



REGINE C. VALES, F. FEJONG CO
 THE JOINT VENTURE'S Witness

CECIL S. GARCIA
 THE JOINT VENTURE

ABRAM Y. C. ABANIL
 DEPED'S Witness

LEONOR MAGTOLIS BRIONES
 Department of Education

PROJECT: Procurement of Network Connectivity Solution to Department of Education

CONTRACT NO.: 2021c-ICTS3(006)-BI-CB-027-C206

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. AND CONVERGE INFORMATION AND COMMUNICATIONS TECHNOLOGY SOLUTIONS 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 2; after evaluation, **DEPED** post-qualified and declared **THE JOINT VENTURE** as the single calculated responsive bid for Lot 2 in the sum of **PHILIPPINE PESOS SIXTY-EIGHT MILLION, EIGHT HUNDRED FIFTEEN THOUSAND, SIX HUNDRED TWENTY-TWO and 40/100 (PhP68,815,622.40) ONLY**, (hereinafter called the "Contract Price"), detailed as follows:

Lot No.	Region	Amount (in PhP)
2	Supply, Delivery, Installation, Configuration and Maintenance of Point-to-MultiPoint Fiber Connection for Region III	68,815,622.40



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 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


REGINE CLARIBEL F. FELONGCO
THE JOINT VENTURE'S Witness


CECILIO S. GARCIA
THE JOINT VENTURE


ABRAHAM Y.C. ABANIL
DEPED'S Witness


LEONOR MAGTOLIS BRIONES
Department of Education

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 CHARLES F. PELONGCO
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.


CECILY 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.


ABRAM 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%	Submission of Inception Report	<ul style="list-style-type: none"> Request for payment; Approved Submission Report; Billing/ Invoice; Signed Delivery Receipts; Signed Inspection and Acceptance Report (IAR)
2	5%	Submission of Test Plan and Comprehensive Network Design for the full coverage of the recipient sites, signed and sealed by appropriate professionals	<ul style="list-style-type: none"> Request for payment; Billing/ Invoice; Signed Delivery Receipts; Signed Inspection and Acceptance Report (IAR); Approved Test Plan and Comprehensive Design
3	70%	<ul style="list-style-type: none"> Delivery of Customer Premise Equipment to recipient schools Submission of Commissioning and Test reports of every test accomplished for 	<ul style="list-style-type: none"> Request for payment; Billing/ Invoice; Signed Delivery Receipts (for Customer


REGINE CLAIRE F. PEKONG
 THE JOINT VENTURE's Witness


CECILIO GARCIA
 THE JOINT VENTURE


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REGINE CLARICE F. EZLONGO
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 Department of Education

		<p>each Division cluster and obtaining Division Cluster Acceptance Certificate for the tested clusters.</p> <table border="1"> <thead> <tr> <th>Division Offices (DO)</th> <th>Number of Schools</th> </tr> </thead> <tbody> <tr> <td>1. Balanga City DO</td> <td>20</td> </tr> <tr> <td>2. Bataan DO</td> <td>40</td> </tr> <tr> <td>3. Nueva Ecija DO</td> <td>45</td> </tr> <tr> <td>4. Pampanga DO</td> <td>40</td> </tr> <tr> <td>5. San Fernando DO</td> <td>20</td> </tr> <tr> <td>6. Tarlac Province DO</td> <td>33</td> </tr> <tr> <td>7. Tarlac City DO</td> <td>20</td> </tr> <tr> <td>8. Olongapo City DO</td> <td>20</td> </tr> <tr> <td>9. Zambales DO</td> <td>32</td> </tr> <tr> <td>10. Bulacan DO</td> <td>35</td> </tr> <tr> <td>TOTAL</td> <td>305</td> </tr> </tbody> </table>	Division Offices (DO)	Number of Schools	1. Balanga City DO	20	2. Bataan DO	40	3. Nueva Ecija DO	45	4. Pampanga DO	40	5. San Fernando DO	20	6. Tarlac Province DO	33	7. Tarlac City DO	20	8. Olongapo City DO	20	9. Zambales DO	32	10. Bulacan DO	35	TOTAL	305	<p>Premise Equipment);</p> <ul style="list-style-type: none"> • Signed Inspection and Acceptance Report (IAR) • Signed Property Transfer Report (PTR) • Approved Commissioning Test Reports for each Division cluster • Cluster Acceptance Certificate for the tested clusters
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4	10%	<ul style="list-style-type: none"> • Completion of Final UAT. • Submission of Final UAT for the following: <ul style="list-style-type: none"> - INTRANET Connectivity (Throughput/Capacity Testing, Content Transmission between schools) - INTERNET connectivity (Throughput Testing) on the 305 recipient schools of this project 	<ul style="list-style-type: none"> • Request for payment; • Billing/ Invoice; • Approved SLA • Approved Project Completion Report. • Approved Final UAT 																								




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		<ul style="list-style-type: none"> • Submission of the following project documents <ul style="list-style-type: none"> - Service Level Agreement - Project Completion Report 	
5	5%	<ul style="list-style-type: none"> • Submission of Final Project Acceptance within 12 Months from the submission of Completion Report (12 months Support upon implementation) 	<ul style="list-style-type: none"> • Request for payment; • Billing/ Invoice; • 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); • Two (2) copies of Final Report after completion of delivery; • Certificate of Project Completion

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 CLARICE F. FELONGCO
The Joint Venture's Witness

CERTIFIED FUNDS AVAILABLE: ₱68,815,622.40


MA. RHUNNAL CATALAN
Chief Accountant
Chief Accountant



REPUBLIC OF THE PHILIPPINES)
_____ ~~Makati City~~ METRO MANILA) S.S

ACKNOWLEDGMENT

~~Makati City~~

BEFORE ME, a Notary Public in and for _____,
Philippines, this ____ day of DEC 29 2021 2021 personally appeared:

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. 13
Page No. 04
Book No. 75
Series of 2021.

NOTARY PUBLIC
RINOYDAN M. MENDOZA
NOTARY PUBLIC
Until December 31, 2021
PTR No. 8530373 Makati City-01/04/21
IRP No. 131129 10-23-2020 Roll No. 31206
MCLF Compliance No. II-0021653
500-A Madrigal Bldg. Ayala Ave., Makati City
Extended until December 31, 2021 per D.M No. 3795

[Signature]
REGINE CLARIE E. FELONGCO
THE JOINT VENTURE'S Witness

[Signature]
CECIL S. GARCIA
THE JOINT VENTURE

[Signature]
ABRAHAM Y. C. ABANIL
DEPED's Witness

[Signature]
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