

**CONTRACT FOR THE RENOVATION OF AUDITORIUM
(STAGE 2: SUPPLY AND INSTALLATION OF FINISHES)**

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT is made and entered into this ____ day of _____2018 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, 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 –

LBPI DESIGN INTERNATIONAL, INC., a duly organized and existing corporation under Philippine laws, with office address at No. 7 Sheridan Street, Barangay Highway Hills, Mandaluyong City, represented herein by its Vice President for Sales and Marketing, **CARLO R. SAMPANG**, who is likewise duly authorized, hereinafter referred to as the **"SUPPLIER."**

WHEREAS, the AFAB invited Bids for certain goods and ancillary services for the **RENOVATION OF AUDITORIUM (STAGE 2: SUPPLY AND INSTALLATION OF FINISHES)** with an approved budget of Ten Million Six Hundred Seventy Three Thousand Three Hundred Thirty Three Pesos and Forty Seven Centavos (PHP 10,673,333.47) with a duration of seventy (70) calendar days;

WHEREAS, a competitive bidding process was conducted by the AFAB in accordance with Republic Act No. 9184 and its Implementing Rules and Regulations, and the SUPPLIER was selected having submitted the lowest 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:

WITNESSETH:

1. The consideration for the full and faithful performance and accomplishment of all obligations specified in this contract which the SUPPLIER agrees to undertake, perform and accomplish, the AFAB shall pay the SUPPLIER the total contract price of **NINE MILLION TWO HUNDRED ELEVEN THOUSAND SEVEN HUNDRED SEVEN PESOS AND FIVE CENTAVOS (PHP 9,211,707.05)**, with Fifteen Percent(15%) mobilization fee payable upon receipt of Purchase Order and the remaining Eighty Five Percent (85%), full payment payable upon supply and installation of goods.
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 additional Post-Qualification Documents submitted by the SUPPLIER;
 - d. the Invitation to Bid and Bid Documents issued to the SUPPLIER including Bid Bulletin/s (if any) and Minutes of Pre-Bid Conference;
 - e. the Resolution of the Bids and Awards Committee declaring the Lowest Complying Responsive Bidder and Recommendation for Award;
 - f. the Entity's Notice of Award with the Supplier's conforme thereto;
 - g. the SUPPLIER's Performance Bond;
 - h. 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 supply and installation of goods by the SUPPLIER, as evidenced by a Certificate of Acceptance to be issued by the AFAB.

6. In relation to this Contract, the SUPPLIER shall pay taxes in full and on time and 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 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.
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 works to be done under this Agreement shall include, but not be limited to the following, as described in detail in the Program of Work and Specification provided by the AFAB:
 - a. Mobilization and Demobilization;
 - b. Provision of Health and Safety Program;
 - c. Supply and Installation of Steel Forms and Scaffoldings;
 - d. Supply and Installation of auditorium chairs;
 - e. Supply and Installation of soundproof wall and ceiling materials; and
 - f. Supply and Installation of floor materials.
10. The SUPPLIER shall guarantee his goods from defects due to faults in materials and/or workmanship for a period of fifteen (15) days reckoned from the date the goods are accepted by the AFAB.
11. 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.
12. Before the turnover of the project, final inspection shall be made by the Inspection and Acceptance Committee or by his or her authorized representative(s) and make reports and recommendation about the project. Issuance of Certificate of Acceptance shall be based on the final report and inspection.
13. 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%) of every process payment, as the case may be, or a special bank guarantee equivalent to at least one percent (1%) 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.

14. 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, but not more than ten percent (10%) of the contract amount, 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.
15. 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 seventy (70) calendar days from 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). *Provided*, that the seventy (70) calendar days mentioned herein is without prejudice to any unforeseen events or circumstances that might happen during the performance which are outside the SUPPLIER's control.
16. This Agreement shall take effect upon the date of receipt by the SUPPLIER of the Notice to Proceed from the AFAB.

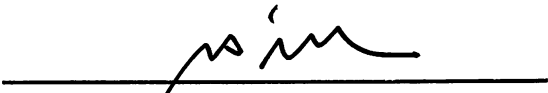
IN WITNESS WHEREOF, the parties have set their hands on the date and at the place first written above.

AUTHORITY OF THE FREEPORT
AREA OF BATAAN

LBPI DESIGN INTERNATIONAL,
INC.

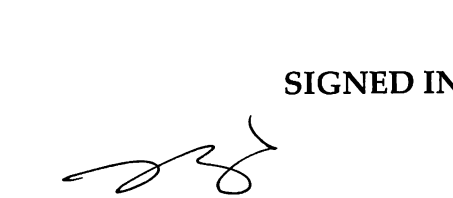
BY:

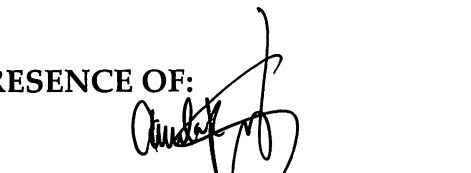
BY:


EMMANUEL D. PINEDA
Chairman and Administrator


CARLO R. SAMPANG
Vice President for Sales and Marketing

SIGNED IN THE PRESENCE OF:




CARMELA R. SAMPANG





ACKNOWLEDGMENT

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

BEFORE ME, this _____ of _____, 2018 in Mariveles, Bataan, personally appeared: **SEP 18 2018**

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE & PLACE OF ISSUE/EXPIRY
EMMANUEL D. PINEDA	Passport No.EC4011784	22 Apr 2015/DFA Manila/ 21 Apr. 2020
CARLO R. SAMPANG	Driver's License No. <u>N01-11-004686</u>	<u>LTO N21</u> <u>26 June 2019</u>

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 corporations they represent.

This instrument refers to the "RENOVATION OF AUDITORIUM (STAGE 2: SUPPLY AND INSTALLATION OF FINISHES)" 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.

Notary Public

Doc. No. 160;
Page No. 37;
Book No. 63A;
Series of 2018.

ATTY. BENJAMIN F. ALFONSO
NOTARY PUBLIC
UNTIL December 31, 2018
PTR NO. 5520234, January 3, 2018, QUEZON C
IBP NO. 019073 12-20-2017 - QUEZON CITY
ROLL NO. 13296
ADM. MATTER NO. NP-046-(2017-2018)
TIN NO. 177-967-619-000
MCLE III-0024526 - December 12, 2017
34 Asset's St. GSIS Village
Project 8 Quezon City