



Republic of the Philippines  
**Department of Education**



DepEd Central Office Complex, Meralco Avenue, Pasig City, Philippines  
 Trunk line: (02) 8632-13-61 / website: http://www.deped.gov.ph

**PROJECT:** Procurement of Network Connectivity Solution for the Department of Education

**CONTRACT NO.:** 2019-10-ICTS3(013)-BII-CB-025-C048

**CONTRACT AGREEMENT**

THIS AGREEMENT made the 23 day of DECEMBER, 2019 between the **DEPARTMENT OF EDUCATION**, located at DepEd Central Office Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its **Undersecretary, ALAIN DEL B. PASCUA** (hereinafter called "**DEPED**"), and **ePLDT, Inc.** represented herein by its President and Chief Executive Officer, **JUAN VICTOR I. HERNANDEZ**, with Office address at 5/F, L.V. Locsin Building, Makati City, in **Joint Venture** with **PLDT Inc.** represented herein by its President and Chief Executive Officer, **MANUEL V. PANGILINAN**, with Office address at Ramon Cojuangco Bldg., Makati Ave. cor. Ayala Ave., Legaspi Village, Makati City, and **Sagesoft Solutions, Inc.** represented herein by its Business Development Officer, **MA. NATHALIE ROSE C. REGALA**, with Office address at Unit 905 Jafer Place, 19 Eisenhower St., San Juan, Metro Manila, respectively (hereinafter called "the **JOINT VENTURE**").

WHEREAS, **DEPED** invited Bids for certain goods and ancillary services, viz., supply, delivery, installation and configuration services, and has accepted a bid by the **JOINT VENTURE** for the supply of those goods and services in the sum of **PHILIPPINE PESOS TWO HUNDRED NINETY-NINE MILLION NINE HUNDRED NINETY-NINE THOUSAND NINE HUNDRED NINETY-NINE & 00/100 (PhP299,999,999.00)** (hereinafter called "the **Contract Price**");

<b>Lot No.</b>	<b>Description</b>	<b>Amount (PhP)</b>
<b>2</b>	Core Network and Managed Co-Location Facilities for the Department of Education	<b>299,999,999.00</b>
<b>TOTAL</b>		<b>299,999,999.00</b>

**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 shall be deemed to form and be read and construed as part of this Agreement, viz.:
  - a. the **DEPED**'s Notice of Award;
  - b. Resolution to Award No. 2019-10-ICTS3(013)-BII-CB-025
  - c. the Performance Security;
  - d. the Bid Form and the Price Schedule submitted by the Bidder;
  - e. the General and Special Conditions of Contract;
  - f. the Technical Specifications;

*[Signature]*  
 MA. NATHALIE ROSE C. REGALA  
 JOINT VENTURE

*[Signature]*  
 MANUEL V. PANGILINAN  
 JOINT VENTURE


*[Signature]*  
 JUAN VICTOR I. HERNANDEZ  
 JOINT VENTURE

*[Signature]*  
 ABRAM Y.C. ABANIL  
 DEPED'S WITNESS

*[Signature]*  
 ALAIN DEL B. PASCUA  
 DEPED


- g. the Schedule of Requirements; and
- h. Bid Bulletin No. 1 dated November 8, 2019;



- 3. The Goods and Services referred to in this Agreement shall be delivered to the Project Site(s) within five hundred fifteen (515) calendar days, which shall commence upon receipt of the Notice to Proceed (NTP) by the **JOINT VENTURE**;
- 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;
- 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 **DEPED** to the **JOINT VENTURE**, the **JOINT VENTURE** hereby covenants, unto **DEPED**, 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 **JOINT VENTURE** hereby covenants to provide all of the materials, notifications, and information pertaining to spare parts manufactured by the **JOINT VENTURE**, such as but not limited to the spare parts as **DEPED** may elect to purchase from the **JOINT VENTURE**, provided that this election shall not relieve the **JOINT VENTURE** of any warranty obligations under this CONTRACT;
- 8. The **JOINT VENTURE** hereby covenants to provide advance notification to **DEPED** in the event of termination of production of the spare parts, in sufficient time to permit **DEPED** to procure needed requirements and to furnish, at no cost, to **DEPED**, drawings and specifications of the spare parts, upon request by **DEPED**;
- 9. The **JOINT VENTURE** shall deliver the goods/services to the appropriate recipient sites only as indicated in Section VI. Schedule of Requirements unless otherwise instructed by **DEPED**, for justifiable cause. Goods/services delivered to another school other than the recipient site without **DEPED's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents, reports submitted and validated by

  
MA. NATHALIE ROSE C. REGALA  
JOINT VENTURE

  
MANUEL V. PANGILINAN  
JOINT VENTURE

  
JUAN VICTOR I. HERNANDEZ  
JOINT VENTURE

  
ABRAM Y. C. ABANIL  
DEPED'S WITNESS

  
ALAIN DEL B. PASCUA  
DEPED  


the authorized receiving personnel may be a possible cause for termination of the Contract;

10. In consideration of the Contract Price mentioned herein to be paid by **DEPED** to the **JOINT VENTURE**, the **JOINT VENTURE** hereby covenants, unto **DEPED**, to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract;
11. **DEPED** hereby covenants to pay the **JOINT VENTURE**, in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract:

An 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. An irrevocable letter of credit or bank guarantee of an equivalent amount must be submitted, and shall remain valid until the goods/services are delivered, and accompanied by a claim for advance payment.

The method and conditions of payment to be made to the **JOINT VENTURE** through the Government disbursement procedure within sixty (60) days from submission of documents. The terms of payment shall be as follows:

**Lot No. 2**

**Milestone 1**

Payment equivalent to 25% of the contract price shall be made upon complete set up and acceptance of Co-Location Facility, Sixty (60) calendar days from receipt of NTP or upon complete acceptance of delivery.

**Milestone 2**

Payment equivalent to 25% of the contract price shall be made upon complete installation and configuration of the Core Network facilities, ninety (90) calendar days from receipt of NTP or upon acceptance and signing of report for complete installation and configuration.

**Milestone 3**

Payment equivalent to 20% of the contract price shall be made upon complete testing and upon signing of User Acceptance Test, within One Hundred Twenty (120) calendar days from receipt of NTP.

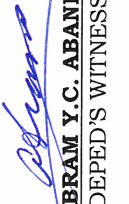
**Milestone 4**

Payment equivalent to 10% of the contract price shall be made upon Go-Live and completion of training requirements of DepEd nominated personnel (30 pax), One Hundred Fifty (150) calendar days from receipt of NTP.

  
MA. NATHALIE ROSE C. REGALA  
JOINT VENTURE

  
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DEPED  


**Milestone 5**

5% retention will be provided Three Hundred Sixty-Five (365) calendar days from acceptance of the last milestone

All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Subject to the "Warranty" provision in the form of either retention money in an amount equivalent to one percent (5%) of every progress payment, or a special bank guarantee in the amount equal to one percent (5%) of the Contract Price required in Section 62 of RA 9184 and its IRR.

The retention money or special bank guarantee shall be released only after the lapse of the Warranty in SCC Clause 17.3.

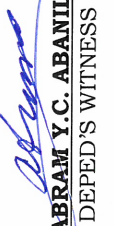
14. The **JOINT VENTURE** shall be liable for the damages for the delay in its performance of the Contract and shall pay **DEPED** liquidated damages, not by way of penalty, in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods/services scheduled for delivery for every day of delay until such goods/services are finally delivered and accepted by **DEPED**. **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 **JOINT VENTURE**, whichever is convenient. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the Contract, **DEPED** may rescind or terminate this Contract, without prejudice to other courses of action and remedies open to DEPED;

15. 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.

  
MA. NATHALIE ROSE C. REGALA  
JOINT VENTURE

  
MANUEL V. PANGILINAN  
JOINT VENTURE

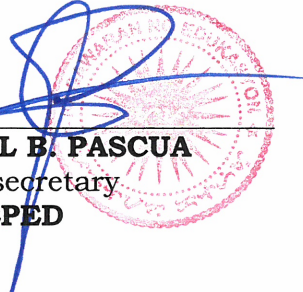
  
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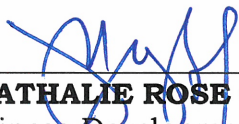

**IN WITNESS WHEREOF** the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY:

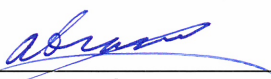
  
**ALAIN DEL B. PASCUA**  
Undersecretary  
**DEPED**


  
**JUAN VICTOR I. HERNANDEZ**  
President and Chief Executive Officer  
ePLDT, Inc.  
**JOINT VENTURE**

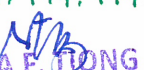
  
**MANUEL V. PANGILINAN**  
President and Chief Executive  
Officer  
PLDT Inc.  
**JOINT VENTURE**

  
**MA. NATHALIE ROSE C. REGALA**  
Business Development Officer  
Sagesoft Solutions, Inc.  
**JOINT VENTURE**

SIGNED IN THE PRESENCE OF:

  
**ABRAM Y.C. ABANIL**  
Director IV  
Information and Communications  
Technology Service  
**DEPED'S Witness**

  
**MITCHELLE R. DE GUZMAN**  
Relationship Manager  
PLDT Inc.  
**JOINT VENTURE'S Witness**

Funds Available <i>₱299,999,999.00</i>	OS No.: _____
 <b>CHOUITA F. DONG</b> Accountant III	Amount: _____

*OIC, Chief Accountant*

APPROVED BY:

  
**LEONOR MAGTOLIS BRIONES**  
Secretary  
**27 DEC 2019**

*[Signature]*  
M.A. NATHALIE ROSE C. REGALA  
JOINT VENTURE

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

A C K N O W L E D G E M E N T

BEFORE ME, a Notary Public in and for Pasig City, Metro Manila, Philippines, this \_\_\_ day of 23 DEC 2019, personally appeared:

NAME \_\_\_\_\_ GOVERNMENT-ISSUED IDENTIFICATION CARD Number \_\_\_\_\_

ALAIN DEL B. PASCUA  
Undersecretary  
DEPED

*[Signature]*  
JUAN VICTOR I. HERNANDEZ  
President and Chief Executive Officer  
ePLDT, Inc.  
JOINT VENTURE

Passport No.: \_\_\_\_\_ Expiry Date: \_\_\_\_\_  
P6715403A 09 April 2028  
Issued: \_\_\_\_\_  
10 April 2018

MANUEL V. PANGILINAN  
President and Chief Executive Officer  
PLDT, Inc.  
JOINT VENTURE

Passport No.: \_\_\_\_\_ Expiry Date: \_\_\_\_\_  
P9969361A 17 December 2028  
Issued: \_\_\_\_\_  
18 December 2018

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that 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 the acknowledgement 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  
Until December 31, 20\_\_

*[Signature]*  
**ATTY. JOSE TORO CONSTANTINO**  
Notary Public for  
Pasig, San Juan and Pateros  
Until December 31, 2020  
O/F Pasig City Hall, Brgy. San Nicolas, Pasig City  
ROLL NO. 31102 / 5-04-1981  
IBP NO. 055238 / 11-21-2018  
PTR NO. 5158453 / 01-03-2019  
MCLE NO. VI-0098017 valid until April 14, 2022  
TIN NO. 232-590-923  
APPOINTMENT NO. 53 (2019-2020)  
CONTACT NO. 0949-924-0131 / 0927-311-2426

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Series of 2019

*[Signature]*  
MANUEL V. PANGILINAN  
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