



**PROJECT: Procurement of Textbooks/Instructional Materials**

**CONTRACT NO.: 2022-BLR2(012to017)-BIII-CB-013-CDL**

**CONTRACT**

**THIS CONTRACT** made and entered into this 27 day of DEC 2022 2022 by and between **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Metro Manila, Philippines, represented herein by its Assistant Secretary, **ALMA RUBY C. TORIO**, as per Department Order No. 023, s. 2021 (hereinafter referred to as "**DEPED**"); and **FORGEMS MARKETING COMPANY, INC.**, represented herein by its Authorized Representative, **CELINE MARIE T. MONTALLA**, with office address at 8C Cortijos Bldg., Eisenhower St., San Juan City, Metro Manila, Philippines (hereinafter referred to as "**FORGEMS**").

**DEPED** and **FORGEMS** are collectively called "**PARTIES.**"

**WHEREAS, DEPED** invited bids for the procurement of textbooks/instructional materials consisting of six (6) lots, and received bids from 17 bidders; **DEPED** opened, read, and evaluated the bids of the 17 bidders, and declared **FORGEMS** as having the Lowest Calculated Bid for Lot No. 6; after evaluation, **DEPED** post-qualified and declared the bid of **FORGEMS** as the Lowest Calculated Responsive Bid for Lot No. 6 in the sum of **PHILIPPINE PESOS FOUR MILLION, ONE HUNDRED SEVENTY-TWO THOUSAND, SEVEN HUNDRED FIFTEEN and 70/100 (PHP4,172,715.70) ONLY**, (hereinafter called the "Contract Price") detailed as follows:

Lot No.	Description	Quantity	Amount (PhP)
6	Printing and Delivery of Preventive Drug Education Resource Materials	131,135 copies	4,172,715.70

**NOW THIS CONTRACT WITNESSETH AS FOLLOWS:**

1. In this Contract, words and expressions shall have the same meaning 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 Contract, viz:
  - i. Philippine Bidding Documents (PBD);
    - a. Schedule of Requirements;
    - b. Technical Specifications;
    - c. General and Special Conditions of the Contract; and
    - d. Bid Bulletin No. 1 dated 07 October 2022, and Bid Bulletin No. 2 dated 18 October 2022.

*Richard A. Abanila*  
 RICHARD A. ABANILA  
 FORGEMS' Witness

*Celine Marie T. Montalla*  
 CELINE MARIE T. MONTALLA  
 FORGEMS

*Ariz Nelson Acay D. Cawilan*  
 ARIZ NELSON ACAY D. CAWILAN  
 DEPED's Witness

*Alma Ruby C. Torio*  
 ALMA RUBY C. TORIO  
 DEPARTMENT OF EDUCATION

  
Richard A. Atanilla  
FORGEMS' Witness

  
CELINE MARIE T. MONTALLA  
FORGEMS

  
ARIZ DEISON ACAY D. CAVILAN  
DEPED's Witness

  
ALMA RUBY C. TORIO  
DEPARTMENT OF EDUCATION

- ii. **FORGEMS'** 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 **FORGEMS'** conforme thereto; and
  - v. Other contract documents required by existing laws and/or DepEd in the PBD. **FORGEMS** 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. **FORGEMS** 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 **FORGEMS** is in default of any of its obligations under this contract. **FORGEMS** shall be responsible for the extension of its performance security and/or undertake to renew its performance security, whenever necessary, and without need of prior notice or instruction from the **DEPED**, to ensure that it is in force and effect for the whole duration of the contract and until a Certificate of Final Acceptance is duly issued.
4. The goods referred to in this Contract shall be delivered to **DepEd Taguig Warehouse** within **30 CALENDAR DAYS** from the receipt of the Notice to Proceed or as may be indicated in the NTP. Risk and title to the goods shall not be deemed to have passed to **DEPED** until its receipt and final acceptance at **DepEd Taguig Warehouse**.
5. **DEPED** shall have the right to visit and inspect **FORGEMS'** premises covered by the Contract at any time or stage of the contract implementation to monitor and assess **FORGEMS'** capacity to discharge its contractual obligations.
6. Pre-delivery and Pre-implementation Conference shall be conducted prior to the inspection of goods by the designated DepEd Inspectorate Team.
7. The goods shall be inspected by the designated DepEd Inspectorate Team. Prior to and for purposes of inspection, **FORGEMS** shall ensure readiness of and convenient access to the goods for inspection. **FORGEMS** shall assign personnel to undertake the handling, unpacking, assembly, commissioning, disassembly, sorting, repacking, and resealing of the goods prior to, during and after the inspection.
8. The goods must conform to and comply with the standards mentioned in Section VI. Schedule of Requirements of the Bidding Documents, and must be in accordance with the final technical specifications as approved by the Bids and Awards Committee based on the samples submitted by **FORGEMS**, and reflected in the post-qualification report, which is hereto attached as Annex "A" and made an integral part hereof.

Any proposal by **FORGEMS** to deliver goods of different technical specifications, in lieu of those of the approved bids or samples, shall not

  
RICHARD A. ABANILLA  
FORGEMS' Witness

  
CELINE MARIE T. MONTALLA  
FORGEMS

  
ARIZ DEJENON ACAY D. CAWILAN  
DEPED's Witness

  
ALMA RUBY C. TORIO  
DEPARTMENT OF EDUCATION

be allowed. However, under justifiable circumstances, i.e. fortuitous events, force majeure, acts of God, public state emergency, or those defined under the Civil Code and other similar circumstances, delivery of goods of equivalent, higher or superior technical specifications may be permitted, subject to the evaluation and favorable recommendation of the **DEPED's** end-user or implementing unit, and the approval of the herein authorized signatory. In any such case, the proposal by **FORGEMS** for substitution shall be in writing and shall not result in any additional cost or undue burden to **DEPED**.


9. Goods with defects or non-compliant with the required technical specifications upon delivery shall be rejected, orally or in writing, by **DEPED** and replaced by **FORGEMS** in accordance with the warranty provisions in the bidding documents. The replacement goods for this reason shall be subject to re-inspection.
10. **FORGEMS** shall deliver the goods to the delivery site in accordance with the Delivery Schedule. Goods delivered to sites other than the designated delivery site without **DEPED's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents and reports submitted and validated by the authorized receiving personnel may be a cause for the termination of the Contract.
11. In case **FORGEMS** encounters condition(s) impeding timely delivery of the goods, **FORGEMS** shall promptly notify **DEPED** in writing within **five (5) calendar days** from notice of such condition(s). Any request for work suspension and/or contract period extension shall be promptly done in writing as soon as circumstances for such request have become apparent. **FORGEMS** must provide sufficient proof to support any request for work suspension and/or contract period extension.
12. The Contract Price shall be paid to **FORGEMS** in accordance with the following disbursement procedures:
  - 12.1. **FORGEMS** may submit a request for payment based on the following:
    - i. quantities of goods delivered based on the schedule of delivery and other relevant terms and conditions of the Contract;
    - ii. duly signed Delivery Receipt; and
    - iii. Inspection and Acceptance Report (IAR), including certification by **FORGEMS**, duly signed and dated by the authorized representative of the **DEPED** indicating that the goods have been delivered in accordance with the Contract.


Other documents in support of a request for payment may be required by **DEPED** pursuant to existing disbursement, accounting and auditing rules and procedures.

- 12.2. Payment shall be made to **FORGEMS** within sixty (60) days from submission of the documents specified in SCC Clause 2.2 and other documents as may be prescribed by **DEPED** in the following manner:

  
RICARDO D. ABANILLA  
FORGEMS' Witness

  
CELINE MARIE T. MONTALLA  
FORGEMS

  
ARIZ DELSON ACAY D. CAVILAN  
DEPED's Witness


  
ALMA RUBY C. TORJO  
DEPARTMENT OF EDUCATION

- 12.2.1. The Contract Price shall be paid to **FORGEMS** upon complete delivery and acceptance of the goods by **DEPED's** authorized representative.
  - 12.2.2. Payment shall constitute release of retention money at the expiration of the warranty period, or the remaining amount in case it has been utilized pursuant to the warranty provision.
13. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to one percent (1%) of the Contract Price or a Special Bank Guarantee in an amount equal to one percent (1%) of the Contract Price required under Section 62 of R.A. 9184 and its revised IRR.
  - 13.1. A three-month warranty for the delivered and accepted goods shall reckon from the date of issuance of Certificate of Final Acceptance by **DEPED**.
14. Subcontracting of any portion of the Project, which must not be more than twenty percent (20%) of the contracted goods, shall not relieve **FORGEMS** of any liability or obligation under this Contract. **FORGEMS** shall be responsible for the acts, default or negligence of any subcontractor and its agents or workmen, or as fully as if these were **FORGEMS'** own acts, default or negligence, or those of its agents or workmen.
15. **FORGEMS** shall indemnify DepEd against all third-party claims of infringement of copyright arising from use of the goods or any part thereof.
16. **FORGEMS** and its employees, as agents of **DEPED**, shall uphold strict confidentiality of any information relating to this Contract. **FORGEMS** shall hold Proprietary Information in strict confidence. **FORGEMS** agrees not to reproduce, transcribe or disclose Proprietary Information to third parties without prior written approval of **DEPED**.
17. **FORGEMS** shall be liable for liquidated damages 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 **DEPED**. **DEPED** shall deduct the liquidated damages from any money due or which may become due to **FORGEMS**, or collect from any of the securities or warranties posted by **FORGEMS**, whichever is convenient to **DEPED**. Once the accumulated 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.
18. 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 Contract. Should such dispute not be resolved amicably, it shall be submitted to Early Neutral Evaluation pursuant to R.A. No. 9285, or the "Alternative Dispute Resolution Act of 2004," and its Implementing Rules and Regulations.


**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:*

  
**ALMA RUBY C. TORIO**  
Assistant Secretary  
DEPED

  
**CELINE MARIE T. MONTALLA**  
Authorized Representative  
FORGEMS

*SIGNED IN THE PRESENCE OF:*

  
**ARIZ DELSON ACAY D. CAWILAN**  
DEPED's Witness

  
**Richard A. Abanilla**  
FORGEMS' Witness

*CERTIFIED FUNDS AVAILABLE:* ₱ 4,172,715.70

  
**MA. RHUNNAL L. CATALAN**  
*Chief Accountant*  
Chief Accountant

GAA 2021 Funding availability shall strictly comply with the provisions of RA 11640 Section 62 and other relevant issuance of the Department of Budget and Management.

REPUBLIC OF THE PHILIPPINES)

MARIKINA CITY, METRO MANILA) S.S

**ACKNOWLEDGMENT**

**BEFORE ME**, a Notary Public in and for MARIKINA CITY,  
Philippines, this \_\_\_\_ day of 27 DEC 2022 2022 personally appeared:

**NAME**

**GOVERNMENT ISSUED ID**

(Number, Issued On, Issued  
By)

**ALMA RUBY C. TORIO**

Undersecretary  
DEPED

**CELINE MARIE T. MONTALLA**

Authorized Representative  
FORGEMS

P3827504B

15 NOV 2019 DFA NCR EAST

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.

NOTARY PUBLIC

*[Signature]*  
**ROLANDO S. LAURITO, JR.**  
NOTARY PUBLIC FOR MARIKINA CITY  
NOTARIAL COMM. APPT. NO. 10 (2022-2023)  
15 MT. WILSON ST., MOUNTAINVIEW VILLAGE  
SAN ROQUE, MARIKINA CITY  
ROLL OF ATTORNEYS NO. 44287  
IBP NO. 147394/10.22.2021/RIZAL  
PTR NO. 9032087/01.04.2022/MARIKINA CITY  
MCLE COMPLIANCE VII-0004044; 19 JULY 2021

Doc. No. 375;  
Page No. 36;  
Book No. 25;  
Series of 2022.

*[Signature]*  
RICHARD A. ABOVILLA  
FORGEMS' Witness

*[Signature]*  
CELINE MARIE T. MONTALLA  
FORGEMS

*[Signature]*  
ARIZ DELSON ACAY D. CAWILAN  
DEPED's Witness

*[Signature]*  
ALMA RUBY C. TORIO  
DEPARTMENT OF EDUCATION

## Detailed Technical Specifications

Lot No.	Description	Book Size	No. of Pages	Paper Requirement		Colors		Binding	
				Cover	Inside Pages	Cover	Inside Pages		
							1 Color		4 Colors (Approx. No. of Sig. - SR)
6	Printing and Delivery of Preventive Drug Education Resource Materials	8.25" x 10.75"	136	Foldcote cal. 12 solid white or better	Uncoated text paper, minimum of 70 gsm, Brightness: 76% to 80%, Opacity: 86% to 90%	4/1 with UV Coating or better	1 Color	N/A	TX - Perfect Binding  TM - Saddle Stitch