Secondary and Last Mile) of broadband service with a minimum of one transponder inclusive of outbound and inbound pooled capacity.</p> <p>Submission of Commissioning and Test reports of every test accomplished for each cluster and obtaining Cluster Acceptance Certificate for the tested clusters</p>	<ul style="list-style-type: none"> <li>Request for payment;</li> <li>Billing/ Invoice;</li> <li>Signed Delivery Receipts;</li> <li>Signed Inspection and Acceptance Report (IAR);</li> <li>Approved Commissioning and Test report;</li> <li>Cluster Acceptance Certificate for the tested clusters</li> </ul>
5	10%	Conduct of Knowledge Transfer	<ul style="list-style-type: none"> <li>Request for payment;</li> <li>Billing/ Invoice;</li> <li>Signed Delivery Receipts;</li> <li>Signed Inspection and Acceptance Report (IAR);</li> <li>Signed Training Checklist.</li> <li>Certificate of Acceptance for the Conduct of</li> </ul>



  
 REGINE L. AIRE  
 THE JOINT VENTURE's Witness

  
 CECILIA GARCIA  
 THE JOINT VENTURE

  
 ARMANI Y.C. ABANIL  
 DEPED's Witness

  
 LEONOR MAGTOLIS BRIONES  
 Department of Education

			<ul style="list-style-type: none"> <li>• Training Service Level Agreement</li> <li>• Signed Attendance Sheets</li> <li>• Certificates of Attendance</li> <li>• Training Manual</li> </ul>
6	5%	Submission of Final Project Acceptance within 12 Months from the completion of Implementation. (Submission of Bank Guarantee)	<ul style="list-style-type: none"> <li>• Request for payment;</li> <li>• Billing/ Invoice;</li> <li>• Two (2) copies of Progress Report to include among other issues encountered and action taken to resolve the former (Template to be provided by ICTS-TID prior to scheduled delivery);</li> <li>• Two (2) copies of Final Report after completion of delivery;</li> <li>• Certificate of Project Completion</li> </ul>

8.3.i. 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.

9. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to at least five percent (5%) of every progress payment, or a Special Bank Guarantee in the amount equal to at least three percent (3%) of the Contract Price as required under Section 62 of R.A. 9184 and its revised IRR.
10. **THE JOINT VENTURE** 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 delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the **DEPED's** authorized representative. **DEPED** shall deduct the liquidated damages from any money due or which may become due to **THE JOINT VENTURE**, or collect from any of the securities or warranties posted by the **THE JOINT VENTURE**, 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.

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 Contract to be executed in accordance with governing laws on the day and year first above written.

*SIGNED, SEALED AND DELIVERED BY:*

  
**LEONOR MAGTOLIS BRIONES**  
Department of Education

  
**CECIL S. GARCIA**  
The Joint Venture

*SIGNED IN THE PRESENCE OF:*

  
**ABRAM Y.C. ABANIL**  
DepEd's Witness

  
**REGINE CLAIRE F. YELUNGLO**  
The Joint Venture's Witness

**CERTIFIED FUNDS AVAILABLE:** ₱48,017,999.84

  
**MA. RHUNNAL CATALAN**  
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:

**DEC 29 2021**

**NAME**

**GOVERNMENT ISSUED ID**

(Number, Issued On, Issued By)

**LEONOR MAGTOLIS BRIONES**

Department of Education

**CECIL S. GARCIA**

The Joint Venture

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.

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

Doc. No. 12  
Page No. 04  
Book No. 75  
Series of 2021.

**NOTARY PUBLIC**  
**SOENAVENTURA U. MENDOZA**  
NOTARY PUBLIC  
Until December 31, 2021  
PTR No. 8530373 Makati City-01/04/21  
IBP No. 131129 10-23-2020 Roll No. 31206  
MCLE Compliance No. II-0021653  
500-A Madrigal Bldg. Ayala Ave., Makati City  
Extended until December 31, 2021 per B.M No. 3795



REGINE CHAVEZ F. PABONCO  
THE JOINT VENTURE'S Witness

CECIL S. GARCIA  
THE JOINT VENTURE

ABRAM Y. C. ABANDON  
DEPED'S Witness

LEONOR MAGTOLIS BRIONES  
Department of Education