



**PROJECT:** Procurement of Test Materials for 2023 Philippine Educational Placement Test (PEPT) Regular Administration  
**CONTRACT NO.:** 2023-BEA2(023,008,022,014&002)-BIV-CB009to013-C023

**CONTRACT**

**THIS CONTRACT** made and entered into this 1st day of December 2023 by and between the **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, represented herein by its Director IV, Bureau of Alternative Education Officer-in-Charge, Office of the Assistant Secretary for Curriculum and Teaching-Education Assessment and Alternative Education, **MARILETTE R. ALMAYDA**, as per Department Order No. 001, s. 2023, dated 09 January 2023, Office Order OO-OSEC-2023-060, dated 14 March 2023 and Office Order OO-OSEC-2023-239, dated 22 September 2023 (hereinafter referred to as "**DEPED**"); and **FRONT CARGO FORWARDERS, INC.**, represented herein by its Sales Consultant, **FELIX M. SAPUNGAN**, with office address at No. 29 Data St., Brgy. Don Manuel, Quezon City (hereinafter referred to as "**FRONT CARGO**"), as per Secretary's Certificate dated 20 June 2023 (hereto attached as Annex "A").

**DEPED** and **FRONT CARGO** are collectively called **PARTIES**.

**WHEREAS, DEPED** invited bids for the procurement of test materials for 2023 Philippine Educational Placement Test (PEPT) Regular Administration consisting of three (3) lots, and received bids from two (2) bidders for Lot No. 3; **DEPED** opened, read, and evaluated the bids of the bidders and declared **FRONT CARGO** as having the Lowest Calculated Bid for Lot No. 3; after evaluation, **DEPED** post-qualified and declared the bid of **FRONT CARGO** as the Lowest Calculated Responsive Bid for Lot No. 3 in the sum of **PHILIPPINE PESOS FOUR MILLION, ONE HUNDRED EIGHTY-SIX THOUSAND and 00/100 (PhP4,186,000.00) ONLY**, (hereinafter called the "Contract Price") detailed as follows:

| Lot No. | Description  | Amount (PhP) |
|---------|--|--------------|
| 3       | Delivery and Retrieval of Test Materials, and Delivery of Certificate of Ratings | 4,186,000.00 |

**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:
  - a. Resolution to Award No. **2023-BEA2(023,008,022,014&002)-BIV-CB-009to013** dated 14 July 2023;
  - b. Philippine Bidding Documents;

Dr. NELIA V. BENITO, CESO IV  
 DEPED's Witness  
 MARILETTE R. ALMAYDA  
 DEPED  
 FELIX M. SAPUNGAN  
 FRONT CARGO  
 MARILOU S. BUSTOS  
 FRONT CARGO's Witness



- i. General and Special Conditions of the Contract;
- ii. Schedule of Requirements;
- iii. Terms of Reference;
- iv. Bid Bulletin No. 1 dated 14 June 2023;

- c. **FRONT CARGO's** bid, including the eligibility requirements technical and financial proposals, and all other documents or statements submitted;
- d. Performance Security;
- e. Notice of Award (NOA) of Contract and **FRONT CARGO's** conforme thereto; and
- f. Other contract documents required by existing laws and/or DepEd in the Bidding Documents. **FRONT CARGO** agrees that additional contract documents of information prescribed by the Government Procurement Policy Board (GPPB) that are subsequently required for submission after the contract execution such as, but not limited to, Notice to Proceed and Variation Order, shall form part of the Contract.

3. **FRONT CARGO** shall post a Performance Security within ten (10) calendar days from receipt of the NOA in the form and amount prescribed therein. The Performance Security shall be posted in favor of **DEPED**, and shall be forfeited in the event that it is established that **FRONT CARGO** is in default of any of its obligations under this Contract. **FRONT CARGO** shall be responsible for the extension of its performance security and/or undertake to renew its Performance Security whenever necessary, and without the need for prior notice of instruction from **DEPED**, to ensure that it is in force and effect for the whole duration of the Contract.

4. The services referred to in this Contract shall be rendered by **FRONT CARGO** from the receipt of the Notice to Proceed (NTP). **FRONT CARGO** shall ensure that the required services will be rendered in accordance with the delivery schedule specified in the Schedule of Requirements, which is hereto attached as Annex "B" and made an integral part hereof.

| Lot No. | Description   | Items                              | Contract Duration |
|---------|---|------------------------------------|-------------------|
| 3       | Delivery and Retrieval of Test Materials and Delivery of Certificate of Ratings | Delivery of Test Materials         | 20 Calendar days  |
|         |   | Retrieval of Test Material         | 30 Calendar days  |
|         |   | Delivery of Certificate of Ratings | 10 Calendar days  |

Services rendered at sites other than the designated 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 DEPED authorized receiving personnel may be a cause for the termination of the Contract and shall be subject to liquidated damages pursuant to Item 9 of this Contract.

5. The services to be rendered must conform to and comply with the standards mentioned in Section VI. Schedule of Requirements of the

*Mr. Samuel*  
FRONT CARGO's Witness

*Felix M. Sapungan*  
FELIX M. SAPUNGAN  
FRONT CARGO

*Nelia V. Benito*  
Dr. NELIA V. BENITO, CESO IV  
Director IV  
DEPED's Witness

*Marlette R. Almayda*  
MARILETTE R. ALMAYDA  
DEPED



Bidding Documents, and must be in accordance with the final specifications as approved by the Bids and Awards Committee, or as amended by subsequently issued Bid Bulletin, if any, based on **FRONT CARGO's** submission, and reflected in the post-qualification report, which is hereto attached as Annex "C" and made an integral part hereof.

Any proposal by **FRONT CARGO** to **DEPED** to perform other services in lieu of those stated under the Terms of Reference shall be made in writing and discretionary for **DEPED** to accept, 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 case, the proposal by **FRONT CARGO** for amendment or modification shall be based on meritorious grounds and shall not result in any additional cost of undue burden to **DEPED**.

6. In case **FRONT CARGO** encounters condition(s) impeding timely performance of the required services, **FRONT CARGO** 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. **FRONT CARGO** must provide sufficient proof to support any request for work suspension and/or contract period extension.

**DEPED** accepts no liability for the damage of goods during transit. Risk and title to the goods will not be deemed to have passed to **DEPED** until its receipt and acceptance at the final destination through its authorized receiving personnel.

7. The Contract Price shall be paid to **FRONT CARGO** in accordance with the following disbursement procedures:


- a. **FRONT CARGO** may submit a request for payment based on the following:
- i. Value of actual services rendered based on the schedule of delivery and other relevant terms and conditions of the Contract; and
  - ii. Certification by **FRONT CARGO**, duly signed and dated by the authorized representative of **DEPED** indicating that the services have been rendered 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.

- b. Payment shall be made to **FRONT CARGO** 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:
- i. Forty percent (40%) of the Contract Price shall be paid to **FRONT CARGO** upon complete delivery of test materials, and

  
FRONT CARGO's Witness

  
FELIX M. SAPUNGAN  
FRONT CARGO

  
Dr. NELIA V. BENITO, CESO IV  
Director IV  
DEPED's Witness

  
MARILETTE R. ALMAYDA  
DEPED



acceptance of **FRONT CARGO's** services by the authorized representative of **DEPED**;

- ii. Forty percent (40%) of the Contract Price shall be paid to **FRONT CARGO** upon complete retrieval of test materials, and acceptance of **FRONT CARGO's** services by the authorized representative of **DEPED**;
- iii. Twenty percent (20%) of the Contract Price shall be paid to **FRONT CARGO** upon complete delivery of certificates of ratings, and acceptance of **FRONT CARGO's** services by the authorized representative of **DEPED**.

8. Each party in the performance of their respective duties and responsibilities under this Contract and in the implementation thereof shall adhere to Republic Act No. 10173, otherwise known as the "Data Privacy Act of 2012" and its Implementing Rules and Regulations and applicable National Privacy Commission issuances. The processing of any gathered data and information should be in compliance with the confidentiality and privacy requirements under the said law and applicable regulations.

9. **FRONT CARGO** shall be liable for liquidated damages in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion, for every day of delay until such goods are finally rendered and accepted by **DEPED**. **DEPED** shall deduct the liquidated damages from any money due or which may become due to **FRONT CARGO**, or collect from any of the securities posted by **FRONT CARGO**, whichever is convenient to **DEPED**. Once the accumulated amount of liquidated damages reaches 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.

10. The **PARTIES** shall make every effort to resolve amicably 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, each party agrees to submit to the Early Neutral Evaluation for a period of thirty (30) days pursuant to R.A. No. 9285 or the "Alternative Dispute Resolution Act of 2004," specifically Article 7.6 of its IRR. As defined, Early Neutral Evaluation is an alternative dispute resolution "process wherein parties and their lawyers are brought together early in the pre-trial phase to present summaries of their cases and to receive a non-binding assessment by an experienced, neutral person, with expertise in the subject matter or substance of the dispute.

Should such dispute not be the proper subject to alternative dispute resolution, either Party may avail of other legal remedies in courts of competent jurisdiction.

  
FRONT CARGO's Witness

  
FELIX M. SAPUNGAN  
FRONT CARGO

  
Dr. NELIA V. BENITO, CEO IV  
Director IV  
DEPED's Witness

  
MARILETTE R. ALMAYDA  
DEPED

**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:

**MARILETTE R. ALMAYDA**  
Director IV,  
Bureau of Alternative Education  
Officer-in-Charge, Office of the  
Assistant Secretary for Curriculum  
and Teaching - Education  
Assessment and Alternative  
Education  
DEPED

**FELIX M. SAPUNGAN**  
Sales Consultant  
FRONT CARGO

SIGNED IN THE PRESENCE OF:

**Dr. NELIA V. BENITO, CESO IV**  
Director IV  
DEPED's Witness

FRONT CARGO's Witness

CERTIFIED FUNDS AVAILABLE: ₱4,156,000.-

**MA. RHUNNA L. CATALAN**  
Chief Accountant



REPUBLIC OF THE PHILIPPINES)

\_\_\_\_\_ **PASIG CITY** (METRO MANILA) S.S

**ACKNOWLEDGMENT**

**BEFORE ME**, a Notary Public in and for **PASIG CITY**,  
Philippines, this 01 DEC 2023 day of \_\_\_\_\_ 2023 personally appeared:

**NAME**  
*[Signature]*  
**MARILETTE R. ALMAYDA**  
Director IV,  
Bureau of Alternative Education  
Officer-in-Charge, Office of the  
Assistant Secretary for Curriculum  
and Teaching - Education  
Assessment and Alternative  
Education  
DEPED

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

Known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is the free and voluntary act and deed of the entity which he/she respectively represents.

The foregoing instrument is a CONTRACT consisting of five (5) pages (exclusive of attachments), excluding this page on which this acknowledgment is written and signed by the party hereto.

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

Doc. No. 139;  
Page No. 29;  
Book No. 174;  
Series of 2023.

NOTARY PUBLIC  
*[Signature]*  
**ATTY. LETICIA M. AMON**  
Notary Public  
(Pasig, Pateros & San Juan)  
Valid Until December 31, 2023  
Roll No. 22188  
PTR AA No. 0112306/01-03-23  
Lifetime IBP Member No. 04286  
Official Receipt No. 574709, IBP Chapter  
MCLE Compliance No. VII-000050/6-18-2019  
Ground Fir. Armal Centre, U. Velasco, Ave.,  
Malinao, Pasig City

REPUBLIC OF THE PHILIPPINES)

\_\_\_\_\_ **PASIG CITY** METRO MANILA) S.S

**ACKNOWLEDGMENT**

**BEFORE ME**, a Notary Public in and for **PASIG CITY**,  
Philippines, this \_\_\_\_\_ day of **07 DEC 2023** 2023 personally appeared:

**NAME**

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

**FELIX M. SAPUNGAN**  
Sales Consultant  
FRONT CARGO

Known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is the free and voluntary act and deed of the entity which he/she respectively represents.

The foregoing instrument is a CONTRACT consisting of five (5) pages (exclusive of attachments), excluding this page on which this acknowledgment is written and signed by the party hereto.

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

Doc. No. 140  
Page No. 29  
Book No. 178  
Series of 2023.

**ATTY. JUAN M. MON**  
NOTARY PUBLIC  
Notary Public  
Pasig, Pateros & San Juan  
Valid Until December 31, 2023  
Roll No. 22188  
PTR AA No. 0112306/01-03-23  
Lifetime IBP Member No. 04286  
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