

CONTRACT
FOR THE
SUPPLY AND INSTALLATION OF ELECTRICAL AND ELECTRONICS WIRING
FOR CONTROL SYSTEM AND THEATER LIGHTING FIXTURES FOR THE NEW
CCP BLACK BOX THEATER

THE PUBLIC IS INFORMED:

This CONTRACT is made and entered into by and between:

The **CULTURAL CENTER OF THE PHILIPPINES (CCP)**, a government-owned and controlled corporation, existing by virtue of Presidential Decree 15, as amended, with principal office address at CCP Complex, Roxas Boulevard, Pasay City, represented by its President, **ARSENIO J. LIZASO** duly authorized for this purpose under Board Resolution No. L-279, Series of 2017 (marked Annex "A"), hereinafter referred to as "**CCP**";

and

MQ LIGHTINGS ENTERPRISES INC., a private corporation organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at 2/F Lydia Building, 39 Polaris Street, Bel-Air Village, Makati City 1209, Philippines, represented by its Sales Account Officer, **PROFETIZA M. PEREZ** authorized under Board Resolution No. 17-005, Series of 2017 (marked as Annex "B"), hereinafter referred to as the "**CONTRACTOR**".

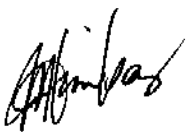
The CCP and the CONTRACTOR shall individually be referred to as "**PARTY**" and collectively as "**PARTIES**".

ANTECEDENTS

CCP is in need of a Contractor to render the necessary services for the "**Supply and Installation of Electrical and Electronics Wiring for Control System and Theater Lighting Fixtures for the New CCP Black Box Theater**" (The Project) located at Vicente Sotto St., CCP Complex, Pasay City. The CONTRACTOR is the lone Bidder through a Negotiated Procurement Process and was Awarded The Project through the Notice of Award dated November 22, 2018

ACCORDINGLY, the Parties agree as follows:

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ARTICLE I
THE ENTIRE CONTRACT

- 1.1 In this **CONTRACT**, words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract referred to.
- 1.2 The following documents shall be deemed to form, be read and construed as part of this **CONTRACT**, viz:
- A. Terms of Reference;
 - B. Drawings/Plans/Specifications approved by the CCP;
 - C. Copy of Advertisement of Invitation to Apply for eligibility and to Bid;
 - D. Results of Eligibility Check/screening;
 - E. Bidding Documents (Instruction to Bidders, Bid Data Sheet, Checklist Form, Bid Form, Contract Agreement Form, and Special and General Condition of the Contract);
 - F. Minutes of Pre-Procurement Conference Meeting, if any;
 - G. Minutes of Pre-Bid Conference Meeting;
 - H. Supplemental Bulletins;
 - I. Contractor's Eligibility Documents;
 - J. Contractor's Technical Documents;
 - K. Contractor's Financial Documents;
 - L. Abstract of Bid (Evaluation of Bid);
 - M. Bidder's Financial Proposal (Bid Form);
 - N. Post-Qualification Report of the Technical Working Group;
 - O. Notice of Post Qualification/Evaluation;
 - P. BAC Resolution No. 2018-21 declaring the winner;
 - Q. Notice of Post Evaluation;
 - R. Notice of Submission of Post Qualification Documents;
 - S. Post Qualification Documents;
 - a. Latest Income Tax Return
 - b. Certificate of PhilGEPS Registration
 - T. Notice of Award;
 - U. Performance Security;
 - V. Program of Work and Detailed Estimate;
 - W. Notice to Proceed;
 - X. Detailed Breakdown of the Approved Budget for the Contract (ABC);
 - Y. Detailed Breakdown of the Contract Cost / Bill of Quantities;
 - Z. Evidence of Invitation of Three (3) Observers.

ARTICLE II
SCOPE OF THE PROJECT

The Scope of the Project shall cover the supply of materials, delivery, installation, testing and commissioning of electrical and electronics system and theater lighting fixtures for the new CCP Black Box Theater. The project will include the provision of labor, engineering supervision, materials, tools and equipment necessary to complete the project.



**ARTICLE III
DURATION OF THE PROJECT**

- 3.1 Duration of the Project shall be Sixty (60) calendar days. It is understood that the actual work shall commence upon receipt by the CONTRACTOR of the Notice to Proceed.

The CONTRACTOR shall submit a Gantt Chart or Program of Work, Methodology, a List of Tools and Equipment to be used, and a List of all Personnel who will work on the Project before the actual commencement of work.

- 3.2 The Sixty (60) calendar days exclude regular holidays or unworkable days due to force majeure, disasters, severe weather conditions and/or other similar circumstances.

In case of unworkable days due to complex unavailability, the CCP shall inform the CONTRACTOR in writing of the dates when the happening of such event will take place.

- 3.3 In the event the CONTRACTOR is unable to complete the Project for justifiable reasons, it may be allowed an extension of another Thirty (30) days without penalty, provided it secures the written approval from CCP before the expiration of the Sixty (60) days period of the Project.

The CCP shall not unreasonably withhold its consent and shall act on the CONTRACTOR's request within three (3) working days from receipt thereof.

**ARTICLE IV
CONTRACT PRICE**

- 4.1 In consideration of the full and satisfactory performance by the CONTRACTOR of its undertakings under this Contract, CCP shall pay the CONTRACTOR the total amount of **SIX MILLION SEVEN HUNDRED FOUR THOUSAND EIGHT HUNDRED FORTY EIGHT PESOS AND SIXTY SEVEN CENTAVOS ONLY (6,704,848.67)**, inclusive of Value Added Tax (VAT). The amount is inclusive of all expenses for wages, allowances, social benefits and other operational expenses

**ARTICLE V
TERMS OF PAYMENT**

- 5.1 Payments shall be made only upon a Certification by the CCP President to the effect that the Project have been rendered or delivered in accordance with the terms of this CONTRACT and have been duly inspected and accepted by CCP

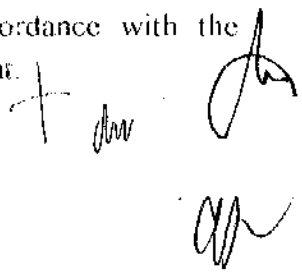
- 5.2 The CONTRACTOR's request(s) for payment shall be made to the CCP in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the Special Condition of

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M. Lopez

[Signature]
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the Contract (SCC) provision for General Condition of the Contract (GCC), and upon fulfillment of other obligations stipulated in this CONTRACT.

- 5.3 Pursuant to the Section 5.2, payments shall be made by the CCP within a reasonable period after submission of an invoice or claim by the CONTRACTOR.
- 5.4 All progress payments shall first be charged against the advance payment until the latter has been fully exhausted, unless otherwise approved by the CCP President.
- 5.5 All payments are subject to actual fund release by the Department of Budget and Management (DBM).
- 5.6 Upon perfection of the CONTRACT and acceptance of the Notice to Proceed, the CONTRACTOR is entitled to the claim for advance payment equivalent to Fifteen Percent (15%) of the total CONTRACT Price, provided the CONTRACTOR submits and posts an irrevocable standby letter of credit or bank guarantee acceptable to the CCP issued by a Universal or Commercial Bank or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the CCP. The irrevocable letter of credit or bank guarantee must be for an equivalent amount as the advance payment, it shall remain valid until the Project is completed, and accompanied by a claim for advance payment.
- 5.7 The CONTRACTOR shall submit the progress billing and Statement of Work Accomplished (SWA) in accordance with the following terms and/or mode of payment, to wit:
 - A. Fifty percent (50%) of Contract price - upon full delivery of materials with supporting documents, subject to accounting rules and regulations.
 - B. Fifty percent (50%) of Contract price - upon completion of all work requirements; subject to required inspection, submission of necessary documents and final acceptance of end-user.
- 5.8 Final payment shall be made by the CCP to the CONTRACTOR within a reasonable period after full completion of all works subject of this CONTRACT and upon Final Acceptance of the same to be issued in writing by the CCP and upon submission by the CONTRACTOR of its sworn statement certifying that all taxes due from it and all obligations for materials used and labor employed in connection with this CONTRACT have been fully paid.
- 5.9 All payments shall be subject to one percent (1%) retention and shall only be released upon issuance of completion and acceptance and receipt of a warranty bond as stipulated in Article VIII pursuant to existing government accounting and auditing rules and regulations.
- 5.10 Before any payments are made, the CCP may require the CONTRACTOR to submit additional documents as may be necessary and proper in accordance with the Commission on Audit (COA) rules and regulations, to effect payment.

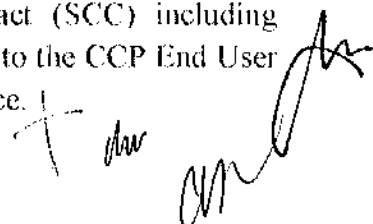
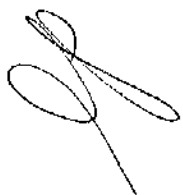


**ARTICLE VI
INSPECTION**

- 6.1 Regular inspection shall be conducted by CCP Project Engineer for proper monitoring and confirmation of compliance by the CONTRACTOR with the CONTRACT specifications. All defective works determined by the CCP Project Engineer during the inspection must be corrected immediately by the CONTRACTOR at no cost to the CCP.
- 6.2 Final inspection with the CCP Project Engineer will be done upon submission of Notice of Inspection and Turn-over from the CONTRACTOR. All defective works and materials/equipment which may be found during the inspection must be corrected at no cost to and to the satisfaction of the CCP.

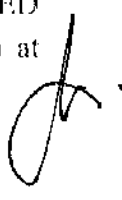
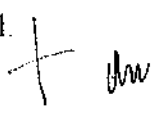
**ARTICLE VII
SCOPE OF WORK AND TECHNICAL SPECIFICATION**

- 7.1 The works under this project consist of furnishing of all materials, equipment, tools, supervision and all services necessary to complete the Project. Specifically, the CONTRACTOR shall:
- A. Prepare and submit a Gantt Chart or Program of Works with installation methodology prior to commencement of work.
 - B. Provide skilled/qualified personnel and engineers, general supervision, complete Personnel Protective Equipment (PPE), instrumentation, tools and equipment to complete the Project.
 - C. Submit valid Organizational Chart with a complete list of personnel, and list of tools and equipment to CCP before the commencement of works
 - D. Conduct pre-installation planning and safety orientation for all personnel involved in the project, including CCP End User.
 - E. Be in close coordination with the CCP Authorized Representative/s during the entire implementation and completion of the project.
 - F. Mobilization/Delivery:
 - a. Conduct ocular inspection and site evaluation to determine all possible queries and conditions prior to the commencement of works, with CCP End User.
 - b. Mobilize/deliver all materials, tools and equipment and personnel to the site and install safety signage/devices to secure the working area.
 - G. Inspection:
 - a. Prior to installation, present/submit all necessary delivery documents indicated in the Special Conditions of the Contract (SCC) including brochures and Manufacturer's Inspection/Test Report to the CCP End User and inspector for verification, validation and acceptance.



H. Installation:

- a. Installation of Socapex box and fittings with 1 19-pin female panel mount Socapex and 2 16A 2P+E panel mounted socket outlet in every box in the following locations:
 1. 10 pcs. at Concourse Mezzanine level Catwalk: see drawings TE-310.
 2. 6 pcs. at Concourse level Catwalk: see drawings TE-307.
- b. Installation of Direct Plug Box and fittings with 1 16A 2P+E panel mounted socket outlet in every box in the following locations:
 1. 4 pcs. at Concourse Mezzanine level Catwalk: see drawings TE-310.
 2. 6 pcs. at Concourse level Catwalk: see drawings TE-307.
 3. 1 pc. at Dimmer Room: see drawings TE-307.
 4. 3 pcs. at Mezzanine Floor level: see drawings TE-302.
 5. 1 pc. at Ground Floor level Trap Room: see drawings TE-301.
- c. Installation of Control Receptacle Panel Box and fittings with Ethernet Connector and DMX In/Out Connector in every box in the following locations:
 1. 5 pcs. at Concourse Mezzanine level Catwalk: see drawings TE-310.
 2. 3 pcs. at Concourse level Catwalk: see drawings TE-307.
 3. 1 pc. at Dimmer Room: see drawings TE-307.
 4. 2 pcs. at Mezzanine Floor level: see drawings TE-302.
 5. 1 pc. at Ground Floor level Trap Room: see drawings TE-301.
- d. Installation of Data Cabinet with Patch Panel and Patch Cord at Control Room at Concourse Level.
- e. Installation of PAR 38 lamp fixture with dimmable LED PAR 38 bulb at Concourse Mezzanine level catwalk.
- f. Installation of LED worklight at Concourse Mezzanine level catwalk.
- g. Installation of conduit, fittings and wirings of Socapex box from Concourse Mezzanine level catwalk and Concourse level catwalk to Dimmer Room at Concourse Level.
- h. Installation of conduit, fittings and wirings of Direct Plug Box from Concourse Mezzanine level catwalk, Concourse level catwalk, Mezzanine Floor level and Ground Floor level Trap Room to Dimmer Room at Concourse Level.
- i. Installation of conduit, fittings and wirings of Control Receptacle Panel Box from Concourse Mezzanine level catwalk, Concourse level catwalk, Mezzanine Floor level, Ground Floor level Trap Room and Dimmer Room to Control Room at Concourse Level.
- j. Installation of conduit, fittings and wirings of PAR 38 Lamp Fixture and LED Worklight from Concourse Mezzanine level catwalk to Dimmer Room at Concourse Level.



- k. Installation of panel board with 150A Main Circuit Breaker and branches of 20A, 30A, and 50A Circuit Breaker at Concourse Level Dimmer Room.
- l. All socapex box shall be supplied with Socapex Male Breakout (1 19-pin socapex male plug to 6 16A 2P+E female connector 2 meters).

I. Testing and Commissioning.

- a. Submit Test Results.

J. Demobilization

- a. Housekeeping the working area and demobilization of equipment, tools, and waste materials.
- b. Demobilization of equipment and personnel on the project site

K. Technical Specification:

- a. LED Work Light (warm white)
 - Protection Rating: IP65,
 - Volts: 230V,
 - Hertz: 60Hz
 - Watts: 150W
 - Life Span: 50,000 Hours
- b. Dimmable LED Par 38 (warm white)
 - Protection Rating: IP65
 - Volts: 230V
 - Hertz: 60Hz
 - Watts: 40W
 - Life Span: 50,000 Hours
- c. Par 38 Lamp Fixture with E27 heavy duty lamp holder
 - Can focus pan and tilt, Black paint finish
- d. 19 pins Panel Mount Female Socapex, Black coating
- e. Splashproof Panel Mounting Socket Outlet
 - Terminals/Poles : 2P+E
 - Volts : 200-250
 - Ampere : 16
- f. Break -outs should be Socapex 19-pin Male connector to 6-circuit of 16amp 2P&E Female Connector 2 meters in length each
- g. Socapex Male to Female Plug Extension Cable 10 meters in length
- h. DMX connector male and female
 - Chassis Mount
 - 5 Pins
- i. Ethernet Connector with Chassis for Lighting Network
- j. UTP Cable Cat5e
 - 4 Pairs Unshielded Twisted Pair (UTP) Cable

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Conductor Metal: Solid Bare Copper
Conductor Diameter: 0.5mm Nominal, 24 AWG

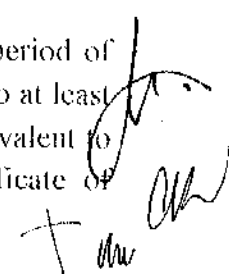
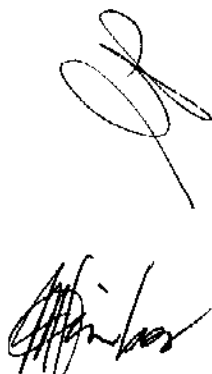
- k. 9842 RS-485 Cable
 - 2 Pairs Twisted Pair with Ground
 - 24 AWG Stranded
 - Insulation Material: Polyethylene
- l. 3.5mm² THHN wire
- m. 5.5mm² THHN wire
- n. 3.5mm² Royal Cable /3 (3 core)
- L. The CONTRACTOR shall submit an "as-built plan" and other relevant documents as may be required under the government accounting and auditing rules.
- M. All works and requirements not expressly included in the above scope of work, but are absolutely necessary or are standard practices or requirements in similar installations, shall be considered integral part of the scope of work.
- N. Final Inspection and Turnover:
 - 1. Submit a Notice of Inspection/Turnover and Completion reports preparatory to the conduct of the final inspection with the CCP authorized representative and COA representative, if required.
 - 2. Correct all defective works as may be found during inspection to the satisfaction of CCP.
 - 3. Submit detailed costing of the Project and other documents that may be required by CCP to process payment.

ARTICLE VIII WARRANTY

- 8.1 The CONTRACTOR warrants that the completion of the works including any change in order thereto shall be in accordance with the plans and specifications and other documents of this CONTRACT.
- 8.2 The CONTRACTOR warrants that the equipment and parts supplied shall be free from defects for a period of one (1) year from the issuance of the Notice of Acceptance by CCP and any defect that may be found shall be repaired or replaced by CONTRACTOR at no cost to CCP.

After sales service and support during the warranty period, all reported defects shall be satisfactorily repaired/replaced by the CONTRACTOR within 48 hours after receipt of a verbal and/or written notice from the CCP

- 8.3 The CONTRACTOR shall post a warranty bond effective for a minimum period of one (1) year in the form of either retention money in the amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to one percent (1%) of the CONTRACT price, after the issuance of Certificate of

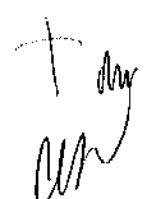
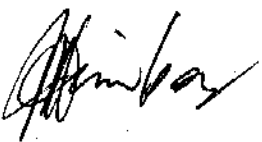


Completion and Final Acceptance. The said warranty bond shall only be released after one (1) year after the completion and acceptance of the project provided, that the CONTRACTOR will make good any defect in workmanship and its supplied materials that may be found during one (1) year from the date of final acceptance.

- 8.4 Any CCP property which may be damaged as a result of the implementation of the project must be restored to its original condition or replaced by the CONTRACTOR at no cost to the CCP. If the property could not be restored or replaced, the CONTRACTOR shall pay for the value of the property damaged. The value of the property shall be determined by the CCP.

ARTICLE IX MISCELLANEOUS REQUIREMENTS

- 9.1 Safety signs and/or devices must be installed and displayed in designated and/or conspicuous areas for public information and general safety.
- 9.2 The CONTRACTOR must submit detailed cost estimate stating the total quantity of materials, labor cost, profit margin and VAT upon submission of bids.
- 9.3 The CONTRACTOR shall include brochures and catalogs of the material to be used in the Project as a required in technical documents submitted during the bid opening.
- 9.4 The CONTRACTOR shall submit a list of personnel to be involved in the project. Only skilled workmen using proper tools and equipment shall be employed during the entire course of construction works.
- 9.5 The work throughout shall be executed in the best and most thorough manner, under the direction of and to the satisfaction of the CCP or the CCP Project Engineer and based on strict conformance with the contract plans and documents.
- 9.6 The CONTRACTOR shall be responsible for his work until its completion and final acceptance and shall replace any of the same which may be damaged, lost or stolen without additional cost to the CCP. The CONTRACTOR shall guard the structure and its contents against damage by him, his employees or any of the other contractors and shall repair for any damage free of charge. This CONTRACTOR shall indemnify and hold harmless the CCP from and against all liabilities for damage arising from injuries or disabilities to persons or damage to property occasioned by any act or omission of the CONTRACTOR or subcontractors, including any and all expenses, legal or otherwise, which may be incurred by the CCP in the defense of any claim, action or suit.
- 9.7 It is specifically intended that all materials and labor which are necessary for the proper completion and best operation of the system shall be furnished as part of the contract without additional cost whether or not shown in detail on the drawings or described in detail in the Specifications. The provision is in consideration of the fact that in many cases, the use of apparatus of different makes may be considered, which differ in detail from that described, although intended to fulfill the same functions.



The CONTRACTOR shall guarantee all work performed and materials installed by him to be free from inherent defects, and shall keep the same in repair and replace any defective materials or workmanship, free of cost to the CCP, for a period of one (1) year, from date of acceptance upon notice from the CCP representative.

- 9.9 The CONTRACTOR shall guarantee that the equipments, materials, accessories, methods of installation and workmanship supplied under this specification will be new, of the best class and that it will be erected in a practical and proper manner. The CONTRACTOR shall ensure that it will be complete in operation and nothing omitted in the way of labor and shown or mentioned herein, and that it will be delivered in good working order, complete and perfect in every respect.
- 9.10 The CONTRACTOR shall give all necessary notices, obtain all permits and pay all government sale taxes, fees and other costs, including coordination with the electrical utilities, connections or extensions, in connection with his work; file all necessary plans, prepare all documents and obtain all necessary approvals of all government and private departments having jurisdiction; obtain required certificates of inspection for its work and deliver same to the CCP before request for acceptance and final payment for the work.
- 9.11 The CONTRACTOR shall include in the work, without extra cost to the CCP, any labor, materials, services, apparatus, drawings, in order to comply with all applicable laws, ordinances, rules and regulations, whether or not shown on drawings and/or specified.
- 9.12 If directed by CCP, the CONTRACTOR shall, without extra charge, make reasonable modifications in the layout as needed to prevent conflict with work of other trades or for proper execution of the work.
- 9.13 Delivery and storage of materials intended for the project must be properly coordinated by the CONTRACTOR with the CCP Project Engineer. Delivery and storage of materials shall be made properly to avoid inconvenience to the CCP personnel or to the public. The CCP shall designate an area to be used for storage.
- 9.14 All deliveries and materials to be used in the project shall be approved by the CCP before application or installation. Such materials should be presented first to the CCP for verification before use.
- 9.15 All electrical works shall be done in accordance with the Philippine Electrical Code Part I.
- 9.16 The works shall be done by a Registered Master Electrician (RME) or Registered Electrical Engineer (REE) or Professional Electrical Engineer (PEE) or skilled electrical practitioner but under the supervision of RME or REE or PEE.

ARTICLE X
OBLIGATIONS OF THE PARTIES

10.1 OBLIGATIONS AND RESPONSIBILITIES OF THE CONTRACTOR

- A. The CONTRACTOR shall utilize its resources and technical manpower complement to accomplish the Project in accordance with the requirements,

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works and programs of the CONTRACT including the repair of defects in workmanship and replacement of defective parts.

B. The CONTRACTOR shall therefore have the following responsibilities:

1. Generally, but without limiting the CONTRACTOR's responsibilities elsewhere stated under this CONTRACT, the CONTRACTOR shall carry out the services stipulated in the specifications, plans and work program.

2. The CONTRACTOR shall allow the inspection team of the CCP full access to the project repair sites and to all documents necessary for the said inspection team to determine compliance with the progress of the project under this CONTRACT.

3. The CONTRACTOR shall assume full responsibility for the safety, protection, security and convenience of its personnel, third parties and the public at large for the entire duration of the Project and the CONTRACT.

C. The CONTRACTOR shall solely be liable for any and all damages and injuries suffered by its employees and third parties as a result of and in connection with the implementation of this CONTRACT and shall hold the CCP free and harmless from any liability arising from said damages and injuries.

D. The CONTRACTOR shall be solely responsible for the loss or damage of any of its equipment, materials and other properties that will be left or kept within the premises of the CCP for the duration of the CONTRACT.

10.2 OBLIGATIONS AND RESPONSIBILITIES OF THE CCP:

A. The CCP agrees to pay the amount of the CONTRACT Price and such other amount that may become due the CONTRACTOR in accordance with the terms of this CONTRACT.

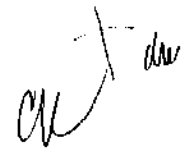
B. The CCP shall provide the CONTRACTOR sufficient working space to facilitate work requirements, subject to existing policies and procedures of the CCP.

C. The CCP shall provide the CONTRACTOR access with all reports and relevant data such as site plan, data on materials that shall facilitate the completion of the project.

ARTICLE XI NON-LIABILITY

11.1 CCP shall not be liable for any loss or damage suffered by the CONTRACTOR resulting from the use of its equipment, nor shall it be liable for any death, injury or damage caused to the CONTRACTOR's employees who shall be tasked to perform the undertaking.

11.2 Either party agrees to hold harmless the other party from any suit, action, claim or demand by any third party for damage to property or bodily injury including death due



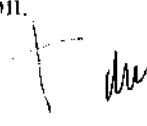
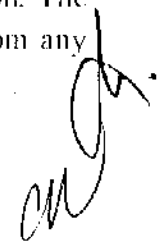


to any willful act, gross negligence or omission, solely attributable to either party, its employees or personnel, arising from the performance of the undertaking herein.

ARTICLE XII LIQUIDATED DAMAGES

- 12.1 Should the CONTRACTOR refuse or fail to satisfactorily deliver services/goods under the CONTRACT within the specified delivery schedule, inclusive of duly granted time extensions if any, the CONTRACTOR shall be liable from damages for the delay and shall pay the CCP 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 services/goods scheduled for delivery for every day of delay until such services/goods are finally delivered and accepted by the CCP.
- 12.2 It is understood that the damages herein provided are fixed and agreed liquidated damages and that to be entitled to such damages, the CCP shall not be required to prove that it has incurred actual damages. In case the CCP becomes entitled to the liquidated damages provided herein, it shall be authorized to deduct the amount of such liquidated damages from any money due or which may become due to the CONTRACTOR including the Performance Bond specified in Article XIV below.
- 12.3 In case of breach or violation by the CONTRACTOR of its obligations and undertakings under this CONTRACT (aside from the delays stated above), the CONTRACTOR shall pay the CCP the sum of PESOS: ONE HUNDRED FIFTY THOUSAND (Php150, 000.00) as and by way of liquidated damages for every violation. The damages herein provided are fixed and liquidated and the CCP shall not be required to prove that it has incurred actual damages. In case the CCP becomes entitled to said liquidated damages, the CCP may deduct the amount from any and all money and amounts due or which may become due to the CONTRACTOR under this CONTRACT or any agreement and /or collect such amount from the CONTRACTOR's performance bond, whichever is convenient to the CCP, and without prejudice to the CCP's remedies under this CONTRACT or applicable laws.

ARTICLE XIII NO-EMPLOYER-EMPLOYEE RELATIONSHIP

- 13.1 It is hereby agreed and understood that the CONTRACTOR is and shall remain an independent contractor and that there shall be no employer-employee relationship between the CCP, on one hand, and the CONTRACTOR or his personnel or agents, on the other hand. Hence, the CCP shall not in any way be liable or be responsible for any personal injury including death, or damage to property, caused by any of the employees of the CONTRACTOR in the performance of the CONTRACTOR's obligations and undertakings under this CONTRACT. The CONTRACTOR shall at all times be directly responsible and liable for the enforcement of, and compliance with, all existing laws, rules and regulations, particularly with respect to any claims brought about by its personnel or employees under applicable laws and social legislation. The CONTRACTOR hereby holds the CCP and its officials free and harmless from any and all claims and liability under this provision.
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**ARTICLE XIV
PERFORMANCE SECURITY**

- 14.1 The CONTRACTOR shall at its own expense, post an annual Performance Security in favor of CCP and in accordance with the provisions of RA 9184 to guarantee the performance of any and all of the CONTRACTOR's obligations under this CONTRACT and TOR. The Performance Security may be in any of the forms listed below and callable upon demand:
- A. Five percent (5%) of the Total CONTRACT Price: Cash or cashier's/manager's check issued by a Universal or Commercial Bank; or
 - B. Five percent (5%) of the Total CONTRACT Price: Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, That it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank; or
 - C. Thirty percent (30%) of the Total CONTRACT Price: Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.

The Performance Security shall remain valid and effective until issuance by the CCP of the Certificate of Final Acceptance to answer for whatever obligations/liabilities that the CONTRACTOR may incur under this CONTRACT, or which it may owe to its employees/personnel.

- 14.2 Failure of the CONTRACTOR to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security.
- 14.3 The said performance security shall also answer for the liquidated damages set forth herein; the unpaid cost of labor as required by the provisions of applicable laws; or any liability which may be incurred by reason of the violation by the CONTRACTOR of the Labor Code of the Philippines and other social legislation. The CCP shall, however, be reimbursed for the total sum it may have advanced for any damages or liabilities covered by the bond.

**ARTICLE XV
INDEMNITY**

- 15.1 The CONTRACTOR shall hold the CCP free and harmless from, and shall indemnify the CCP for, any and all liabilities, damages, expenses, losses, injuries including death due to the fault, negligence, act, omission, delay or conduct of the CONTRACTOR and/or its employees or agents in the performance of the CONTRACTOR's undertakings and obligations under this CONTRACT.

- 15.2 The CONTRACTOR shall hold the CCP free and harmless from, and shall indemnify the CCP for, any and all claims, suits, action and demand which may be brought by third PARTIES by reason of this CONTRACT, including its implementation, or non-

observance by the CONTRACTOR of any law, ordinance, executive or administrative order, rule or regulation, or any term or condition of this CONTRACT.

ARTICLE XVI REPRESENTATIONS AND WARRANTIES

Both PARTIES represent and warrant that the execution and delivery of this CONTRACT and consummation of the transactions contemplated herein will not contravene any law, and that they have complied with any and every necessary consent and/or approval and the officers signing hereunder are duly authorized to represent them.

ARTICLE XVII DISPUTE RESOLUTION

- 17.1 Any and all disputes, controversy or claim arising out of or relating to this CONTRACT, or the breach, termination or invalidity thereof shall be submitted to arbitration in the Philippines according to the provision of Republic Act No. 876 otherwise known as the "Arbitration Law" as amended by Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004.
- 17.2 For this purpose, the PARTIES mutually agree to appoint a single arbitrator within fifteen days from receipt of the demand for arbitration. In case the PARTIES cannot agree to appoint a single arbitrator, the National President of the Integrated Bar of the Philippines or his duly designated representative shall appoint the sole arbitrator.

ARTICLE XVIII SEPARABILITY CLAUSE

The PARTIES hereby agree to amend or modify any provision of this CONTRACT, which has been declared invalid or contrary to law, to conform to the subject or objective of this CONTRACT.

ARTICLE XIX FORCE MAJEURE

- 19.1 For the purpose of this CONTRACT "Force Majeure" means an event which is beyond the reasonable control of a PARTY and which renders a Party's performance of its obligations under the CONTRACT including but not limited to acts of God, acts of Government, acts of terrorism, acts of civil military authorities, fires, strikes, epidemics, war, riot and analogous circumstances.
- 19.2 The failure of the CONTRACTOR to fulfill any of its obligations under this CONTRACT shall not be considered breach of or default under this CONTRACT in so far as such inability arises from an event of Force Majeure, provided that the CONTRACTOR affected by such an event has:
- A. Taken all reasonable precaution, due care and reasonable alternative measures in order to carry out the terms and conditions in the CONTRACT.
 - B. Informed the CCP not later than fifteen (15) days after the happening of any of such event.

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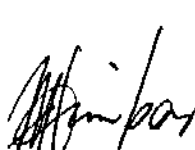

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- 19.3 All days rendered unworkable by reason of Force Majeure under this Article shall have a corresponding period of extension.

ARTICLE XX TERMINATION

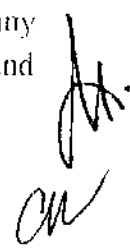
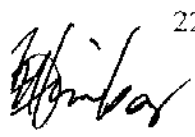
- 20.1 The following shall be sufficient grounds for termination of this CONTRACT:
- A. Inability to provide/supply the item and/or services offered and inability of the CONTRACTOR to fulfill its obligations provided or required under this CONTRACT, and other related documents.
 - B. Unreasonable delay on the part of the CONTRACTOR to complete the project in accordance with Article III of this CONTRACT.
 - C. Acts inimical to the public interest.
- 20.2 CCP may terminate the CONTRACT without need of judicial action by sending the CONTRACTOR at least a ten (10) days prior notice of such effect.
- 20.3 The right of the CCP to hold the CONTRACTOR liable for damages shall be without prejudice to the right of the CCP to proceed against the bond and to terminate this CONTRACT for any violation/s such as non-compliance with any of the terms and conditions of this CONTRACT.
- 20.4 These rights and remedies of the PARTIES under this CONTRACT are in addition to any other rights and remedies provided by law.

ARTICLE XXI AMENDMENT TO ORDER

- 21.1 At any time, the CCP may issue an Amendment to Order, where there are additional items needed and necessary for the protection of the goods, which are not included in this CONTRACT. Provided that any price adjustment shall not exceed 10% of the original CONTRACT Price.
- 21.2 Costs for these additional items shall be based on the unit price of similar goods in this CONTRACT. If there is no applicable rate then the PARTIES shall agree on the best suitable price applicable.
- 21.3 Any request for payment by the CONTRACTOR shall be supported by a Statement of Account reflecting a detailed accounting of the amount claimed with receipts or any other form of proof of payment.
- 21.4 A corresponding extension of the period of this CONTRACT may be granted by the CCP upon its determination that it is necessary and warranted.
- 21.5 All Amendments to Order shall be subject to pertinent laws, rules and regulations.
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**ARTICLE XXII
OTHER PROVISIONS**

- 22.1 The CCP may suspend the work wholly or partly by written order for a certain period of time, as it deems necessary due to force majeure or any fortuitous events as defined in the CONTRACT. The CONTRACTOR shall take all reasonable steps to minimize the costs allocable to the work covered by such order during work stoppage.
- Before the suspension order expires, the CCP concerned shall either lift such order or terminate the work covered by the same. If the suspension order is lifted, or if the period of the order expires, the CONTRACTOR shall have the right to resume work. Appropriate adjustments shall be made in the delivery or CONTRACT schedule, or CONTRACT price, or both, and the CONTRACT shall be modified accordingly.
- 22.2 No modification or amendments of this CONTRACT or any of its provisions shall be valid and binding unless mutually agreed in writing by the PARTIES herein.
- 22.3 This CONTRACT expresses and represents all promises, understanding and covenants of the PARTIES and supersedes all prior negotiations, understandings and agreements whether written or oral.
- 22.4 Any notices or other communications to be sent or to be served on either PARTY hereto shall be deemed sufficiently served if mailed by prepaid post to other PARTY at its Registered Office or at its address as set out above and shall be deemed to be received by or served upon the PARTY concerned, as the case may be, on the date that such postal communication would usually have been delivered in the normal course of post.
- 22.5 Failure of the CCP at any time to enforce or demand performance of any or all of the terms and conditions of the CONTRACT and other related instruments or Contracts shall in no way be construed as a waiver of such term(s) and condition (s), and shall not affect the validity and enforceability thereof or the right of the CCP to subsequently enforce or demand performance of such term(s) and condition(s).
- 22.6 All remedies in this CONTRACT shall be without prejudice to those which may be provided for by law.
- 22.7 This CONTRACT shall be binding upon the PARTIES hereto and their assigns and successors-in-interest: Provided, that the CONTRACTOR shall not sub-contract, assign, or transfer any or all of this rights and obligations hereunder to any third party without the prior written consent of the CCP.
- 22.8 This CONTRACT defines, determines, and embodies the entire agreement between the PARTIES hereto with regard to the subject matter hereof, and shall supersede any prior or simultaneous agreement, arrangement and understanding made by and between them or with third parties.

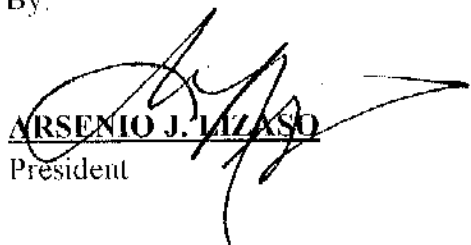


**ARTICLE XXIII
SEPARABILITY CLAUSE**

The PARTIES hereby agree to amend or modify any provision of this CONTRACT, which has been declared invalid or contrary to law, to conform to the subject or objective of this

SIGNED by the PARTIES on _____, at Pasay City, Philippines.

The CCP
By:

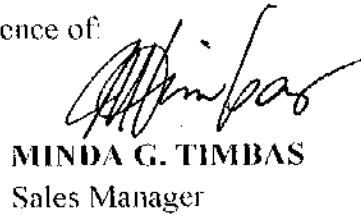

ARSENIO J. LIZASO
President

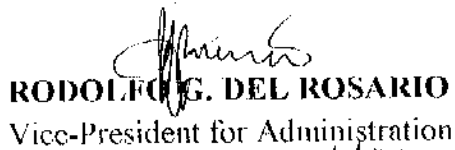
The CONTRACTOR
By:


PROETIZA M. PEREZ
Sales Account Officer

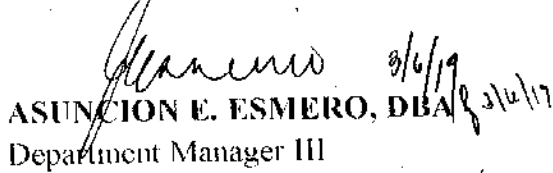
Signed in the presence of:


CHRIS B. MILLADO
Vice-President and Artistic Director


MINDA G. TIMBAS
Sales Manager


RODOLFO G. DEL ROSARIO
Vice-President for Administration

Within Budget:


ASUNCION E. ESmero, DBA 9/6/19
Department Manager III 2/6/17

19-03-0562

