

Republic of Philippines
Department of Education

DepEd Complex, Meralco Avenue, Pasig City
Trunk Line (02) 632-13-61, Website <http://www.deped.gov.ph>



Sheilla D. Sy
LOUIE SHEILLA D. SY
SUPPLIER'S WITNESS

PROJECT : Mass Production, Supply and Delivery of 2, 882 Science and Mathematics Equipment Packages to 584 Public Junior High Schools for Grades 7 to 10 (Lot 2)

CONTRACT NO. : 2019-08-BLR4(001)-BI-CB-006-C039

Jennifer C. Lofranco
JENNIFER C. LOFRANCO
SUPPLIER

CONTRACT

27 DEC 2019

THIS Agreement made and entered into this ____ day of _____ **2019** by and between the **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Undersecretary for Curriculum and Administration, **DIOSDADO M. SAN ANTONIO**, as per Department Order No. 67, s. 2016 (hereinafter referred to as the "**PROCURING ENTITY**") of the one part, and **GIRLTEKI, INC. in joint venture with MULTIFOCUS CORP.**, represented herein by its authorized representative, **JENNIFER C. LOFRANCO**, with office address at Ground Floor, 1817-25 España Blvd., Prudencio St., Sampaloc, Manila, Philippines, (hereinafter referred to as the "**SUPPLIER**") of the other part;

Raul C. La Rosa
RAUL C. LA ROSA
PROCURING ENTITY'S WITNESS

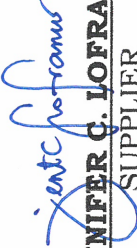
WHEREAS, the **Procuring Entity** invited bids for certain Goods and ancillary services stated in the above-mentioned project consisting of three (3) Lots, and received bids from four (4) bidders; the **Procuring Entity** opened, read, and evaluated the bids of the four (4) bidders and declared one (1) supplier as having the lowest calculated bid for Lot Nos. 1 and 2 and one (1) supplier for Lot No. 3; after evaluation, the **Procuring Entity** post-qualified and declared the bid of the **Supplier** as the lowest calculated responsive bid for Lot Nos. 1 and 2;

WHEREAS, the **Procuring Entity** passed and approved Resolution to Award No. 2019-08-BLR4(001)-BI-CB-006 in favor of Girlteki, Inc. in joint venture with Multifocus Corp., in the sum of **PHILIPPINE PESOS FIFTY-FOUR MILLION, EIGHT HUNDRED SIXTY THOUSAND, ONE HUNDRED NINETY-FIVE and 72/100 (PhP54,860,195.72) ONLY**, (hereinafter called the "**Contract Price**"), broken down as follows:

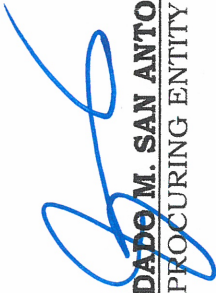
LOT NO.	DESCRIPTION	ITEMS
2 (MP-7/10-DSME2)	BLR-Developed Science and Mathematics Equipment	9 items as indicated in Annex A" and Section VI. Schedule of Requirements of the Bidding Documents

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DIOSDADO M. SAN ANTONIO
PROCURING ENTITY


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SUPPLIER

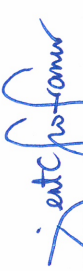

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DIOSDADO M. SAN ANTONIO
PROCURING ENTITY

NOW, THEREFORE, PREMISES CONSIDERED, the parties hereby agree as follows:

1. In this **Contract**, 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 shall be deemed to form, be read and construed as part of the Contract:
 - a) The Supplier's Bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
 - b) Resolution to Award No. 2019-08-BLR4(001)-BI-CB-006 dated 25 October 2019 and its Annexes;
 - c) Notice of Award;
 - d) Schedule of Requirements;
 - e) Technical Specifications;
 - f) General and Special Conditions of the Contract;
 - g) Performance Security;
 - h) Quality Assurance Procedures during Sample Evaluation;
 - i) Inspection and Test Protocol;
 - j) Quality Assurance Procedures During Contract Implementation;
 - k) Warranty Period;
 - l) Bid Bulletin Nos. 1 and 2, dated 24 August 2019 and 31 August 2019, respectively;
 - m) Submitted Price Schedule Form of the Bidder;
 - n) Allocation List.
3. The items shall be delivered within **three hundred (300)** calendar days from receipt of the **Supplier** of the Notice to Proceed;
4. The **Supplier** 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 the **Procuring Entity**, and shall be forfeited in the event it is established that the **Supplier** is in default of any of its obligation under the contract. The performance security shall be in force and effect until issuance by the **Procuring Entity** of the Certificate of Final Acceptance. For this purpose, the **Supplier** undertakes to renew its performance security whenever necessary and without need of prior notice or instruction from the **Procuring Entity**, 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.;



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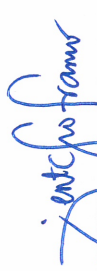

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5. The goods supplied under this **Contract** should conform to Section VII. Technical Specifications and standards mentioned in Section VI -Schedule of Requirements;
6. In consideration of the **Contract Price** mentioned herein to be paid by the **Procuring Entity** to the **Supplier**, the **Supplier** hereby covenants to provide all of the incidental and additional services as specified in Section VI – Schedule of Requirements, and should be in accordance with the terms and/or specifications indicated therein or otherwise contemplated by the parties;
7. The **Supplier** hereby covenants to provide all of the materials, notifications, and information pertaining to spare parts manufactured by the **Supplier**, such as but not limited to the spare parts as the **Procuring Entity** may elect to purchase from the **Supplier**, provided that this election shall not relieve the **Supplier** of any warranty obligations under this **Contract**;
8. The **Supplier** hereby covenants to provide advance notification to the **Procuring Entity** in the event of termination of production of the spare parts, in sufficient time to permit the **Procuring Entity** to procure needed requirements and to furnish, at no cost, to the **Procuring Entity**, the blueprints, drawings, and specifications of the spare parts, upon request by the **Procuring Entity**;
9. Goods delivered with defects or non-compliant with the required specifications shall be rejected by the **Procuring Entity** and replaced by the **Supplier**. The **Procuring Entity** shall have the option to inspect the **Supplier's** premises covered by the contract, at any time or stage of contract implementation, to monitor and assess **Supplier's** capacity to discharge its contractual obligations;
10. The **Supplier** shall deliver the goods to the appropriate recipient schools only as indicated in the allocation list attached to the Bidding Documents unless otherwise instructed by the **Procuring Entity**, for justifiable cause. Goods delivered to another school other than the recipient school without the **Procuring Entity's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents, reports submitted and validated by the authorized receiving personnel may be a possible cause for termination of the Contract;


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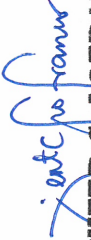

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11. The procured goods or items contemplated under this Contract shall be inspected and/or tested by the **Procuring Entity** either prior to delivery at the **Supplier's** premises, or at the delivery sites, or both, at the option of the **Procuring Entity**, in accordance with the provisions of Special Conditions of the Contract, the Schedule of Requirements, the Inspection and Acceptance Protocol or otherwise indicated in other parts of the bidding documents;
12. In case the **Supplier** encounters condition(s) impeding timely delivery of the goods, the **Supplier** shall promptly notify the **Procuring Entity** in writing of such condition(s) and any request for work suspension and/or contract delivery period extension shall be promptly done in writing as soon as circumstances providing justification for such requests have become apparent. **Supplier** must provide sufficient proof to support any request for work suspension and/or contract delivery period extension;
13. The **Contract Price** shall be paid to the **Supplier** through the Government disbursement procedures as follows:
 - 13.1. Upon submission of an irrevocable letter of credit or Bank Guarantee issued by a Universal or Commercial Bank, advance payment not to exceed fifteen percent (15%) of the contract amount shall be allowed and paid within sixty (60) calendar days from signing of the contract;
 - 13.2. **Supplier** may submit a request for payment based on the **Supplier's** 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 deliveries and other relevant terms and conditions of the contract; (ii) Inspection and acceptance reports, including certification by **Supplier**, as approved by the duly authorized representative of the **Procuring Entity**, that the items have been delivered and/or properly installed and commissioned;
 - 13.3. Payment shall be made to the **Supplier** as promptly as possible after the date of acceptance of Goods at the Project Site and upon submission of the documents (i) to (vii) specified in SCC Clause 6.2 and other documents required in accounting and auditing rules and regulations, in the following manner:


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13.3.i. For the initial progress payment, a minimum of twenty five percent (25%) of the Contract Price of the lot shall be paid to the Supplier upon delivery of a minimum of twenty five percent (25%) of the requirement of the lot duly delivered and accepted by the **Procuring Entity's** authorized representative;

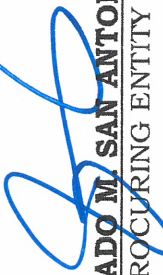

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SUPPLIER

13.3.ii. 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.

14. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to three percent (3%) of every progress payment, or a Special Bank Guarantee in the amount equal to three percent (3%) of the Contract Price as required under Section 62 of R.A. 9184 and its revised IRR;


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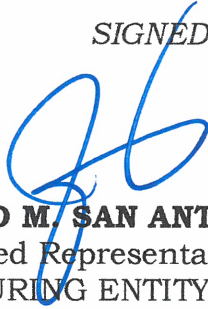
15. The **Supplier** shall be liable for the damages for the delay in its performance of the Contract and shall pay the **Procuring Entity** liquidated damages, not by way of penalty, in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the recipient school concerned. The **Procuring Entity** shall deduct the liquidated damages from any money due or which may become due to the **Supplier**, or collect from any of the securities or warranties posted by the **Supplier**, whichever is convenient to the **Procuring Entity**. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, **Procuring Entity** may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances.


DIOSDADO M. SAN ANTONIO
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16. 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:



DIOSDADO M. SAN ANTONIO
Authorized Representative
PROCURING ENTITY

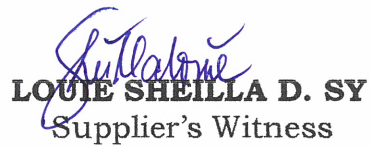


JENNIFER C. LOFRANCO
Authorized Representative
SUPPLIER

SIGNED IN THE PRESENCE OF:



RAUL C. LA ROSA
Entity's Witness



LOUIE SHEILLA D. SY
Supplier's Witness

APPROVED BY:



LEONOR MAGTOLIS BRIONES
Secretary
Department of Education

CERTIFIED FUNDS AVAILABILITY: ₱4,860,195.72 ✓



MA. RHUNNA L. CATALAN
Chief Accountant

[Signature]
LOUIE SHELLA D. SY
SUPPLIER'S WITNESS

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

MANILA

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for **MANILA**,
Philippines, this ____ day of **27 DEC 2019** 2019 personally appeared:

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

DIOSDADO M. SAN ANTONIO
Undersecretary
PROCURING ENTITY

Philippine Passport
ID No. S0005407A
Expiration: 10 April 2023

JENNIFER C. LOFRANCO
Authorized Representative
SUPPLIER

UMID
CRN 0034-0399605-01

[Signature]
JENNIFER C. LOFRANCO
SUPPLIER

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 seven (7) 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. 246
Page No. 49
Book No. I
Series of 2019.

[Signature]
DIOSDADO M. SAN ANTONIO
PROCURING ENTITY

[Signature]
Att'y Ma Theresa D. Wong
NOTARY PUBLIC
Notarial Commission No. 2019-090
Attorney's Roll No. 45821
IBP No. 1069973 / Jan. 2019 / MLA.
PTR No. 8772187 / Jan. 2018 / MLA.
TIN No. 142-682-303
MCLE V-0022007 / June 7, 2016
Office: Rm. 819 MBI Bldg. Renquillo St., Sta. Cruz, Manila