

NOTICE TO PROCEEDDate : 23 AUG 2024

VINCE ALLAN F. DAVANTES
Proprietor/ General Manager
VFD Construction and Supplies
Brgy. 1, Poblacion, Paranas, Samar

Dear Mr. Davantes:

Please be informed that you may now proceed as the Contractor for the contract entitled "**Repair of DSWD MIMAROPA Facilities**" with RFQ No. **2024-07-0691** and Contract No. **DSWD4B-2024-058** amounting to **Seven Hundred Fifty-Five Thousand Two Hundred Thirty Two Pesos and 81/100 only (Php 755,232.81)** inclusive of all applicable taxes.

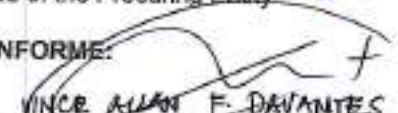
This Notice binds you to your bid price proposal, drawings/plans, specifications, bill of quantities, and other terms and conditions stipulated in the Contract. Please note that completion of the project shall be made within **Forty Five (45) Calendar Days** upon receipt of this notice. Further, we acknowledge receipt of your Performance Security in the form of:

(Please check type of Security)	Form of Performance Security	Amount of Performance Security/ Remarks
	Cash or Cashier's / Manager's Check	
	Bank Draft/Guarantee or irrevocable letter of credit	
✓	Surety Bond	Two Hundred Twenty Six Thousand Five Hundred Sixty Nine Pesos and 84/100 only (Php 226,569.84)

Kindly affix your signature and the corresponding date in the space provided below:

Very truly yours,


LEONARDO C. REYNOSO, CESO III
Regional Director
Head of the Procuring Entity

CONFORME:

VINCE ALLAN F. DAVANTES
VFD CONSTRUCTION AND SUPPLIES
Authorized Representative
Date: Sept. 2, 2024

CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE MIMAROPA, a government agency with principal office address at No. 1680 F. T. Benitez St., cor. Malvar Street, Malate, Manila, represented by its Regional Director **LEONARDO C. REYNOSO, CESO III** (hereinafter called the "PROCURING ENTITY");

-and-

VFD CONSTRUCTION AND SUPPLIES, a single proprietor and existing under Philippine laws, with principal business address at Brgy. Poblacion, Palanas, Samar represented herein by its Authorized Representative/Construction Manager – **VINCENT ALLAN F. DAVANTES** (hereinafter called the "CONTRACTOR");

WHEREAS, the Procuring Entity invited for the quotation for the Repair of DSWD Field Office MIMAROPA Facilities and has accepted a Bid by the CONTRACTOR in the sum of **Seven Hundred Fifty-Five Thousand Two Hundred Thirty-Two Pesos and 81/100 Only (Php 755,232.81)** (hereinafter called "the Contract Price");

WHEREAS, the CONTRACTOR has offered the PROCURING ENTITY to undertake the implementation of the projects based on the plans prepared by the assigned ENGINEER of the PROCURING ENTITY;

WHEREAS, on the basis of the above-mentioned representation and warranty by the CONTRACTOR, the PROCURING ENTITY has accepted the offer of the CONTRACTOR to undertake aforementioned installation and repair works;

WHEREAS, the CONTRACTOR is willing and hereby undertakes to furnish/provide the labor, materials, and equipment and to perform all works necessary for the completion of the project in accordance with the provisions of this Agreement;

NOW, THEREFORE, the PROCURING ENTITY and the CONTRACTOR, for and in consideration of the foregoing and the stipulations herein set forth, hereby agree as follows:

ARTICLE 1 THE PROJECT

- 1.01 The PROJECT shall consist of furnishing labor, and materials and performing all operations in connection with the implementation of the projects strictly in accordance with the requirements of the drawings, as specified hereto and subject to the terms and conditions of the Contract Documents.
- 1.02 The CONTRACTOR shall perform other works as follows:
 - a. Responsibility for maintaining the general cleanliness and sanitation of the site; clearing of site and removal of construction debris during the entire construction period, including debris brought about by CONTRACTORS in direct contact with the PROCURING ENTITY (or its AUTHORIZED REPRESENTATIVE).
 - b. All concreting works and finishing works.
- 1.03 The CONTRACTOR shall perform and accomplish the PROJECT strictly in accordance with its proposal and as provided in the CONTRACT DOCUMENTS, as hereinafter defined, including but not limited to the papers, plans, specifications and schedules, and related documents prepared by the TECHNICAL ENGINEER, of the

Leonardo C. Reynoso
LEONARDO C. REYNOSO, CESO III
Regional Director

Vincent Allan F. Davantes
VINCENT ALLAN F. DAVANTES
Contractor

PROCURING ENTITY and as agreed upon by both parties before the commencement of works.

1.04 The CONTRACTOR shall be responsible for the timely provision of all items referred to in the CONTRACT DOCUMENTS including the timely ordering and delivery of all materials to be provided by the CONTRACTOR in order to ensure that performance of the work for the PROJECT is in accordance with the CONTRACT DOCUMENTS.

1.05 The CONTRACTOR shall provide everything necessary or appropriate toward the proper accomplishment and completion of the PROJECT according to the true intent and meaning of the drawings, plans and specifications, and other Contract Documents taken together, whether the same may or may not be particularly shown on the drawings or described in the specifications; PROVIDED that, the same is reasonable to have interfered therefrom; and if the CONTRACTOR finds any discrepancy in the drawings or between the drawings and specification, the CONTRACTOR shall immediately refer the same to the TECHNICAL ENGINEER which shall finally decide on what shall be followed.

1.06 The PROJECT shall be under the joint supervision of the TECHNICAL ENGINEER and the CONSTRUCTION MANAGER and both shall certify the work hereby agreed to be done.

ARTICLE 2

CONTRACT DOCUMENTS

2.01 The CONTRACT DOCUMENTS, which are hereto incorporated and made an integral part hereof, and which are duly signed by the PROCURING ENTITY and the CONTRACTOR, shall consist of, but not limited to the following:

- a. Contractor's Duly Signed Quotation dated July 31, 2024– Annex "A";
- b. Purchase Order dated August 9, 2024 – Annex "B";
- c. Program of Works – Annex "C";
- d. Bill of Quantities – Annex " D"

2.02 All other subsequent agreements and documents, which hereafter may be agreed upon between the PROCURING ENTITY (or its AUTHORIZED REPRESENTATIVE) and CONTRACTOR and duly signed by the parties, whether prepared before or after signing of the foregoing documents under Clause 2.01, shall likewise form part of the CONTRACT DOCUMENTS.

2.03 It is mutually understood that the CONTRACT DOCUMENTS shall be complementary with each other and what is called for or prescribed by one shall be considered as if called for or prescribed by all. In case of any discrepancy between, or of any defective description, errors, omissions, or ambiguity in any of the CONTRACT DOCUMENTS, the CONTRACTOR shall within ten (10) calendar days from discovery of a such discrepancy between, or of any defective description, errors, omissions or ambiguity, whether or not requiring any adjustment in time and cost of the PROJECT, submit the matter in writing to the PROCURING ENTITY (or its AUTHORIZED REPRESENTATIVE) through its CONSTRUCTION MANAGER, which shall, within ten (10) calendar days from receipt of such written notice from the CONTRACTOR and latter shall accordingly proceed with the work strictly in accordance with such determination without prejudice to the provisions of Article 20 hereunder.

2.04 The PROCURING ENTITY shall have the right to supply to the CONTRACTOR from time to time during the progress of the work, such additional drawings, instructions, and documents as it may deem necessary for the proper and adequate execution of the PROJECT. All such documents, instructions, and drawings supplied, and all written corrective determinations made pursuant to the foregoing paragraphs shall form integral parts of the CONTRACT DOCUMENTS under this AGREEMENT as prescribed in Article 2.02.


LEONARDO C. REYNOSO, CESO III
Regional Director


VINCE-ALLAN F. DAVANTES
Contractor

ARTICLE 3
SCOPE OF WORK AND RESPONSIBILITIES OF THE CONTRACTOR

Leonardo
LEONARDO C. REYNOSO, CESO III
Regional Director

- 3.01 The CONTRACTOR shall furnish and provide for its account all the necessary materials, supplies, labor, tools, equipment, plant, supervision, and other facilities as may be needed in the satisfactory performance and accomplishments of the PROJECT without delay and in accordance with and as directed by the CONTRACT DOCUMENTS. All materials and workmanship shall be of the respective kinds described in the specifications, and the CONTRACTOR shall, upon the request of the TECHNICAL ENGINEER furnish him with brochures and supporting documents to prove that the materials are such as specified.
- 3.02 The CONTRACTOR shall ensure and hereby warrants at all times that it shall exercise the skill, care and diligence in the performance of the work as should be exercised by a fully qualified, competent, and first-class contractor, fully skilled and experienced in carrying out of the work as similar in nature and extent to the PROJECT. The CONTRACTOR warrants that it is fully experienced in the construction of major projects of similar scope, complexity, size, and technical sophistication as the PROJECT and that it possesses the high level of skill and expertise commensurate with that experience which it will make available to the PROCURING ENTITY. In so doing the PROCURING ENTITY is relying upon the skill, judgment, and expertise of the CONTRACTOR in the performance of the PROJECT and the coordination and planning thereof.
- (i) The personnel to be employed by the CONTRACTOR shall be sufficient in number to carry out the various phases of work diligently and efficiently in order to complete the remaining works in accordance with the agreed work program (CPM Network and/or Bar Chart Schedule – Annex "E"), subject to any exceptions which may be mutually agreed upon in writing and will be properly skilled, competent and experienced having regarding the nature and extent of the PROJECT; and
 - (ii) It is adequately and properly financed to meet all the financial obligations which it may be required to assume under this AGREEMENT;
- 3.03 The CONTRACTOR shall during the term of this Agreement coordinate with the work of other tradesmen or contractors of the other Construction Packages in addition to its own and shall be directly responsible for the work of all men under its control and supervision to ensure the expeditious and satisfactory completion of the PROJECT.
- 3.04 The CONTRACTOR agrees that it has satisfied itself as to the nature and scope of work, including but not limited to the management, supervision, engineering and procurement services, the obtaining of permits, license, consents and authorizations, and all other necessary services, personnel, labor, equipment, facilities, materials and supplies required for the performance of all the works to complete the PROJECT.
- 3.05 The CONTRACTOR hereby recognizes the positions of trust and confidence reposed on it by this AGREEMENT and agrees to furnish its best skill and judgment and to cooperate TECHNICAL ENGINEER with any of PROCURING ENTITY'S authorized representatives in furthering efficient business administration and superintendence in the performance of this repair and concreting, to have adequate supply of workmen and materials at all times, and to secure the execution of this contract in the soundest way and in the most expeditious and economical consistent with the interest of the PROCURING ENTITY.
- 3.06 It is mutually understood that the CONTRACTOR is not an employee of the PROCURING ENTITY but is an independent contractor. Neither shall the employees, workers, laborers, agents, or the subcontractor (as may be allowed in

Vince
VINCE ALLAN E. BAVANTES
Contractor

accordance with Article 15 of this Agreement) of the CONTRACTOR be deemed employees of the PROCURING ENTITY. Hence, the PROCURING ENTITY shall not in any way be liable or responsible for any and all personal injuries or damages to third persons or their property, caused by any such employee, worker, laborer, agent or subcontractor, nor for any personal injuries or damages to their property suffered by them in performance of their duties. The CONTRACTOR shall, at all times, be directly responsible and liable for the enforcement of, and compliance with all existing laws, rules and regulations particularly in respect of any and all claims brought by its personnel for the enforcement of the provisions of the Labor Code of the Philippines and other pertinent labor and social legislations. The CONTRACTOR hereby holds the PROCURING ENTITY free and harmless from all such claims and liabilities thereto.


LEONARDO C. REYNOSO, CESO III
 Regional Director

- 3.07 The CONTRACTOR agrees and binds itself to indemnify and hold the PROCURING ENTITY free and harmless against any and all losses, costs, damages, and expenses arising out of any claim or cause of action in respect of any injury, sickness, disease or death of any person or loss of or damage to any property suffered by reason of the failure, negligence, delay or conduct on the part of the CONTRACTOR and/or its employees in the performance of its obligations hereunder arising out of or in connection with the same where such injury, sickness, disease, death, loss or damage is caused or contributed to by the fault or negligence of the CONTRACTOR and/or its employees.
- 3.08 The CONTRACT shall perform all works in the manner specified in this AGREEMENT and in accordance with the best principles, accepted practices, and standards prevailing in the construction and contracting industry.
- 3.09 The CONTRACTOR shall take all adequate and necessary measures to protect the PROJECT, the PROCURING ENTITY's time, take all measures to avoid or reduce to a minimum any inconvenience to owners/occupiers of land, and the general public at or adjacent to the site when performing the works.
- 3.10 The CONTRACTOR understands that it is fully aware of and has familiarized itself with all access, operational and other requirements, restrictions, and charges as may be imposed by any governmental authority or agency concerned relative to and/or affecting the performance of its work to complete the PROJECT.
- 3.11 The CONTRACTOR shall ascertain the exact position of all services, cables, pipes, equipment, and other items present on, in, or under the job site and shall indemnify the PROCURING ENTITY against all cost, expenses, and claims arising out of any loss, disconnection, disruption, destruction or other interference with such items resulting from the works undertaken by it.

ARTICLE 4
RIGHTS AND RESPONSIBILITIES OF THE PROCURING ENTITY

- 4.01 The PROCURING ENTITY shall be represented in the implementation of this Agreement by the TECHNICAL ENGINEER who shall have the authority at the job site to execute or implement the orders or instructions which may be given from time to time by the PROCURING ENTITY.
- 4.02 The PROCURING ENTITY and/or its representative(s) may, at any time during the progress of the work, by written instruction, cause alterations in the original plans and specifications to be made by way of addition, deletion or otherwise deviation therefrom; and said work shall be executed by the CONTRACTOR under the direction of the TECHNICAL ENGINEER and the CONSTRUCTION MANAGER and as approved by the PROCURING ENTITY, in the same manner as if the same had been included in the original plans and specifications subject to the terms and conditions stipulated in Article 5.06 hereof.


VINCENT ALLAN F. DAVANTES
 Contractor

ARTICLE 5
CONTRACT PRICE AND MANNER OF PAYMENT

- 5.01 The PROCURING ENTITY shall pay the CONTRACTOR, in consideration for the satisfactory performance and accomplishment of all the obligations specified in Article 1 hereof which the CONTRACTOR agreed to undertake perform and accomplish under the AGREEMENT, the total provisional sum contract price ('CONTRACT PRICE') of **Seven Hundred Fifty-Five Thousand Two Hundred Thirty-Two Pesos and 81/100 Only (Php 755,232.81)** ,Philippine Currency, inclusive of Value Added Tax (VAT). The CONTRACT PRICE shall be payable in the manner hereinafter provided.
- 5.02 The CONTRACT PRICE stipulated above shall not be altered or adjusted due to any fluctuations in the prices of materials and equipment, or for any cause or reason whatsoever aside from possible adjustments in labor cost due to mandatory wage hike promulgated by the National Government and only with respect to the unfinished portion of the Project.
- 5.03 The CONTRACTOR shall submit to the PROCURING ENTITY the CONSTRUCTION MANAGER and TECHNICAL ENGINEER billing after the completion of the project. The CONSTRUCTION MANAGER and the ENGINEER shall process, certify to the correctness of, and make appropriate recommendations as to said billings within seven (7) working days from receipt thereof; and the PROCURING ENTITY shall pay the CONTRACTOR within thirty (30) working days upon receipt of said billings from the CONSTRUCTION MANAGER and the ENGINEER together with the letter's appropriate recommendation. Final payment shall be made in accordance with Article 16 of this AGREEMENT.
- 5.05 No certificate given or payment made under this Agreement, except the Final Inspection and Acceptance Certificate (FIAC) or final payment, shall be conclusive evidence of the performance by the CONTRACTOR of its covenants and obligations under this AGREEMENT, either wholly or in part, and no payment shall be construed to be an acceptance of defective work or improper materials.
- 5.06 Should the PROCURING ENTITY require the CONTRACTOR to perform additional work or extra work or to omit or reduce any work, the cost of additional and/or omitted or reduced work shall be added or deducted, as the case may be, and the computations of the cost shall be based on the agreed unit price based on the breakdown of cost.

ARTICLE 6
TAXES, DUTIES AND FEES

- 6.01 All taxes, including Value-Added Tax, duties, and fees of whatever nature connected with or related to this AGREEMENT and which may be due and payable, or for withholding, on tools, equipment, labor, materials, plants, supplies, and other facilities necessary for the performance and accomplishment of the PROJECT, shall be the sole responsibility of the CONTRACTOR, except taxes due on Procuring Entity-Supplied materials which shall be for the account of the PROCURING ENTITY. The PROCURING ENTITY shall be entitled to withhold from the payment to the CONTRACTOR any amount it is required to withhold by law or by any government authority.
- 6.02 The CONTRACTOR hereby holds the PROCURING ENTITY free and harmless from all such taxes and fees including the fines, penalties, and other charges accruing by reason of non-payment of such as due to the CONTRACTOR'S account.
- 6.03 The CONTRACTOR shall pay and shall ensure that any authorized sub-contractor shall pay all income, corporation, revenue or similar taxes howsoever described,


LEONARDO C. REYNOSO, CESO III
Regional Director


VINCE ALLANT F. DAVANTES
Contractor

and all penalties and interest thereon assessed on the income, profits, and gains accruing to the CONTRACTOR from the operation of this AGREEMENT. The CONTRACTOR shall be responsible for indemnifying, defending, and holding harmless the PROCURING ENTITY against CLAIMS whatsoever arising in connection with the liability of the CONTRACTOR for any such taxes, penalties, and interest. Furthermore, the CONTRACTOR shall be responsible for, indemnify, defend and hold harmless the PROCURING ENTITY against any CLAIMS whatsoever arising in connection with all taxes assessed or levied against or on accounts of wages, salaries, benefits, or deemed benefits paid to the CONTRACTOR's personnel or any person employed in connection with the performance of this AGREEMENT.

- 6.04 The CONTRACTOR shall give all necessary notices and obtain the necessary permits, clearances or approval from the proper authority in respect to this PROJECT except such permits, clearances or approvals are reasonably within the authority /mandate of the PROCURING ENTITY or in connection with or related to the importation of Procuring Entity-supplied materials.
- 6.05 The PROCURING ENTITY has any claim against the CONTRACTOR under or by virtue of this AGREEMENT in the amount equivalent to the PROCURING ENTITY's claim, without prejudice to bringing the dispute between the parties arising from the exercise by the PROCURING ENTITY of its rights under this paragraph to arbitration under Article 20.


LEONARDO C. REYNOSO CESOS III
 Regional Director

ARTICLE 7
CONTRACTOR'S GUARANTEE OF WORK

- 7.01 The CONTRACTOR guarantees its work against qualitative defects in materials, poor workmanship, and the like for a period of one (1) year reckoned from the day of Final Acceptance of the PROJECT by the PROCURING ENTITY. In case any defect, failure or poor workmanship of any part or parts of the PROJECT is discovered during the said period, the CONTRACTOR shall be bound to make good such defect, failure, or poor workmanship, without any cost or expense to the PROCURING ENTITY. In any case, during the same period, the CONTRACTOR shall hold the PROCURING ENTITY free and harmless from any and all liability or damages that may be incurred as a result of any breach of the CONTRACTOR's guarantee of work. It is hereby understood that these stipulations shall not in any manner affect the rights and liabilities of the parties under Article 1723 and such other applicable provisions of the New Civil Code of the Philippines, nor under any other existing laws, rules and regulations.
- 7.02 The CONTRACTOR shall be responsible for any and all damages to, and for the necessary repair of, public streets, sidewalks, curbs and paving, and other properties, whether public or private, occasioned by their use or opening in connection with or as a consequence of the PROJECT. It shall make good the same to the lawful satisfaction of the proper authority or party; and hereby holds the PROCURING ENTITY free and harmless from liability for any such damage or repair.


VINCE ALLAN F. DAVANTES
 Contractor

ARTICLE 8
OPTION TO COMPLETE WORK TAKE-OVER

- 8.01 If, at any time during the progress of the work, the CONTRACTOR should fail, refuse or neglect to supply and provide the required tools, materials, supplies, equipment, facilities and labor-workmen in accordance with the work schedule, or should abandon or fail to continue with the construction of the PROJECT or to complete the same; or when in the judgment of the PROCURING ENTITY the CONTRACTOR


LEONARDO C. REYNOSO, CESO III
 Regional Director

has been unreasonably delayed or is no longer capable of continuing the completion of work on time; or if this AGREEMENT or any part thereof is being sub-contracted or assigned without the previous written consent of the PROCURING ENTITY; or if the CONTRACTOR is willfully violating any of the conditions, covenants, agreements or technical requirements of the PROJECT, the PROCURING ENTITY shall have the option to take over the PROJECT and complete the same.

- 8.02 In such event that the PROCURING ENTITY opts to take over the PROJECT, the PROCURING ENTITY may take over and continue the PROJECT, all contracts entered into by the CONTRACTOR in the pursuit of their obligations under the contract which the PROCURING ENTITY may want to assume are hereby considered or deemed assigned to the PROCURING ENTITY. For this purpose, the CONTRACTOR agrees and obligates itself and undertakes to incorporate with and/or relative to the performance of their obligations a provision of its assignability/assumption upon the option of the PROCURING ENTITY. The PROCURING ENTITY may also engage the services of another third-party contractor. All expenses incurred by the PROCURING ENTITY shall be charged to the CONTRACTOR, and any additional cost incurred in finishing the PROJECT in excess of the contract price shall be at the expense and for the account of the CONTRACTOR.

ARTICLE 9

CONTRACT TIME, COMPLETION DATE, EXTENSION AND LIQUIDATED DAMAGES

- 9.01 The work shall commence seven (7) days after the receipt of the Notice to Proceed. The work shall be completed within a maximum period of **Forty Five (45)** consecutive calendar days counted from the stipulated commencement date in the receipt of the Notice to Proceed subject, however, to an extension of time as hereinafter provided.
- 9.02 The CONTRACTOR may ask for an extension of the period for completion by a request to the PROCURING ENTITY through the CONSTRUCTION MANAGER due to **force majeure** or fortuitous event and/or additional work approved by the PROCURING ENTITY or any other circumstances as may be determined by the PROCURING ENTITY. The request for extension shall be filed and submitted in writing within **fifteen (15) days** from the occurrence of one or more of the events mentioned above. The decision of the PROCURING ENTITY on this matter shall be binding upon the CONTRACTOR which shall proceed strictly in accordance with such determination without prejudice to the provisions of Article 19 of the AGREEMENT.
- 9.03 For the purpose of Article 9 of this AGREEMENT, the term "force majeure" means:
- a. war and other hostilities, whether war be declared or not), invasion, act of foreign enemies, mobilization, requisition or embargo;
 - b. rebellion, revolution, insurrection, terrorist act, military or usurped power or civil war occurring in the Republic of the Philippines;
 - c. earthquakes, typhoons, or other natural disasters of overwhelming proportions and which an experienced CONTRACTOR could not have foreseen and taken protection against. For the avoidance of doubt a storm signal two or above shall be considered to be force majeure;
 - d. labor disputes or strikes except those specifically directed at the CONTRACTOR; and
 - e. fire or explosion other than at the premises of the CONTRACTOR or at the site due to the negligence of the CONTRACTOR.
- 9.04 Notwithstanding the foregoing, no extension of the period for completion of the PROJECT shall be granted in any of the following instances: (a) ordinary unfavorable weather conditions; (b) non-availability of equipment of materials to be furnished by the CONTRACTOR; (c) labor problem or dispute involving the CONTRACTOR's employees, workers, or personnel or those of its sub-contractors,


VINCE ALLANT F. DAVANTES
 Contractor

agents, or supplies; (d) when the reason given for the request for an extension had already been considered in the determination of the original completion.


LEONARDO C. REYNOSO, CESO III
 Regional Director

9.05 Time is of the essence in this Agreement. Should the CONTRACTOR fail to complete the PROJECT within the period of extension granted by the PROCURING ENTITY, the CONSTRUCTION MANAGER shall certify in writing that the work could reasonably have been completed within the period specified herein or within the extended time, the CONTRACTOR agrees –

- a. To pay the PROCURING ENTITY the sum of one-tenth (1/10) of one percent (1%) of the stipulated total contract price as a penalty for each day of delay, including Sundays and Holidays; Provided that, the payment of penalty shall not in any manner relieve the CONTRACTOR from its obligations and responsibilities under this Agreement; and
- b. To allow the PROCURING ENTITY and/or another contractor or PROCURING ENTITY's choice to accomplish and finish the PROJECT as provided in Article 9 hereinabove.


9.06 It is further agreed and understood that the right of the PROCURING ENTITY to collect or receive to penalty charge and liquidated damages as compensation for delay in the circumstances herein stated, is in recognition by the parties of the expense and inconvenience likely to be incurred from any need to prove the loss and damage that will be suffered by the PROCURING ENTITY in the event of any such delay on the part of the CONTRACTOR. The collection and/or payment of such sums as penalty charges or liquidated damages shall be without prejudice to its rights and remedies against the CONTRACTOR provided elsewhere in this AGREEMENT or to which the PROCURING ENTITY may be entitled in law or equity.

9.07 To give full force and effect to the foregoing, the CONTRACTOR hereby, without the necessity of any further act and deed, has authorized the PROCURING ENTITY to deduct any amount that may be due under Clause 9.5 (a) above, from any and all amounts of money or amounts due or which will become due to the CONTRACTOR by virtue of this AGREEMENT and/or collect such amounts from the performance bond filed by the CONTRACTOR in accordance with this AGREEMENT.

ARTICLE 10
CONTRACTOR'S PERFORMANCE BOND

10.01 Upon the receipt of Notice of Award, the CONTRACTOR shall, at its expense, furnish within ten (10) days the PROCURING ENTITY a Performance Security which is equivalent to thirty percent (30%) of the Total CONTRACT PRICE or any forms stated in Section 39 of the Republic Act 9184, conditioned that the CONTRACTOR shall well, truly and faithfully perform this AGREEMENT and all the obligations, terms and conditions thereof on its part required to be performed. Said Performance Bond shall also answer for the penalty as provided in Clause 9.05 (a); or for any liability that may be suffered by the PROCURING ENTITY resulting from the violation by the CONTRACTOR of the Labor Code and all other labor and social legislation. In case the PROCURING ENTITY grants the CONTRACTOR an extension of contract time as mentioned in Clause 10.02 below, the effectivity of the Performance Bond shall be renewed by the CONTRACTOR upon the expiration of the same but the amount to be mutually agreed upon by both parties.

10.02 Any alteration or modification of changes in this AGREEMENT or CONTRACT DOCUMENTS do not have to have the approval of the surety to bind the surety or the company issuing the surety and/or performance bond.


VINCE ALLAN F. DAVANTES
 Contractor

ARTICLE 11
CONTRACTOR'S LIABILITY

- 11.01 The CONTRACTOR shall be responsible for, and shall indemnify and hold PROCURING ENTITY free and harmless from, any and all losses, costs, expenses and damages arising out of or in connection with any claim or cause of action in respect of any injury, sickness, disease, death or accident which may happen to any person or persons or any loss of or any damage to property on account of the prosecution of the works covered by this AGREEMENT. In this connection, the CONTRACTOR shall provide all the necessary safeguards, warning signs and all safety precautions for all workers and third parties during the progress of the work.

ARTICLE 12
COMPLIANCE WITH LAWS, ORDINANCE, RULES AND REGULATIONS

- 12.01 The CONTRACTOR shall comply with all the laws, ordinances and rules and regulations of both the national and local government which had been passed or may have been passed before the completion of the PROJECT, applicable to and/or binding upon the parties hereto, the work covered by this AGREEMENT, and shall be responsible for all damages either to the PROCURING ENTITY or to third parties or to the government, national or local, for the non-observance of such laws, ordinances and rules and regulations.
- 12.02 The CONTRACTOR shall comply with all the construction regulations and sanitation rules imposed by appropriate agencies, whether public or private having jurisdiction the PROJECT. The CONTRACTOR shall bear all fines imposed on them on their sub-contractors for any violations committed in the execution of their AGREEMENT.

ARTICLE 13
SUB-CONTRACTING OF THE PROJECT

- 13.01 The CONTRACTOR shall not assign, sublet or sub-contract except any portion of the PROJECT covered by this AGREEMENT except upon prior written approval by the PROCURING ENTITY. Any such assignment, sub-lease or sub-contracting shall be subject to the pertinent provisions of this AGREEMENT. Violation of this condition shall be ground for the termination of this AGREEMENT by the PROCURING ENTITY.

ARTICLE 14
REPRESENTATIONS AND WARRANTIES

- 14.01 The CONTRACTOR shall be responsible for the quality of materials, used in the construction of the PROJECT. The CONTRACTOR further warrants that all materials and other facilities incorporated into the work and turned over to the PROCURING ENTITY upon the completion of the PROJECT shall be brand new and free from any material or substance that is hazardous to health.
- 14.02 The CONTRACTOR warrants that it is a competent, qualified, and experienced contractor, equipped, organized, insured and financed to perform the works and complete the PROJECT in an efficient and professional manner and meeting all of the requirements of this AGREEMENT.
- 14.03 The CONTRACTOR represents and warrants to the PROCURING ENTITY that:
- (a) It is a company duly organized, validly existing, and is current on all payments to maintain such existence under the laws of the Republic of the Philippines.
 - (b) It has all necessary power and authority to carry on its business as presently conducted and to enter into and perform its obligations under this AGREEMENT to which it is a party and each of the executions, delivery, and performance by its of this AGREEMENT has been duly authorized by all necessary actions on


LEONARDO C. REYNOSO, CESO III
Regional Director


VINCE ALLAN F. DAVANTES
Contractor

its part, does not require any approval from any trustee, lessor or holder of any indebtedness or other obligation of it.

- (c) It is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete its obligation on it.
- (d) There is no action, suit, or proceeding, at law or in equity, or official investigation before or by any government authority, arbitration tribunal or other body pending or, to the best of its knowledge, threatened against or affecting it on any of its properties, rights or assents, which could reasonably be expected to result in a material adverse effect on its ability to perform its obligations under the AGREEMENT or on the validity or enforceability of the AGREEMENT.


LEONARDO C. REYNOSO, CESO III
 Regional Director

- 14.04 The CONTRACTOR represents that it had and shall maintain throughout the period of this AGREEMENT the adequate capitalization, financial capability, technical know-how and manpower to undertake and complete the PROJECT.
- 14.05 The CONTRACTOR warrants that, on or before the date of the work, it shall have obtained any and all permits, clearances and approvals from the proper authorities in accordance with its undertaking.
- 14.06 The CONTRACTOR shall perform the work necessary to complete the PROJECT and give all notices and comply with all other obligations under this AGREEMENT and the CONTRACT DOCUMENTS including any amendments thereto.
- 14.07 The CONTRACTOR shall commence, perform and complete PROJECT in an expeditious and diligent manner in accordance with this AGREEMENT and the CONTRACT DOCUMENTS including any amendments thereto.

ARTICLE 15
SAFETY FACILITIES

- 15.01 The CONTRACTOR shall provide safe facilities for access and inspection by the PROCURING ENTITY's TECHNICAL ENGINEER or their representative. The CONTRACTOR shall erect and properly maintain at all times, as required by the conditions and progress of work, such barriers, lights, danger signs, and necessary safeguards as well as protect workmen and the public.
- 15.02 The CONTRACTOR shall assign a full-time Safety Officer to the job site during the entire duration of the AGREEMENT.

ARTICLE 16
FINAL INSPECTION AND ACCEPTANCE CERTIFICATE

- 16.01 Upon receipt of written notice of CONTRACTOR that the completed PROJECT, subject matter of this CONTRACT, is ready for final inspection and acceptance, the CONSTRUCTION MANAGER shall notify the PROCURING ENTITY and ENGINEER, and the latter shall send their respective representative(s) to promptly make, together with the CONSTRUCTION MANAGER, such inspection. When both the PROCURING ENTITY and ENGINEER assigned and CONSTRUCTION MANAGER determine that the said PROJECT or work is acceptable under the terms of this AGREEMENT and that this AGREEMENT has been fully performed, they shall promptly issue a Final Inspection and Acceptance Certificate duly signed by them and assigned Inspection Officers, stating that the PROJECT or work provided for in this Contract has been completed. The PROCURING ENTITY, ENGINEER, and CONSTRUCTION MANAGER, if the work warrants acceptance, shall append their signatures to the certificate. Subject to the guarantee bond required under Article 10, the entire balance found to be due the CONTRACTOR and noted in said Final Inspection and Acceptance Certificate, the CONTRACTOR shall submit to the PROCURING ENTITY through the CONSTRUCTION MANAGER, the following:


VINCE ALLANT DAVANTES
 Contractor

- a. Billing Statement
- b. Mayor's Business Permit
- c. PCAB License
- d. PHILGEPS Registration Number
- e. Omnibus Sworn Statement
- f. A sworn affidavit stating that all wages and salaries of its staff and employees and all indebtedness connected with the project have been fully settled; provided that in case of any unpaid claim or credit, the quit-claim or release and waiver duly executed by the concerned suppliers or creditors in favor of the PROCURING ENTITY;
- g. Certificates of Inspections from local governing agencies on all installations requiring such certifications (if applicable)

16.02 The termination of this AGREEMENT shall be without prejudice to any rights of either the PROCURING ENTITY or the CONTRACTOR which may have accrued prior to such termination.

ARTICLE 17
INTERPRETATION OF THIS AGREEMENT

- 17.01 In interpreting and construing the provision of this AGREEMENT and in determining the intention of the parties hereto, a resort shall be made to the CONTRACT DOCUMENTS. In line herewith, this AGREEMENT and the CONTRACT DOCUMENTS shall be interpreted and construed together so as to give harmonious effect to their respective provisions; Provided that, in the event of irreconcilable conflict between the provisions of this AGREEMENT and those of the CONTRACT DOCUMENTS, the provisions of this AGREEMENT shall prevail.
- 17.02 If any one or more provisions of this AGREEMENT is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the AGREEMENT shall not be affected but this AGREEMENT shall be construed in a manner which, as nearly as possible, reflects the intent of the parties. Every part of the AGREEMENT shall be severable and separately valid and enforceable.

ARTICLE 18
ARBITRATION CLAUSE

- 18.01 Should there be any dispute, controversy or difference between the parties arising out of this AGREEMENT that may not be resolved by them to their mutual satisfaction despite earnest efforts, then the matter shall have submitted to the Construction Industry Arbitration Commission (CIAC) for arbitration under the Rules of Procedure Governing Construction Industry Arbitration as promulgated pursuant to Executive Order No. 1008 (the Construction Industry Arbitration Law).
- 18.02 An Arbitration Committee, composed of three (3) members shall be formed as follows: One (1) member shall be chosen by the PROCURING ENTITY and one (1) member shall be chosen by the CONTRACTOR. These two (2) members, in turn, shall select a third member acceptable to both of them. Either party may initiate the arbitration process by serving upon the other party a written demand for arbitration in accordance with this AGREEMENT within fifteen (15) days from the occurrence of any dispute, difference or controversy. The demand shall set forth the nature of the controversy, the amount involved, if any, the relief sought, and the name of the arbitrator so appointed must agree upon the third arbitrator within ten (10) days from notice of appointment. The decision of the Arbitration Committee shall be final and binding upon PROCURING ENTITY and the CONTRACTOR. Matters not otherwise provided for shall be governed by the provisions of the Arbitration Law (Republic Act 876). The cost of arbitration shall be borne by the interested party who filed the arbitration.
- 18.03 In case of litigation respecting the composition, proceedings or award of the Arbitration Committee, venue shall be in the proper court of Metro Manila. In such


LEONARDO C. REYNOSO, CESO III
 Regional Director


VINCE ALLAN F. DAVANTES
 Contractor

case, the prevailing party shall be entitled to collect from the other a sum equivalent to ten percent (10%) of the total amount due, as attorney's fees.

ARTICLE 19
TERMINATION OR RESCISSION

19.01 The PROCURING ENTITY may terminate or rescind this AGREEMENT, in whole or in part, and consequently refuse to allow the CONTRACTOR to proceed with the works on the PROJECT in the following occurrence/s, if after giving due notice to the CONTRACTOR to remedy such occurrence or occurrences within forty-eight (48) hours after receipt of such notice the PROCURING ENTITY but without prejudice to the claims of either party in respect of any breach prior to termination.

- (a) the CONTRACTOR becomes insolvent, adjudged to be bankrupt or makes or attempts to make any composition or scheme of arrangements with its creditors or any of them or, being a company or corporation, passes a resolution for winding up, or an order is made by a court of competent jurisdiction that the CONTRACTOR shall be wound up (other than voluntary winding up for the purposes of amalgamation or reconstruction) or court of competent jurisdiction shall make an administration order in respect of the CONTRACTOR, or a receiver or manager is appointed by the court of competent jurisdiction or the CONTRACTOR'S creditors or any of them or the CONTRACTOR shall become subject to any of the circumstances which entitled court of competent jurisdiction or any creditor to appoint a receiver or manager, or which entitled court of competent jurisdiction to make a winding up order or administration order in respect of the CONTRACTOR; or
- (b) the CONTRACTOR purports to assign or transfer this AGREEMENT for any right or interest therein without the prior written consent of the PROCURING ENTITY; or
- (c) the CONTRACTOR fails to comply with any pertinent laws, ordinances, rules and regulations; or
- (d) the CONTRACTOR abandons the PROJECT; or
- (e) there is a delay of at least fifty percent (50%) in the work schedule of the PROJECT at any point in time;

19.02 Upon termination by the PROCURING ENTITY pursuant to clause 19.1

- (a) The CONTRACTOR shall cease performance of the terminated work, but shall perform such other/work or services or work not terminated as the PROCURING ENTITY may direct for the purpose of protecting or storing any work in the course of performance;
- (b) The PROCURING ENTITY may complete or may engage third parties to complete the PROJECT and for this purpose, the CONTRACTOR shall;
 - (i) Permit or procure permission for the PROCURING ENTITY or third parties acting on behalf of the PROCURING ENTITY to enter the job site to remove end/or complete the work; and
 - (ii) Provide all facilities and assistance reasonably requested by the PROCURING ENTITY; and
- (c) All sums of money that any then be due or acting or accruing due from the PROCURING ENTITY shall not be liable to pay to the CONTRACTOR any further monies on account of the CONTRACT until the final cost and expense of removing and/or completion of the PROJECT (Including the making good of any defects) has been ascertained by the PROCURING ENTITY. If such amount when added to the monies paid to the


LEONARDO C. REYNOSO, CESO III
 Regional Director


VINCE ALLANT F. DAVANTES
 Contractor

CONTRACTOR before the date of termination exceeds the total amount which would have been payable to termination exceeds the total amount which would have been payable to the CONTRACTOR had the CONTRACT not been terminated, the PROCURING ENTITY may deduct the difference from the payment due to the CONTRACTOR or recover it by other means as a debt due from the CONTRACTOR.


LEONARDO C. REYNOSO, CESO III
 Regional Director

19.03 If the PROCURING ENTITY terminates the AGREEMENT in accordance with Clause 19.01, the CONTRACTOR shall comply with all instructions of the PROCURING ENTITY including but not limited to those in respect of:

- (a) The cancellation or assignment of outstanding commitments or contracts;
- (b) The performance of any work required for the completion, protection and storage of the work performed;
- (c) The protection and/or removal of the copies of the plans; CONTRACT DOCUMENTS and the materials found in the PROJECT as directed by the PROCURING ENTITY;
- (d) The execution of all documents and all such other actions as may be required in order to vest in the PROCURING ENTITY all rights, set-offs and benefits held by the CONTRACTOR under or in connection with the performance of the work on the PROJECT;
- (e) The assignment to the PROCURING ENTITY of any pending sub-contracts as the PROCURING ENTITY may request; and
- (f) Any other matter arising out of this AGREEMENT which the PROCURING ENTITY decides are necessary or expedient.

19.04 If the PROCURING ENTITY terminates the AGREEMENT based on the grounds other than those provided for under Clause 19.01, the PROCURING ENTITY shall pay the CONTRACTOR by way of full and final statement for all work satisfactorily performed prior to the date of termination (in so far as such amounts or items have not been covered by payments made prior to termination) the portion of the CONTRACT PRICE representing the value of such work together with the amount of any unavoidably on account of such termination and in respect of which the CONTRACTOR shall have provided full and proper substantiation to the satisfaction of the PROCURING ENTITY provided that the PROCURING ENTITY shall not be liable to the CONTRACTOR for the remaining portion of the CONTRACT PRICE over and above the value of the work satisfactorily performed by the CONTRACTOR.

19.05 Any substantial breach or violation by any party ("Defaulting Party") of its obligations and covenants under this AGREEMENT other those listed under Clause 19.01 shall entitle the other party ("Offended Party") to rescind or cancel this AGREEMENT, without the necessity of judicial action, by giving the Defaulting Party thirty (30) days prior written notice to that effect. In addition, the Defaulting Party shall be liable to the Offended Party to pay any and all actual damages incurred by the latter as a result of such breach or violation, unless other provisions provide for specific penalty or liquidated damages, in which case such penalty or damages will apply.


VINCE ALLAN F. DAVANTES
 Contractor

ARTICLE 20
LIENS AND CLAIMS

20.01 The CONTRACTOR shall protect and hold all property of the PROCURING ENTITY free from all liens, charges, and other encumbrances.

20.02 Upon receipt of the notice from the PROCURING ENTITY, the CONTRACTOR shall discharge or cause to be discharged all liens, charges or other encumbrances attaching to or in connection with the performance of the work on the PROJECT

which in the opinion of the PROCURING ENTITY may adversely affect the performance by the CONTRACTOR of its obligations under this AGREEMENT.

20.03 The PROCURING ENTITY may discharge the lien, charges, or other encumbrances and may deduct from the payment due to the CONTRACTOR or recover by other means as a debt due from the CONTRACTOR all costs and expenses reasonably incurred in so doing

Any gross deviation of the execution of the goods and services shall prompt the Procuring Entity to terminate the Contract.

IN WITNESS whereof the parties signed this Contract in CITY OF MANILA, Philippines on the SEP 12 2024.

For the **Department of Social Welfare Development MIMAROPA Region**

For the **VFD Construction and Supplies**


LEONARDO C. REYNOSO, CESO III
Regional Director


VINGE ALLAN F. DAVANTES
Owner

Witnesses:


TERESITA L. VALENTINO
ARD for Administration


ENGR. JOSHUA UY
Representative

Certified Funds Available:


REYNOLD WILBERT L. TONGDO
Accountant III/ Head Accounting Section

REPUBLIC OF THE PHILIPPINES)
MANILA) S.S.

CITY OF MANILA

SEP 12 2024

BEFORE ME, a Notary Public for and in _____ on this _____ day of _____
2024 personally appeared the following with their respective proof of identification;

LEONARDO C. REYNOSO, CESO III

ID No. : _____
Place Issued : _____
Date Issued : _____


VINCE ALLAN F. DAVANTES

ID No. : _____
Place Issued : _____
Date Issued : _____

Both are known to me to be the same people who executed the foregoing instrument and who acknowledge to me that the same is their own free will and voluntary act and deed.

This agreement consisting of fifteen (15) pages signed by the parties and their instrumental witnesses in all pages refers to an AGREEMENT for the REPAIR OF DSWD MIMAROPA FACILITIES.

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

NOTARY PUBLIC

Doc. No. 120
Page No. 24
Book No. 33
Series of 2024


ATTY. PETER ANTHONY T. MALLARI
Notary Public until December 31, 2024
Notarial Commission # 2023-210
1155 Gen. Luna St., Pasay, Manila
IBP # 11731
PTR# 1527774 / 11-12-2024 Mlg.
MCLE VIII# 0002995





PhilGEPS

Philippine Government Electronic Procurement System

Central Portal for
Philippine Government
Procurement Opportunities

Award Notice Abstract (Ref No.: 5023361)

Status: Updated

<p>Reference Number: 11084580</p> <p>Control Number: 2024-07-0691</p> <p>Bid Notice Title: REPAIR OF DSWD MIMAROPA FACILITIES</p> <p>Approved Budget: Php760,232.81</p> <p>Procurement Mode: Negotiated Procurement - Small Value Procurement (Sec. 53.9)</p> <p>Classification: Civil Works</p> <p>Category: Construction Projects</p> <p>Applicable Procurement Rules: Implementing Rules and Regulations</p> <p>Funding Source: Government of the Philippines (GOP)</p> <p>Funding Instrument: General Appropriations Act</p> <p>Location: Metro Manila</p> <p>Contract Duration: 45 Day/s</p> <p>Contact Person: Harvy Calabio</p> <p>Created By: Harvy Calabio</p>	<p>DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT - REGION IV-B 1680 Benitez corner Malvar St. Malate, Manila Manila Metro Manila, NCR, Philippines</p> <p style="text-align: center;">Construction Projects</p> <p>Awardee : VFD CONSTRUCTION AND SUPPLIES Address : Davantes St., Poblacion 1 Paranas (Wright) Samar, Region VIII, Philippines</p> <p>Contact Person : Vince Allan Fabria Davantes Designation : Proprietor</p> <table border="1"> <thead> <tr> <th colspan="3">Line Item</th> </tr> <tr> <th>#</th> <th>Product/Service/Project Name</th> <th>Budget</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Construction Projects, REPAIR OF DSWD MIMAROPA FACILITIES, 72102900, 1, Lot</td> <td>Php760,232.81</td> </tr> </tbody> </table> <p>Reason for Award : Single calculated and responsive bidder.</p>	Line Item			#	Product/Service/Project Name	Budget	1	Construction Projects, REPAIR OF DSWD MIMAROPA FACILITIES, 72102900, 1, Lot	Php760,232.81	<p>Award Type: Award Notice</p> <p>Contract Amount: Php755,232.81</p> <p>Award Date: 09-Aug-2024</p> <p>Publish Date: 16-Aug-2024</p> <p>Date Last Updated: 12-Sep-2024</p> <p>Contract Number: DSWD4B-2024-058</p> <p>Proceed Date: 02-Sep-2024</p> <p>Contract Effectivity Date: 02-Sep-2024</p> <p>Contract End Date: 17-Oct-2024</p> <p>Created By: Harvy B. Calabio</p> <p>Date Created: 16-Aug-2024</p> <p>Approver: Harvy B. Calabio</p> <p>View Documents: 4</p>
Line Item											
#	Product/Service/Project Name	Budget									
1	Construction Projects, REPAIR OF DSWD MIMAROPA FACILITIES, 72102900, 1, Lot	Php760,232.81									