

## CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Contract Agreement was executed by and between:

**CEBU NORMAL UNIVERSITY**, a higher education institution duly organized and existing under the laws of the Philippines created by virtue of Republic Act 8688 otherwise known as "The CNU Charter", with principal office address at Osmeña Blvd., Cebu City, and represented herein by President, **Dr. Daniel A. Ariaso, Sr.**, hereinafter referred to as "**CNU**",

-and-

**C & E PUBLISHING, INC.**, a corporation duly organized and existing under Philippine laws, with office address at No. 51 P. de la Cruz St., San Bartolome, Novaliches, Quezon City, represented by its Senior Business Solution Officer, **Arceli Buenafior Gomez**, hereinafter referred to as the "**SUPPLIER**",

Collectively referred as the Parties.

### WITNESSETH

WHEREAS, CNU needs the supply of certain goods, particularly, **Medical Print Books and Online Library Resources for the College of Medicine;**

WHEREAS, on November 7, 2023 CNU posted an invitation to bid in PHILGEPS/CNU Website;

WHEREAS, on November 15, 2023 a pre bid conference was conducted and subsequently issued Bid Bulletin No. 1;

WHEREAS, on November 28, 2023 CNU conducted the actual bidding;

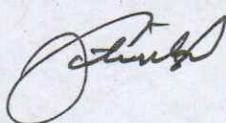
WHEREAS, on December 4, 2023 the CNU BAC conducted the post qualification and upon verification and recommended the awarding of the contract to the Second Party, having the lowest and most advantageous bid to CNU through **BAC Resolution No. 69 Series of 2023**, to the Head of the Procuring Agency, which the latter approved;

WHEREAS, on January 26, 2024 CNU President or the Board of Regents declared and issued the Notice of Award pursuant to **BOR Resolution No. 012 Series of 2024** to the Second Party for a total contract price of **Seventeen Million Seven Hundred Seventy-Two Thousand and Fifty-Five Pesos (Php 17,772,055.00)** and was thereby awarded the contract, subject to the terms and conditions stipulated herein.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the Parties hereby agree as follows:

#### 1. ITEM DESCRIPTION

One (1) Lot Medical Print Books and Online Library Resources for the College of Medicine.



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## 2. INTEGRAL DOCUMENTS

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 an integral part of this Agreement, viz.:

- a. Philippine Bidding Documents (PBDs);
  - i. Schedule of Requirements;
  - ii. Technical Specifications;
  - iii. General and Special Conditions of Contract; and
  - iv. Supplemental or Bid Bulletins, if any
- b. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the First Party's bid evaluation;

- c. Performance Security;
- d. Notice of Award of Contract; and the Bidder's conforme thereto;
- e. Purchase Order;
- f. Supplemental Bid Bulletin; and
- g. Other contract documents that may be required by existing laws and/or the First Party concerned in the PBDs. Winning bidder agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

## 3. FEES AND BILLING SCHEDULE

- 3.1 For and in consideration of all the foregoing services, as well as compliance by the Supplier of all the terms and condition of this Contract, CNU shall pay a total amount of **Seventeen Million Seven Hundred Seventy-Two Thousand and Fifty-Five Pesos only (Php 17,772,055.00)** inclusive of any and all taxes (including, but not limited to, the applicable Value Added Tax), fees, duties and such other imposts or levies which may be required by the government, both national and local.
- 3.2 All prices quoted and awarded herein are valid, binding, and effective at least 45 calendar days from the date of quotation/notice of award. Price escalation or any other changes of the price previously quoted herein shall not be grounds for waiver or termination of this Agreement.
- 3.3 Payment shall be processed within 5 days from receipt of the approved Certificate of Acceptance from the Head of Procuring Entity (HoPE) for the Supplier's completion of delivery and submission of statement of account.



#### 4. DELIVERY, INSPECTION, AND ACCEPTANCE

The goods shall be delivered to CNU, Osmeña Blvd., Cebu City on or before **Thirty (30) calendar days** upon the Supplier's receipt of the Notice to Proceed. Likewise, incidental services thereto, i.e. installation, shall be performed in the premises of CNU.

Delivery shall be deemed completed upon receipt and acceptance of CNU or any of its authorized representatives. Cost of delivery is deemed included in the Price.

CNU or its representative shall have the right to inspect and/or test the goods at no extra cost to CNU at the premises of the supplier, at the point of delivery, or at the final destination. The Supplier shall facilitate such inspections and provide the required assistance.

The Supplier agrees that any acceptance by CNU does not release them from any warranty or other obligations under this Contract. The failure of CNU to insist upon a strict performance of any of the terms, conditions, and covenants hereof, shall not be deemed a relinquishment or waiver of any right or remedy that CNU may have, nor shall it be construed to be a waiver of any subsequent breach or default of the terms and conditions herein contained, which shall be deemed in full force and effect.

#### 5. PERFORMANCE SECURITY

To guarantee faithful performance of this agreement, the Second Party shall post a performance security prior to the commencement of the work in the form of cash, manager's check, bank draft/guarantee, and/or surety bond in accordance with the following schedule:

- a) If Cash, manager's check- five (5%) percent of the contract price;
- b) If Surety bond - thirty (30%) percent of the contract price.

The performance security shall be posted in favor of CNU and may be released by CNU only after the issuance of the Certificate of Completion of the contract provided that there are no defects in the goods delivered. It shall also guarantee the payment of the amount of the security as a penalty in the event it is established that the Second Party is in default in any of its obligations in this agreement.

#### 6. EFFECTIVITY

This Contract shall run and be effective as indicated in the Notice to Proceed to be issued by CNU upon the execution of this Contract, up to and until the issuance by CNU of a Certificate of Final Acceptance, unless sooner terminated by CNU upon the occurrence of any of the grounds for termination specified under Clause IX hereof. The representations and warranties of the Supplier shall survive the termination or expiration of this Contract.

#### 7. LIQUIDATED DAMAGES

When the supplier fails to satisfactorily deliver goods under the contract within the specified delivery schedule, inclusive of duly granted time extensions for due causes, if any, the supplier shall be liable for damages for the delay and shall pay the First Party liquidated damages, not by way of penalty, 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



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delivered and accepted by the First Party concerned. Such amount shall be deducted from any money due or which may become due to the supplier, or collected from any securities or warranties posted by the supplier, whichever is convenient to the First Party concerned. In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, the First Party concerned may rescind the contract and impose appropriate sanctions over and above the liquidated damages to be paid.

CNU need not prove that it has incurred damages to be entitled to liquidated damages. Furthermore, CNU reserves the right to deduct any and all of the liquidated damages from any money due or payments which may become due to the Supplier under the terms of this Contract and/or from the performance security filed by the Supplier, as CNU may deem convenient and expeditious under the prevailing circumstances.

**8. GROUNDS FOR TERMINATION OF THE CONTRACT.** The First Party, upon the observance of Item IV, Annex "I" of the RA 9184 IRR shall terminate the contract on the following grounds:

- a) Pursuant to Sec. 68 of the 2016 revised IRR, the First Party may terminate the contract when outside of force majeure, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the First Party pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
- b) Pursuant to Sec. 68 of the 2016 revised IRR, the First Party may terminate the contract when, as a result of force majeure, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased;
- c) The First Party shall terminate the contract when the Supplier fails to perform any other obligation under the Contract.
- d) The First Party may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make the Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.
- e) The First Party shall terminate the contract if the Supplier/Contractor/Consultant is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier/Contractor/Consultant, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the First Party and/or the Supplier/Contractor/Consultant.
- f) The First Party may terminate the contract in case it is determined prima facie that the Supplier has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:
  1. Corrupt, fraudulent, collusive and coercive practices;





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2. Drawing up or using forged documents;
3. Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
4. Any other act analogous to the foregoing.

## 9. REMEDIES AND PENALTIES.

- 9.1 In addition to the provisions of Rules XXI and XXII of RA 9184 IRR, CNU shall impose on bidders or prospective bidders, the administrative penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense from participating in the competitive bidding process, as well as disqualification from further participating in the competitive bidding being undertaken by this institution where applicable, for the following violations:
- a. Submission of eligibility requirements containing false information or falsified documents.
  - b. Submission of Bids that contain false information or falsified documents, or the concealment of such information in the Bids in order to influence the outcome of eligibility screening, or any other stage of the competitive bidding.
  - c. Allowing the use of one's name, or using the name of another for purposes of competitive bidding.
  - d. Withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after he had been adjudged as having submitted the Lowest Calculated Responsive Bid or Highest Rated Responsive Bid.
  - e. Refusal or failure to post the required performance security within the prescribed time.
  - f. Termination of the contract due to the default of the bidder.
  - g. Refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification.
  - h. Any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor.
  - i. All other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.
- 9.2 In addition to the penalty of suspension, the bid security or the performance security posted by the concerned bidder or prospective bidder shall also be forfeited.
- 9.3 The CNU may delegate to the BAC the authority to impose the aforementioned administrative penalties.
- 9.4 The procedures for the suspension or blacklisting of suppliers, contractors, or consultants for government projects shall be undertaken in accordance with the guidelines issued by the GPPB.

## 10. MISCELLANEOUS PROVISIONS

- 10.1 **Governing Law and Language** – The rights and obligation of the parties hereto shall be governed and interpreted in accordance with the laws of the Republic of the Philippines, specifically, the provisions of R.A. 9184 otherwise known as the "Government Procurement Reform Act" and other applicable laws, rules and regulations.



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