

**CONTRACT FOR THE INTEGRATED COMMUNICATION,
NOTIFICATION AND SECURITY SYSTEM**

KNOW ALL MEN BY THESE PRESENTS:

JAN 16 2020

This AGREEMENT is made and entered into this ____ day of _____ 2019 in 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 Chairman and Administrator, **EMMANUEL D. PINEDA**, hereinafter referred to as the "**AFAB**";

- and -

COMSPEC MARKETING, a duly organized and existing business under Philippine laws, with office address at #3 Catmon St. I Cor. Magsaysay Venue, Naga City, Camarines Sur, represented herein by its General Manager and Proprietor, **EDGAR ANGELO VILLEGAS**, 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 **Integrated Communication, Notification and Security System** with an approved budget of Twenty Five Million Pesos and 00/100 (PHP 25,000,000.00), with a duration of two hundred forty (240) calendar days;

WHEREAS, the submission and opening of bids held on 14 October 2018, the herein SUPPLIER, as the lone bidder, provides the single calculated and responsive bid in the amount of Twenty Four Million Nine Hundred Fifty Five Thousand Eight Hundred Eighty Eight Pesos and 00/100 (PHP 24,955,888.00). The SUPPLIER likewise passed post qualification;

WHEREAS, there is a need to procure the services for the **INTEGRATED COMMUNICATION, NOTIFICATION AND SECURITY SYSTEM**, hereinafter referred to as the "**PROJECT**", for two hundred forty (240) calendar days, in the amount of **TWENTY FOUR MILLION NINE HUNDRED FIFTY FIVE THOUSAND EIGHT HUNDRED EIGHTY EIGHT PESOS AND 00/100 (PHP 24,955,888.00)**, hereinafter called the "**CONTRACT PRICE**";

1. 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.
2. 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 Lowest Complying 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.
3. 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 2 above.
4. Within fifteen (15) days from the effectivity of this Agreement, upon the written request of the SUPPLIER, the AFAB shall advance the amount of **THREE MILLION SEVEN HUNDRED FORTY THREE THOUSAND THREE HUNDRED EIGHTY THREE PESOS AND 20/100 (Php 3,743,383.20)**, which is equivalent to fifteen percent (15%) of the total contract price, to cover the SUPPLIER's mobilization expenses. This advance payment shall be made only upon the submission to and acceptance by the AFAB of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a

surety or insurance company duly licensed by the Insurance Commission and accredited by the AFAB.

The advance payment shall be repaid by the SUPPLIER by an amount equal to the percentage of the total contract price used for the advance payment.

5. Payment for the progress reports submitted by the SUPPLIER to the AFAB shall be based upon the actual and satisfactory provision of the integrated communication, notification and security system by the SUPPLIER, as evidenced by a Certificate of Acceptance to be issued by the AFAB.
6. Final Payment to the SUPPLIER shall be subject to the issuance of a Certificate of Acceptance of the contract work by the AFAB. Nothing herein contained shall be construed as a waiver of the right of the AFAB, which is hereby reserved, to reject the whole or any portion of the work should the same be found to have been constructed in violation of the plans and specifications or any conditions or covenants of this Agreement.
7. In relation to this Contract, 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.
8. The SUPPLIER is the sole employer of all the workers assigned under this Contract 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.
9. 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.
10. of the integrated communication, notification and security system by the SUPPLIER, as evidenced by a Certificate of Acceptance to be issued by the AFAB. The works to be done under this Agreement shall include, but not be limited to the following scope of works and services:
 - a. Design, installation and testing of Fiber Optic Cable;
 - b. Supply of additional equipment for Command Center;
 - c. Design and installation for additional Outdoor CCTV cameras and components;
 - d. Design and installation for additional Indoor CCTV cameras and components;

- e. Design and installation of CCTV cameras and components for DEA Building;
 - f. Design and Installation of IP Public Address paging;
 - g. Design, supply, installation and configuration of equipment and software upgrade and integrate with existing emergency notification system, content management, bell scheduler, and centralized clock system;
 - h. Site clearing and testing of Fiber Optic Cable; and
 - i. Technical training on the operation and maintenance of all system.
11. The SUPPLIER shall provide comprehensive technical training and familiarization on operational and maintenance of the equipment to the AFAB.
12. The SUPPLIER shall submit a detailed accomplishment weekly report including Grant Chart to the AFAB technical representative for monitoring of project completion such as work completed in a week period, anticipated delays in completion of project, and percentage of work completed.
13. The SUPPLIER shall respond within twenty four (24) hours via telephone support and within forty eight (48) hours via site visit to any reported problems that will occur which the AFAB cannot resolve issues beyond basic trouble shooting, within a period of two (2) years from the date of acceptance.
14. The SUPPLIER shall guarantee his goods from defects due to faults in materials for a period of two (2) years for the equipment and two (2) years for services reckoned from the date the services are accepted by the AFAB. The equipment and materials covered by the warranty that rea diagnosed beyond repair shall be replaced by the SUPPLIER at no cost to the AFAB.
15. 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.
16. 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 progress 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 Contract have been fully met.
17. Should the SUPPLIER fail to satisfactorily deliver goods under the contract 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 Contract.

18. 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 forty (240) calendar days from the date of commencement, unless otherwise terminated for failure of the SUPPLIER to perform its obligations under this Contract, 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).
19. This Agreement shall take effect upon the date of receipt by the SUPPLIER of the Notice to Proceed from the AFAB.

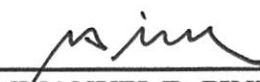
IN WITNESS WHEREOF, the parties have set their hands on the date and at the place first written above.

**AUTHORITY OF THE FREEPORT
AREA OF BATAAN**

COMSPEC MARKETING

BY:

BY:

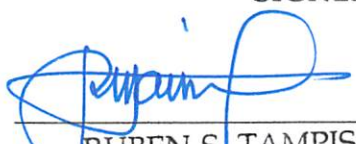


EMMANUEL D. PINEDA
Chairman and Administrator




EDGAR ANGELO VILLEGAS
Owner

SIGNED IN THE PRESENCE OF:



RUBEN S. TAMPIS
Department Manager, PSSD



SHAREN BELAGUIN

ACKNOWLEDGMENT

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

BEFORE ME, this JAN 16 2020 of 2019 in Mariveles, Bataan, personally appeared:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE & PLACE OF ISSUE/EXPIRY
EMMANUEL D. PINEDA	Passport No.EC4011784	22 Apr 2015/DFA Manila/21 Apr. 2020
EDGAR ANGELO VILLEGAS	Passport No. P9355279A	30 Oct 2018/DFA Legazpi/29 Oct 2028

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 will and deed, as well as that of the entities they represent.

This instrument refers to a "CONTRACT FOR THE INTEGRATED COMMUNICATION, NOTIFICATION AND SECURITY SYSTEM" that consists of six (6) 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.

Atty. LORENZO B. CASTILLO
NOTARY PUBLIC until December 31, 2021
For and in the PROVINCE OF BATAAN
Notarial Commission No.2020-001 - ML
1/F FAB Post Office Bldg., Mariveles, Bataan
Roll No.24642; PTR No.0933406 01/02/2020
IBP No.080378 01/03/20; MCLE VI- 0029000

Doc. No. 190;
Page No. 37;
Book No. 111;
Series of 2019.