

CONTRACT AGREEMENT

No. 2024-05-008

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into this 2nd day of May 2024 at Butuan City, Agusan del Norte, Philippines between and among:

The **DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT**, a National Agency of the Republic of the Philippines, with office address at Batasan Pambansa Complex, Diliman, Quezon City herein represented by **MARI-FLORA A. DOLLAGA-LIBANG** in her capacity as Regional Director of **FIELD OFFICE CARAGA**, hereinafter referred to as the **"Entity"**;

AND

PRINSAYAS CORPORATION, a duly licensed private entity, organized and existing by virtue of the laws of the Republic of the Philippines with office address at 3rd Avenue North Reclamation Area, Cebu City, Philippines, represented by **RODJASON G. ARBAN**, Insitutional Business Officer and Authorized Representative, hereinafter referred to as the **"Supplier"**;

WITNESSETH

WHEREAS, the **ENTITY** invited Bids for certain goods and ancillary services, particularly the **PROCUREMENT OF RAW MATERIALS FOR FAMILY FOOD PACKS STOCKPILE – LOT 2: 3-IN-1 COFFEE AND POWDERED CEREAL DRINK**, for the purposes of stockpiling of welfare goods for repositioning to Local Government Units (LGUs) and for the provision of such goods for disaster response operations;

WHEREAS, the **SUPPLIER** is engaged in the business of General Merchandise Retailing, and has offered to provide the **ENTITY** with the items for the purpose of the above-mentioned;

WHEREAS, in the bidding conducted for the purpose, the **SUPPLIER** submitted the Lowest Calculated and Responsive Bid (LCRB) in the amount of **SIX HUNDRED FIFTEEN THOUSAND SIX HUNDRED PESOS ONLY (PhP 615,600.00)** [hereinafter called "Contract Price"];

WHEREAS, the **ENTITY** has accepted the bid of the **SUPPLIER** in the aforesaid contract price;

NOW THEREFORE, for and in consideration of the foregoing premise and mutual terms, conditions and stipulations hereinafter set forth, the parties do hereby agree:

Article I

DOCUMENTS COMPRISING THE CONTRACT

1. The following documents shall be deemed to form and be read and construed as integral part of this Agreement pursuant to the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184, viz:
 - i. **DSWD Specifications** consisting of:
 - Section I - Invitation to Apply for Eligibility and to Bid
 - Section II - Instruction to Bidders
 - Section III - Bid Data Sheet

MARI-FLORA A. DOLLAGA – LIBANG
Regional Director

RODJASON G. ARBAN
Authorized Representative

MARI-FLOR A. DOLLAGA – LIBANG
Regional Director

- Section IV - General Conditions of the Contract
- Section V - Special Conditions of the Contract
- Section VI - Schedule of Requirements
- Section VII - Technical Specifications
- Section VIII - Bidding Forms and Supplemental/Bid Bulletins

- ii. Notice of Award by the Entity dated April 15, 2024
- iii. Performance Security
- iv. Notice to Proceed
- v. Effectivity of the Contract: May 2, 2024 to December 31, 2024
- vi. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

ARTICLE II SCOPE OF DELIVERY

1. The **SUPPLIER** shall comply with delivery schedule, item specifications (as indicated in Section VII. of the Philippine Bidding Documents), brand (as indicated in the **SUPPLIER's** submitted Price Schedule), and provided that the food items must be in accordance with DSWD AO No. 2 series of 2021 (Omnibus Guidelines on FNI and Logistics Management for Disaster Response Operations), to wit:

DESCRIPTION	BRAND	QUANTITY	DELIVERED
3-in-1 Coffee	San Mig Original	42,750 sachets	Within thirty (30) calendar days after receipt of an approved Notice to Proceed at the DSWD FO Caraga Warehouse located at Brgy. Port Poyohon, Butuan City
Powdered Cereal Drink	Energen	42,750 sachets	

2. The **SUPPLIER** shall notify the **ENTITY** at least three (3) calendar days before the delivery date to give the latter ample time to inform the Resident Auditor and the Inspection Committee of the delivery;
3. The **SUPPLIER** shall have a **buffer stock of 2%** for each item during delivery to replace any damaged/defective item during inspection;
4. Delivery Receipt (DR) must be duly signed/received by the authorized representative of the **ENTITY** and the original copy of the said receipt must be provided upon delivery;
5. The **ENTITY's** Inspection Committee and End-User/TWG shall randomly test and inspect samples from the delivered goods. If it is found out that **20%** of the sampled goods are not in accordance with the Technical Specifications, the entire batch of the delivery shall be rejected;
6. In the event of delays of delivery, the **SUPPLIER** shall incur liquidated damages amounting to one-tenth of one percent (0.001) of the cost of undelivered items for every day of delay;
7. The **ENTITY** reserves the right to terminate the Contract if any of the following conditions are committed by the **SUPPLIER**, to wit:
- (a) The **SUPPLIER's** cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract;

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Authorized Representative

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Regional Director

- (b) The **SUPPLIER** abandons the contract, refuses or fails to comply despite the issuance written notice from the **ENTITY**;
- (c) The **SUPPLIER** fails to execute or persistently or flagrantly neglects to carry out its obligations under this Contract;
- (d) The **SUPPLIER** sub-contracts any part of the approved Contract without approval by the **ENTITY**;
- (e) The **SUPPLIER** fails to serve the interest of the **ENTITY** in the duration of the Contract Agreement, or any time thereafter through use or disclosure to any unauthorized person, firm or entity, any information, derogatory or otherwise, concerning the business affairs of the **ENTITY** or any other information which the personnel of the **SUPPLIER** may have acquired by reason of their assignment to the **ENTITY**; commission of dishonest acts perpetrated by **SUPPLIER**'s personnel directly against the **ENTITY**, regardless of value.

8. In the event of controversy and disagreement between the **ENTITY** and the **SUPPLIER** regarding liability for the loss, damage, physical injury or death referred to in the preceding paragraphs hereof, the parties shall constitute a Committee, which shall be composed of three (3) members. The **ENTITY** and the **SUPPLIER** shall each appoint one (1) member respectively, and one (1) person outside both parties' respective organizations who shall act as the Chairperson. The decision of the Committee shall be binding on the parties, unless, within a period of thirty (30) days from receipt of such decision, a party shall institute the proper legal proceeding relating to the dispute.

**ARTICLE III
CONTRACT PRICE**

Item	Unit	Description	Quantity	Unit Price	Total Price Price
1	Tins	3-in-1 Coffee: > Brand: <u>San Mig Original</u> > Net Weight: 20-32g > HALAL Certified > Expiry: Not less than one (1) year from delivery	42,750	PhP5.95	PhP254,362.50
2	Tins	Powdered Cereal Drink: > Brand: <u>Energen</u> > Net Weight: 20-32g > HALAL Certified > Expiry: Not less than nine (9) months from delivery >	42,750	PhP8.45	PhP361,237.50
GRAND TOTAL:					<u>PhP615,600.00</u>


RODJASON G. ARBAN
Authorized Representative

**ARTICLE IV
PAYMENT TERMS**

1. For and in consideration of the items delivered, the **ENTITY** shall pay the **SUPPLIER** the contract price as provided in Article III of this document, taking into account the actual number of items delivered by the **SUPPLIER**;

2. The **SUPPLIER** shall submit its Delivery Receipt, duly signed by the **ENTITY's** authorized representative during the delivery date;
3. All payments shall be subject to withholding of creditable Value Added Tax (VAT) per Revenue Regulation No. 10-93 and local tax regulations adopted by the LGU per SP Ordinance No. 2235-2000, if applicable;
4. All the duly accomplished documentary requirements will be forwarded to the **ENTITY** and payment shall be through CHECK/ ADVICE TO DEBIT ACCOUNT (ADA) which will be made within **THIRTY (30) CALENDAR DAYS** after the submission of the foregoing.

**ARTICLE V
OTHER PROVISIONS**

1. In the event of a suit arising from this contract, the parties hereto agree that the venue for action shall be in the Court of Justice of Butuan City, Philippines;
2. This Contract shall be effective for a period from May 2, 2024 to December 31, 2024;
3. Notwithstanding the provisions of sub-paragraph 2 hereof, the **ENTITY** may terminate this Contract, at its sole discretion, upon thirty (30) days prior written notice to the **SUPPLIER**.

IN WITNESS WHEREOF, the parties have hereunto signed and executed this Agreement at Butuan City, Philippines on 2nd day of May 2024.

*Department of Social Welfare and
Development Field Office Caraga*

MARI-FLOR A. DOLLAGA-LIBANG
Regional Director

Prinsayas Corporation

RODJASON G. ARBAN
Authorized Representative

SIGNED IN THE PRESENCE OF:

TRISTAN C. TELEN
Director III / ARD for Administration

RAUL D. TRIGANES
Supplier's Witness
(Printed Name and Signature)

Certified as to Availability of Funds:

GRETCHEN F. ESCALA
Accountant III/ Chief Accountant

Republic of the Philippines)
City of Butuan) S.S.
x-----)

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in the City of Butuan, Philippines, this 2nd day of May 2024 personally appeared:

MARI-FLOR A. DOLLAGA - LIBANG
Regional Director

Name	I.D. No.	Date / Place Issued
MARI-FLOR A. DOLLAGA-LIBANG	DSWD ID No.: 10-1903049	March 29, 2019 / Cagayan de Oro City
RODJASON G. ARBAN	DRIVER'S LICENCE NO. <u>KOL-18-005069</u>	<u>10/10/2019</u> <u>Butuan City</u>

Both known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is voluntary act and deed.

This agreement consisting five (5) pages signed by the parties and instrumental witness in all pages refer to an AGREEMENT for the **PROCUREMENT OF RAW MATERIALS FOR FAMILY FOOD PACKS STOCKPILE – LOT 2: 3-IN-1 COFFEE AND POWDERED CEREAL DRINK.**

WITNESS MY HAND AND SEAL in the place and on the date stated above.

RODJASON G. ARBAN
Authorized Representative

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Book No. XVII
Series of 2024

ATTY. JOSE P. ZAFRA IV, R.M.T.
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MCLE no.: VII-0011806 Valid until 12/31/2024