

**CONTRACT FOR THE PURCHASE OF BRAND NEW FIRE TRUCK – PHASE 2**

**KNOW ALL MEN BY THESE PRESENTS:**

**DEC 02 2020**

This AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2020 in FAB, Mariveles, Bataan, by and between:

The **AUTHORITY OF THE FREEPORT AREA OF BATAAN**, a body corporate created and existing under Republic Act No. 9728, as amended by Republic Act No. 11453, with office address at the Second Floor, AFAB Administration Building, Freeport Area of Bataan (FAB), Mariveles, Bataan, represented herein by its Administrator, **EMMANUEL D. PINEDA**, hereinafter referred to as the "**AFAB**".

– and –

**PALMER-ASIA INC.**, a duly organized and existing corporation under Philippine laws, with office address at 33 Epifanio delos Santos Avenue (EDSA), Bangkal, Makati City, represented herein by its FRED Sales Executive, **PATRICK Q. PERILLA**, who is likewise duly authorized, hereinafter referred to as the "**SUPPLIER**";

**WITNESSETH:**

**WHEREAS**, the AFAB invited bids for certain goods and ancillary services for the **PURCHASE OF BRAND NEW (4000 LITERS WATER CAPACITY) FIRE TRUCK – PHASE 2**, with an approved budget of Fifteen Million Pesos and 00/100 (PHP 15,000,000.00) with a duration of two hundred (200) calendar days;

**WHEREAS**, a competitive bidding process was conducted by the AFAB in accordance with Republic Act No. 9184 and its Revised Implementing Rules and Regulations, and the SUPPLIER was selected having submitted the single calculated and responsive bid;

**WHEREAS**, the SUPPLIER has expressed willingness to supply the said requirement of the AFAB;

**NOW THEREFORE**, in view of the foregoing premises and the mutual covenants and undertakings hereinafter provided, the AFAB and the SUPPLIER, hereinafter collectively referred to as the "**PARTIES**", agree as follows:

1. In consideration for the full and faithful performance and accomplishment of all obligations specified in this Agreement which the SUPPLIER agrees to undertake, perform and accomplish, the AFAB shall pay the SUPPLIER

the total contract price of **FOURTEEN MILLION NINE HUNDRED SEVENTY SIX THOUSAND SIX HUNDRED THIRTY NINE PESOS AND 03/100 (PHP 14,976,639.03)** payable upon delivery of brand new 4000 liters water capacity fire truck.

2. In this Agreement words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
3. The following documents shall be deemed integral parts of this Agreement and the terms and conditions embodied therein shall be deemed reproduced herein by reference and/or incorporation:
  - a. the Bid Form, the Price Schedule, the Schedule of Requirements, and the Technical Specifications submitted by the SUPPLIER;
  - b. the other documents/statements contained in the bidding envelopes submitted by the SUPPLIER;
  - c. the Terms of Reference posted in the PhilGEPS;
  - d. the additional Post-Qualification Documents submitted by the SUPPLIER;
  - e. the Invitation to Bid and Bid Documents issued to the SUPPLIER including Bid Bulletin/s (if any) and Minutes of Pre-Bid Conference;
  - f. the Resolution of the Bids and Awards Committee declaring the Single Calculated Responsive Bidder and Recommendation for Award;
  - g. the Entity's Notice of Award with the SUPPLIER's conforme thereto;
  - h. the SUPPLIER's Performance Bond;
  - i. Other requirements of laws, rules and regulations and executive orders applicable thereto.
4. The SUPPLIER shall furnish all labor, materials, equipment and supplies, and the performance of all operations necessary for the complete implementation of the PROJECT, all in strict compliance with the terms and conditions of this Agreement, as well as all the applicable terms and conditions of the documents listed in Item Number 3 above.
5. Payment for the Project shall be made upon the actual and satisfactory provision of the brand new 4000 liters water capacity fire truck by the SUPPLIER, as evidenced by a Certificate of Acceptance to be issued by the AFAB.



6. In relation to this Agreement, the SUPPLIER shall pay taxes in full and on time and that failure to do so will entitle the AFAB to suspend payment of the services rendered by the SUPPLIER.
7. The SUPPLIER is the sole employer of all the workers assigned under this Agreement and shall be solely responsible and liable for strict compliance with all pertinent labor legislation, rules and regulations. No employer – employee relationship exists between the AFAB and the SUPPLIER or any of the workers in the SUPPLIER's employ. Neither is there deemed any agency, partnership, license or joint venture. The SUPPLIER holds the AFAB absolutely free and clear by any of the said workers, for any reason whatsoever.
8. The terms and conditions herein set forth shall be automatically modified by the applicable provisions of laws, rules and regulations, especially as they pertain to minimum wage rates and other statutory benefits of the workers.
9. The SUPPLIER shall guarantee his goods from defects due to faults in materials for a period of two (2) years reckoned from the date the goods are accepted by the AFAB.
10. Defects found within the guarantee period shall be immediately corrected by the SUPPLIER upon receipt of written notice from the AFAB. Should the SUPPLIER fail to correct said defects after a period of fifteen (15) days, the AFAB shall undertake the necessary corrective measures at the expense of the SUPPLIER.
11. The obligation for the warranty as provided in the preceding paragraph shall be covered by either retention money in an amount equivalent to at least one percent (1%) but not to exceed five percent (5%) of every process payment, as the case may be, or a special bank guarantee equivalent to at least one percent (1%) but not to exceed five percent (5%) of the total contract price. The said amounts shall only be released after the lapse of the warranty period; Provided, however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under this Agreement have been fully met.
12. Should the SUPPLIER fail to satisfactorily deliver goods under this Agreement within the specified delivery schedule, inclusive of duly granted extensions, if any, the SUPPLIER shall pay liquidated damages, and not by way of penalty, in the amount equivalent to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the PROJECT for each calendar day of delay, including Sundays and Holidays, until the work is completed and accepted by the AFAB, in accordance with the formula and conditions set forth in the existing rules and prevailing rules and regulations; *Provided*, that the payment of liquidated damages shall

not in any manner relieve the SUPPLIER from its obligations and responsibilities under this Agreement.

13. The SUPPLIER shall commence the execution of this Agreement within seven (7) calendar days from receipt of the Notice to Proceed, and must comply with its obligations under this Agreement within two hundred (200) calendar days from date of commencement, unless otherwise terminated for failure of the SUPPLIER to perform its obligations under this Agreement, in line with the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board (GPPB Resolution No. 018-2004 dated 22 December 2004).
14. This Agreement shall take effect upon the date of receipt by the SUPPLIER of the Notice to Proceed from the AFAB.

IN WITNESS WHEREOF, the Parties have set their hands on the date and at the place first written above.

**AUTHORITY OF THE FREEPORT  
AREA OF BATAAN**

BY:

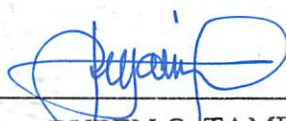
  
\_\_\_\_\_  
**EMMANUEL D. PINEDA**  
Administrator

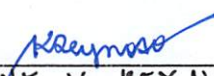
**PALMER-ASIA INC.**

BY:

  
\_\_\_\_\_  
**PATRICK Q. PERILLA**  
FRED Sales Executive

**SIGNED IN THE PRESENCE OF:**

  
\_\_\_\_\_  
**RUBEN S. TAMPIS**  
Department manager, PSSD

  
\_\_\_\_\_  
**KRISTINE V. REYNOSO**  
External Affairs Officer



ACKNOWLEDGMENT

Republic of the Philippines)  
Mariveles, Bataan ) S.S.  
MAKATI CITY

BEFORE ME, this DEC 02 2020 of MAKATI CITY 2020 in Mariveles, Bataan, personally appeared:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE & PLACE OF ISSUE/EXPIRY
EMMANUEL D. PINEDA	Passport No. P094436B	DFA Manila/7 March 2029
PATRICK Q. PERILLA	Passport No. EC6345068	DFA Manila/7 January 2021

both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary act and deed, as well as that of the entities they represent.

This instrument refers to the "CONTRACT FOR THE PURCHASE OF BRAND NEW FIRE TRUCK – PHASE 2" that consists of five (5) pages including the page whereon this acknowledgment is written, and which is signed by the Parties and their instrumental witnesses on each and every page thereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand on the date and at the place first written above.

Notary Public

Doc. No. 46  
Page No. 8  
Book No. 19  
Series of 2020.

RUBEN T. M. KAMIREZ  
NOTARY PUBLIC  
UNTIL DEC. 31, 2021  
BP NO. 093469 / Q-18-19-CY2020  
JLL NO. 28947 / MCLE NO. VI-0020246 / 3-22-19  
PR NO. MCT 8117044 / 1-2-20 APPT. NO. M-168

*[Handwritten signature]*