



Republic of Philippines
DEPARTMENT OF EDUCATION

DepEd Complex, Meralco Avenue, Pasig City
<https://www.deped.gov.ph/>



PROJECT: Procurement of Development, Printing, and Delivery of Textbooks and Teacher's Manuals and Provision of Electronic Textbooks and Teacher's Manuals for Grades 4, 7, and Senior High School (SHS)

CONTRACT NO.: 2024-BLR2(003)-BIII-CB011-C051

CONTRACT

29 APR 2024

THIS CONTRACT made and entered into this _____ day of _____ 2024 by and between the **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, represented herein by its Undersecretary and Chief of Staff, **ATTY. MICHAEL WESLEY T. POA**, as per Department Order (DO) No. 001, s. 2023, dated 09 January 2023, and Office Order OO-OSEC-2023-267, dated 17 October 2023 (hereinafter referred to as "**DEPED**"); and **J.C. PALABAY ENTERPRISES, INC.**, represented herein by its Chairman of the Board, **JESCIE L. PALABAY**, with office address at #119 Gen. Ordoñez St., Marikina Heights, Marikina City (hereinafter referred to as "**J.C. PALABAY**"), as per Omnibus Sworn Statement dated 26 February 2024 (hereto attached as Annex "A").

DEPED and J.C. PALABAY are collectively called PARTIES.

WHEREAS, DEPED invited bids for the Procurement of Development, Printing, and Delivery of Textbooks and Teacher's Manuals and Provision of Electronic Textbooks and Teacher's Manuals for Grades 4, 7, and Senior High School (SHS) consisting of one hundred forty (140) lots, and received bids from the prospective bidders for **Lot No. 81**; **DEPED** opened, read, and evaluated the bid and declared **J.C. PALABAY** as having the Single Calculated Bid for Lot No. 81; after evaluation, **DEPED** post-qualified and declared the bid of **J.C. PALABAY** as the Lowest Calculated Responsive Bid for Lot No. 81 in the sum of **PHILIPPINE PESOS FORTY-SEVEN MILLION, THREE HUNDRED THIRTY-EIGHT THOUSAND, THREE HUNDRED TWENTY-EIGHT AND 50/100 (PhP47,338,328.50) ONLY**, (hereinafter called the "Contract Price"), detailed as follows:

Lot No.	Description	Quantity (Copies)	Amount (In Php)
81	REGION 1, 2, 3 & CAR		47,338,328.50
	Grade 7 PE & Health TXs	418,579	
	Grade 7 PE & Health TMs	5,980	

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:

- In this Contract, words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract referred to.
- 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:

[Signature]
DANTE BONIFACIO JR.
Witness

[Signature]
JESCIE L. PALABAY
J.C. PALABAY

[Signature]
DIR. ARIZ D. CAWILAN
DEPED's Witness

[Signature]
ATTY. MICHAEL WESLEY T. POA
DEPED


TERRENCE BONIFACIO JR.
Witness


JESIE L. PALABAY
J.C. PALABAY


DIR. ARIZ D. CAWILAN
DEPED's Witness


ATTY. MICHAEL WESLEY T. POA
DEPED

- a. Resolution to Award No. 2024-BLR2(003)-BIII-CB-011 dated March 15, 2024;
 - b. Philippine Bidding Documents;
 - i. General and Special Conditions of the Contract, with the Annexes;
 - ii. Schedule of Requirements;
 - iii. Technical Specifications; and Bid Bulletin Nos. 1 & 2 dated February 15 & 20, 2024, respectively;
 - c. **J.C. PALABAY'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 **J.C. PALABAY's** conforme thereto; and
 - f. Other contract documents required by existing laws and/or DepEd in the Bidding Documents. **J.C. PALABAY** 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, Variation Order, and Warranty Security, shall form part of the Contract.
3. **J.C. PALABAY** shall post a Performance Security within 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 **J.C. PALABAY** is in default of any of its obligations under this Contract. **J.C. PALABAY** 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 and until a Certificate of Final Acceptance is duly issued.
4. The goods referred to in this Contract shall be delivered by **J.C. PALABAY** within **one hundred forty (140) calendar days** from the receipt of the Notice to Proceed (NTP). **J.C. PALABAY** shall ensure that the goods will be delivered in accordance with the Schedule of Requirements, which is hereto attached as Annex "B" and made an integral part thereof. The delivery terms of this Contract shall be Duties Delivered Paid (DDP) in accordance with INCOTERMS.
- Violation of this provision, based on documents and reports submitted and validated by the **DEPED** authorized receiving personnel is a cause for the termination of the Contract and shall be subject to liquidated damages pursuant to Item 15 of this Contract.
5. **DEPED** shall have the right to visit and inspect **J.C. PALABAY's** premises covered by the Contract at any time or stage of the contract implementation to monitor and assess **J.C. PALABAY's** capacity to discharge its contractual obligations.
6. **DEPED** shall have the right to inspect and test or cause the testing of the goods covered by the Contract, at any time or stage of contract

implementation. Prior to and for purposes of inspection, **J.C. PALABAY** shall ensure convenient access to the goods for inspection. **J.C. PALABAY** shall assign personnel to undertake the handling, unpacking, assembly, commissioning, disassembly, repacking, resealing, and sorting of the goods prior to, during, and after inspection.

7. The goods shall be inspected by the designated Inspectorate Team prior to delivery or Pre-delivery Inspection (PDI) in accordance with the provisions of the Special Conditions of the Contract, the Schedule of Requirements, or otherwise indicated in other parts of the Bidding Documents. The PDI shall be made upon notice to the DepEd of the readiness of the goods for inspection.

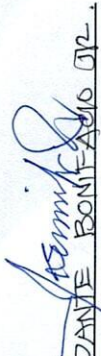
J.C. PALABAY shall coordinate with **DEPED**, through the Procurement Management Service- Contract Management Division (ProcMS-CMD), on the conduct of PDI. Any request for PDI shall be done in writing and contain the following information:

- a. Project Title and Contract Number;
- b. Specific goods for inspection;
- c. Quantity of goods for inspection;
- d. Venue/Address of inspection site; and
- e. Proposed schedule of inspection which must be at least 10 calendar days from the submission of the written request.

The request for inspection must be submitted to **DEPED** through ProcMS-CMD or by email at procms.cmd@depd.gov.ph.

Pre-Implementation Conference shall be conducted prior to the inspection of goods by DepEd-Bureau of Learning Resources, as may be applicable.

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, or as amended by subsequently issued Bid Bulletin, if any, based on the samples submitted by **J.C. PALABAY** and reflected in the post-qualification report, which is hereto attached as Annex "C" and made an integral part hereof.
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 **J.C. PALABAY** in accordance with the warranty provisions in the bidding documents. The replacement of the goods shall be subject to re-inspection.
10. In case **J.C. PALABAY** encounters condition(s) impeding timely delivery of the goods, **J.C. PALABAY** 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 by **J.C. PALABAY** shall be promptly done in writing as soon as circumstances for such request have become apparent. **J.C. PALABAY** must provide sufficient proof to support any request for work suspension and/or contract period extension.
11. The Contract Price shall be paid to **J.C. PALABAY** in accordance with the following disbursement procedures:


DAME BONIFACIO JR.
Witness


JESCIE L. PALABAY
J.C. PALABAY


DIR. ARIZ D. CAWILAN
DEPED's Witness


ATTY. MICHAEL WESLEY T. POA
DEPED


DANIE BONIFACIO
Witness


JESIEF L. PALABAY
J.C. PALABAY


DIR. ARIZ D. CAWILAN
DEPED's Witness


ATTY. MICHAEL WESLEY T. POA
DEPED

- a. **J.C. PALABAY** may submit a request for payment based on the following:
 - i. Supplier's invoice showing goods' description, actual quantity of goods delivered based on the schedule of delivery and other relevant terms and conditions of the contract, unit price, and total amount;
 - ii. Duly signed Delivery Receipt/s;
 - iii. Duly signed Inspection and Acceptance Report/s (IAR/s), including certification by **J.C. PALABAY** duly signed and dated by the authorized representative of **DEPED** indicating that the goods have been delivered in accordance with the Contract; and
 - iv. Warranty Certificate.
 - v. Sales invoice;
 - vi. Bank Certificate with a valid account number for LDDAP; and
 - vii. Request for payment.

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 **J.C. PALABAY** 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. The first progress payment shall be paid upon delivery and acceptance of at least thirty-five percent (35%) of the quantity of Goods subject to the total contracted quantity of goods;
 - ii. The second progress payment shall be paid upon delivery and acceptance of another or succeeding quantity of goods equivalent to at least thirty-five (35%) of the total contracted quantity; and
 - iii. The final payment shall be paid upon full delivery and acceptance of all the remaining quantity of goods.

J.C. PALABAY must submit the above-mentioned documents to End-user Unit (Bureau of Learning Resources- Learning Resources Production Division).

- 12. Payment shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to one percent (1%) of the payment or a Special Bank Guarantee in an amount equal to one percent (1%) of the Contract Price required under Section 62.1 of RA 9184 and its revised IRR.
 - a. A three-month comprehensive and onsite warranty for the delivered goods shall reckon from the date of the issuance of the Certificate of Final Acceptance by **DEPED**.
 - b. **J.C. PALABAY** shall replace or repair all rejected goods within fifteen (15) calendar days from receipt of the Notice of Rejection, in accordance with SCC Clause No. 1. The replacement goods shall be subject to re-inspection.


DANTE BENFADO
Witness

In case **J.C. PALABAY** opts for retention money, the amount shall be released at the expiration of the warranty period or the remaining amount in case it has been utilized pursuant to the warranty provision unless, during the remainder of the warranty period, the retention money is substituted with a special bank guarantee.

The following shall be required for the release of the retention money:

1. Request for Payment for the release of the retention money;
2. Certificate of No Claims against the Warranty;
3. Billing statement;
4. Certificate of Final Acceptance;
5. Bank Certificate with a valid account number for LDDAP;
and
6. Other documentary requirements as may be required under existing accounting and auditing rules and regulations and other issuances.


JESIE L. PALABAY
J.C. PALABAY

13. Ownership, title, rights, and interest with respect to the contents of the textbooks and teacher's manuals, including all resources, records, or materials used or obtained in the course of this Contract shall vest exclusively with **DEPED**. **J.C. PALABAY** hereby irrevocably waives any claim thereto. **J.C. PALABAY** shall not, in any manner or for any purpose, use the contents of the textbooks and teacher's manuals beyond what is expressly allowed for the purpose of accomplishing the terms under this Contract unless express permission of **DEPED** in writing is obtained.


DIR. ARIZ D. CAWILAN
DEPED's Witness

14. Each party in the performance of their respective duties and responsibilities under this Contract and in the implementation thereof shall adhere to Republic Act (RA) No. 10173, otherwise known as the, "Data Privacy Act of 2012" and its Implementing Rules and Regulations and applicable National Privacy Commission issuances. Any gathered data and information should be protected and inspected during the term and even after the termination of this Contract. 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.


ATTY. MICHAEL WESLEY T. POA
DEPED


15. **J.C. PALABAY** 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 **J.C. PALABAY** or collect from any of the securities or warranties posted by **J.C. PALABAY** 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.

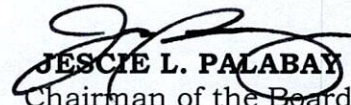
16. The **PARTIES** shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the **PARTIES** in connection with the implementation of the Contract. Should such dispute not be resolved amicably, it shall be submitted to Early Neutral Evaluation pursuant to Republic Act 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.

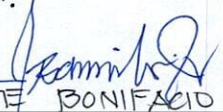
SIGNED, SEALED AND DELIVERED BY:


ATTY. MICHAEL WESLEY T. POA
Undersecretary and Chief of Staff
Head of Procuring Entity
DEPED


JESCIE L. PALABAY
Chairman of the Board
J.C. PALABAY ENTERPRISES, INC.

SIGNED IN THE PRESENCE OF:


DIR. ARIZ D. CAWILAN
DEPED's Witness


DANTE BONIFACIO JR.
J.C. PALABAY ENTERPRISES, INC.'s
Witness

CERTIFIED FUNDS AVAILABLE: ₱47,338,328.70


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 29 day of APR 2024 2024 personally appeared:

NAME

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

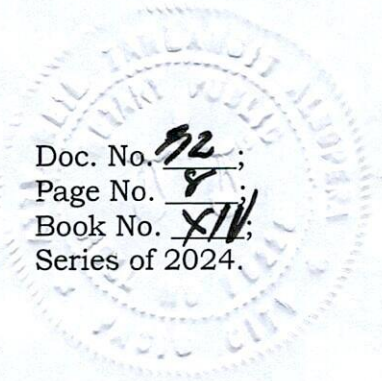
ATTY. MICHAEL WESLEY T. POA
Undersecretary and Chief of Staff
Head of Procuring Entity
DEPED

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 eight (8) pages (including 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.

Handwritten signature



Doc. No. 92;
Page No. 8;
Book No. XIV;
Series of 2024.

ATTY. NEIL TANUBALICT ALBOPERA

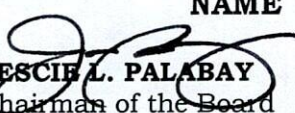
NOTARY PUBLIC
Notary Public
Until December 31, 2025
Pasig City and in the Municipality of Pateros, Metro Manila
PTR No. 1357680 / Pasig City/01 -02-2024
IBP No. 325487; 12/06 /2023 (MD for 2024)
Admitted to the Philippine Bar on 04/12/2022
Roll of Attorney No. 76228
TIN No. 242 -007-260-000
G/F Pasig City Hall, Brgy. San Nicolas, Pasig City
Appointment No. 58 (2024-2025)
Cellphone No. 0977 -634-4229

Handwritten signature

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

ACKNOWLEDGMENT

BEFORE ME, a Notary Public in and for QUEZON CITY, Philippines,
this 24 day APR 2024 2024 personally appeared:


NAME

JESCIEL L. PALABAY
Chairman of the Board
J.C. PALABAY ENTERPRISES, INC.

GOVERNMENT ISSUED ID
(Number, Issued On, Issued By)
DRIVER'S LICENSE # D16-89-026308
01-29-2020, LTO MARINA CITY

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 eight (8) pages (including this page), on which this acknowledgment is written and signed by the party hereto.

WITNESS MY HAND AND SEAL 24 APR 2024 QUEZON CITY on the date and place first above written.


ATTY. RUBEN M. AZANES, JR.
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
PTR No. 5555119, 01/02/2024-Q.C.
IBP No. 384112, 01/01/2024-Quezon City Chapter
Roll of Attorney's No. 46427
Admin Matter No. 025(2023-2024)
MCLE-VII-0018605-05-24-2022
TIN: 140-394-386-000
Bagong Lipunan Crame Q.C.

Doc. No. 197 ;
Page No. 41 ;
Book No. 163 ;
Series of 2024.

