

CONTRACT AGREEMENT

KNOW ALL MEN THESE PRESENTS:

This CONTRACT made and entered into at Makati City, Metro Manila, by and between:

The **HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL**, with address at 9th and 15th Floors, Banco De Oro Plaza, 8737 Paseo de Roxas, Makati City, Metro Manila, herein represented by its Secretary General, **ATTY. FALCONI V. MILLAR, CPA**, herein referred as the **HUDCC**;

-and-

DIAMOND MOTOR CORPORATION duly registered and existing under the laws of the Republic of the Philippines with office address at Doña Mariano Marcos Avenue, North Fairview, Quezon City herein represented by its Branch Head, **MR. BENEDICT L. ALBAO**, herein referred as the **SUPPLIER**.

WITNESSETH:

WHEREAS, under the General Appropriation Act of 2018, an amount of Three Million Three Hundred Thousand pesos (Php3,300,000.00) inclusive of VAT is allocated for the acquisition of three (3) units of motor vehicles;

WHEREAS, **HUDCC** desires to procure three (3) units of motor vehicles as replacement for the three (3) units of the motor vehicles for disposition this year and to support the operations of the **HUDCC**;

WHEREAS, Section VII of the Bidding Documents indicates the technical specifications of the two (2) units Asian Utility Vehicles (AUV) and one (1) unit Sports Utility Vehicle (SUV);

WHEREAS, after the public bidding on 16 May 2018, the Bids and Awards Committee (BAC) in its Resolution No. 2018-06-009, dated 04 June 2018, resolved to recommend the award of contract to Diamond Motor Corporation for being the Single Calculated and Responsive Bid, in the amount of **Three Million One Hundred One Thousand Four Hundred Fifty Seven pesos and 74/100 (Php3,101,457.74)** inclusive of government taxes.

WHEREAS, on 21 June 2018, a Notice of Award was issued in favor of the **SUPPLIER** who signified its intention to post a Performance Bond.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants and undertaking hereinafter set forth, the parties have agreed, as follows:

ARTICLE 1. RESPONSIBILITY OF THE SUPPLIER

- 1.1 The **SUPPLIER** shall be responsible to supply and deliver the three (3) units Motor Vehicles consisting of two (2) units Asian Utility Vehicles (AUV) and one (1) unit Sports Utility Vehicle (SUV) at the office address of the HUDCC within 30 days upon receipt of the Notice to Proceed, with the technical specifications as indicated in the technical proposal of the **SUPPLIER**.

ARTICLE 2. CONTRACT PRICE

- 2.1 The **HUDCC** shall pay the **SUPPLIER** in consideration for the full and faithful performance of its obligations the amount of **Three Million One Hundred One Thousand Four Hundred Fifty Seven pesos and 74/100 (Php3,101,457.74)** inclusive of government taxes.

ARTICLE 3. PERFORMANCE BOND

- 3.1. Within ten (10) days upon receipt of Notice of Award, the **SUPPLIER** shall submit a Performance Bond as stipulated in the Instruction to Bidders of the bid documents, which shall be valid for at least 30 days with one extendible minimum period of 30 days reckoned from the confirmation of notice of award until the completion and final acceptance of the last delivery of the motor vehicle, freebies and other pertinent documents;

ARTICLE 4. CONTRACT DELIVERY, COMPLETION TIME, LIQUIDATED DAMAGES.

- 4.1. The **SUPPLIER** shall be allowed thirty (30) days to complete this project commencing from receipt of Notice to Proceed (NTP) from the HUDCC.
- 4.2. The delivery of the said items shall be made directly to HUDCC at the 9th Floor, BDO Plaza, 8737 Paseo De Roxas, Makati City.
- 4.3. Failure to deliver the said motor vehicles with its freebies (if any) and pertinent documents within the stipulated time, the **SUPPLIER** shall pay the **HUDCC** damages equivalent to 1/10 of one per cent (1%) of the total contract per day of delay.

ARTICLE 5. INSPECTION AND TESTING

- 5.1. The **HUDCC** or its representative shall have the right to inspect, check and test the motor vehicle/s and its peripherals to indicate their conformity to the Contract Specifications.
- 5.2. Reasonable facilities and assistance by the **SUPPLIER** shall be furnished to the inspectors at no charge to **HUDCC**.
- 5.3. Should any of the inspected motor vehicles fail to conform to the specifications, the **HUDCC** may reject them and the **SUPPLIER** shall either replace the defective or rejected motor vehicle/s or correct noted deviations/deficiencies necessary to meet specification requirements at no cost to the **HUDCC**. The **SUPPLIER's** replacement and/or correction of noted deficiencies must be completed within seven (7) calendar days from the **SUPPLIER's** receipt of the notice of rejection or correction accompanied by the inspection report. Failure to meet the required number of days of rectification by the **SUPPLIER** will result in the forfeiture of the Performance Bond.
- 5.4. **HUDCC's** right to inspect and, when necessary, reject the motor vehicle/s, shall in no way be limited or waived by reason of the motor vehicle/s having been previously received and acknowledged by **HUDCC** or the Property Custodian or inspected by the **HUDCC** or its representatives.

- 5.5. Nothing in these provisions in any way shall release the **SUPPLIER** from any warranty or other obligations under this CONTRACT.

ARTICLE 6. ACCEPTANCE

- 6.1. The parties herein agree and confirm the Terms and Conditions of the bid documents to govern the acceptance of the motor vehicles subject of this CONTRACT.

ARTICLE 7. TRANSPORTATION AND HANDLING

- 7.1. Transport of motor vehicle to **HUDCC** shall be arranged and paid for by the **SUPPLIER** and the costs thereto deemed included in the Contract Price.
- 7.2. The motor vehicles, while in transit, shall be the property of the **SUPPLIER** and it shall bear the loss/damages.

ARTICLE 8. PAYMENTS

- 8.1. The **HUDCC**, upon availability of funds, shall pay the **SUPPLIER** the full amount of **Three Million One Hundred One Thousand Four Hundred Fifty Seven pesos and 74/100 (Php3,101,457.74)** after all the motor vehicles together with its implements had been delivered, inspected and accepted. All payments due to the **SUPPLIER** are subject to allowable deductions such as EVAT, withholding tax. Payments requested by the **SUPPLIER** shall be supported by the following documents.
- a. Original and four copies of the **SUPPLIER's** Invoice or Statement of Accounts;
 - b. Original and four copies of the **SUPPLIER's** Delivery Receipt duly signed/acknowledged by the designated Consignees with the actual date of receipt should be duly initialed by **HUDCC** authorized representative;
 - c. Four (4) copies of the **HUDCC's** inspection and acceptance report;
 - d. Four (4) copies of the Perfected Contract; and,
 - e. Other documents as may be required by government accounting and auditing rules and regulations.

ARTICLE 9. WARRANTIES OF THE SUPPLIER

- 9.1 The **SUPPLIER** warrants that the motor vehicles conform to the standards mentioned in the technical specifications under Article 1.1. of the bid document.
- 9.2. All spare parts and accessories used in the motor vehicles under this CONTRACT are all original, brand new and free from defects.
- 9.3. It shall undertake at its own expense the replacements repairs and materials or parts thereof which are found to be defective, inferior and not in accordance with the specifications indicated in this CONTRACT, and which are brought to the attention of the **SUPPLIER** within the specified warranty in the bid proposal.

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9.4. The **HUDCC** shall promptly notify the **SUPPLIER** in writing of any claim arising under this warranty.

9.5. The **SUPPLIER** shall post a Special Bank Guarantee equivalent to ten percent (10%) of the total contract price which shall only be released after the lapse of one year period.

ARTICLE 10. TERMINATION OF THE CONTRACT.

10.1. The **HUDCC** reserves the right to rescind/terminate this contract and proceed against the Supplier's Performance Bond within bond within fifteen (15) calendar days from the date of receipt by the **SUPPLIER** and his bondsmen of its written notice of such termination, under the following conditions:

- a. In case of failure on the part of the **SUPPLIER** to complete the project within the completion time specified in Article 4 hereof;
- b. If the **SUPPLIER** incurs delay in the delivery of the three (3) motor vehicles specified herein;
- c. If the **SUPPLIER** is not making satisfactory delivery so as to ensure the completion within the specified time; and,
- d. If the **SUPPLIER** willfully violates any of the conditions, covenants and provisions of the CONTRACT.

10.2. In any of the above cases, the **HUDCC** shall proceed to have the project done and completed by other suppliers/manufacturers and the **SUPPLIER** and his Performance Bond shall be forfeited in favor of the **HUDCC**.

ARTICLE 11. TAXES

11.1. All taxes shall be for the account of the **SUPPLIER** and deemed to have been included in the bid proposal. No request for revision of prices and claims by the **SUPPLIER** that such taxes or duties were not included in the bid price for any reason whatsoever shall be entertained.

ARTICLE 12. Additional provisions.

12.1. The **SUPPLIER** warrants that it has not given nor promised to give any money, gift or favor to any officials or employees of **HUDCC** to secure this CONTRACT and any violation of this warranty shall be sufficient ground for the revocation or cancellation of this CONTRACT.

12.2. Any litigation arising from this Contract shall be filed in the courts of Makati City.

IN WITNESS WHEREOF, the parties hereto have signed this CONTRACT this ___th day of ___ 2018 at Makati City, Philippines.

**HOUSING AND URBAN DEVELOPMENT
COORDINATING COUNCIL**


**DIAMOND MOTOR CORP.
(Fairview Branch)**

(HUDCC)

By: 

(SUPPLIER)

By: 

ATTY. FALCONI V. MILLAR, CPA
Secretary General 

BENEDICT L. ALBAO
Branch Head

Signed in the presence of:

person
CRISTINE JOY A. SORIA

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
Makati City, Metro Manila) S. S.

BEFORE ME, a Notary Public for and in ___ this day of ~~23~~ JUL 2018, 2018,
personally appeared the following:

ATTY. FALCONI V. MILLAR, CPA
BENEDICT L. ALBAO

TIN 147-570-029

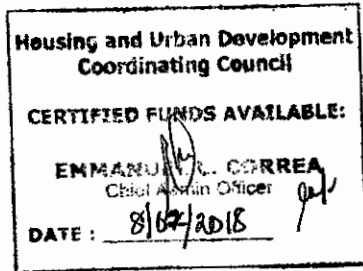
Known to be the same persons who executed the foregoing instrument and the
acknowledged to me that the same is their free and voluntary act and deed.

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

Doc. No. 230
Page No. 47
Book No. 024
Series of 2018.

SAMUEL B. ALENTAJE
SAMUEL B. ALENTAJE
Notary Public

Expires December 31, 2018
Roll of Attorneys No. 36170
IBP No. 1058757/01.03.17/QC
PTR No. 3803160C/01.03.17/QC
MCLE No. V-0002877
Administrative Matter NP-011
Address: Easylane Supermarket
Commonwealth Avenue, North
Fairview, Quezon City



Benedict L. Alba

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