

Contract Agreement Form

THIS AGREEMENT made on 20th day of December 2019 between **METALS INDUSTRY RESEARCH AND DEVELOPMENT CENTER**, with office address at General Santos Avenue, Bicutan, Taguig City, represented herein by its Executive Director, **ROBERT O. DIZON**, hereinafter called "the Entity" and **CBII PHILIPPINES** with office address at 8771 Unit C-Santol Street, San Antonio Village Makati City represented herein by its President, **REYNALDO M. CUEVAS** hereinafter called "the CONTRACTOR".

WHEREAS, the **CLIENT** requires janitorial, maintenance and sanitation services for its office located at General Santos Avenue, Bicutan, Taguig City for which a bidding was conducted on November 20, 2009;

WHEREAS, the **CONTRACTOR**, duly licensed to and is engaged in the business of engaging in domestic manpower such as janitorial contract services, drivers, messengers, carpenters, plumbers and clerical/office staff, participated in the bidding process for the provision of janitorial services needed by the **CLIENT**;

WHEREAS, the provision of janitorial services was awarded to the **CONTRACTOR** for having the Lowest Calculated and Responsive Bid among the bidders;

WHEREAS, the **ENTITY** has accepted a Bid by the **CONTRACTOR** for the supply of those goods and services in the sum of **One Million Five Hundred Seventy Five Thousand Nine Hundred Seventy Four Pesos and Eighty Centavos only (Php1,575,974.80)**, hereinafter called "the Contract Price".

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

I. GENERAL CONDITIONS

A. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

B. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

- (a) the **CONTRACTOR**'s Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidder's response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity's bid evaluation;
- (b) the Schedule of Requirements;
- (c) the Terms of Reference;
- (d) the General Conditions of Contract;
- (e) the Special Conditions of Contract;
- (f) the Performance Security; and
- (g) the Entity's Notice of Award.

II. OTHER CONDITIONS

- A. There shall be NO EMPLOYER-EMPLOYEE relationship between the **CLIENT** and the **CONTRACTOR** as well as the person/s that the **CONTRACTOR** may assign to perform the service subject of this Contract. The **CONTRACTOR** hereby acknowledges that no authority has been conferred upon it by the **CLIENT** to hire any person/s to be assigned by the **CONTRACTOR** to perform the services called for under this Contract. It is expressly understood and agreed that the person/s to be assigned by the **CONTRACTOR** are not employees of the **CLIENT**. As such, the **CONTRACTOR** warrants that it shall fully and faithfully comply with all the laws, rules and regulations pertaining to the employment of labor now existing or which may hereinafter be enacted, including but not limited to the requirements of the Labor Code, as amended, and the SSS Act.

The **CONTRACTOR** shall regularly furnish **CLIENT** a certification that the former has paid all the SSS, Philhealth, Income Tax, Five (5) days Incentive Leave With pay, 13th month pay and PAG-IBIG of its janitors/janitress, supported by copies of the remittances, on the following schedule:

First quarter: 1 st Week of April
Second quarter: 1 st Week of July
Third quarter : 1st Week of October
Fourth quarter: 1 st Week of the following year

The **CONTRACTOR** hereby warrants to hold the **CLIENT** free and harmless from any liability arising of out any accident that may befall the **CONTRACTOR**'s employees while in the performance of their duties at the **CLIENT**'s premises as well as for any labor claim the **CONTRACTOR**'s employees may file against the **CLIENT**.

- B. The **CONTRACTOR** hereby warrants to make available at all times relievers and/or replacements to ensure continuous and uninterrupted services in case of absences and to exercise the necessary supervision over the work of the **CONTRACTOR**'s personnel.
- C. That the **CLIENT** reserves the right to reduce or increase the number of janitors/janitress and maintenance personnel or replace all, some or any particular janitorial and maintenance personnel, as the exigencies of its operation may require, such reduction, increase or replacement to become effective twenty-four (24) hours after notice thereof is given by the **CLIENT** to the **CONTRACTOR**, (in which case corresponding proportionate adjustment shall be made, (in case of reduction or increase in the number of janitors/janitress and maintenance Personnel).
- D. The persons to be assigned by the **CONTRACTOR** to perform the services subject to this Contract shall be provided with adequate uniforms and appropriate Identification Cards at the expense of the **CONTRACTOR** which shall be worn by the janitors at all times for proper identification. They shall be thoroughly screened by the **CONTRACTOR** prior to employment and will be required to present favorable Police Clearance and Medical Certificates attesting to their physical fitness for the work involved.
- E. The **CONTRACTOR** shall answer directly to the **CLIENT** for the cost of any damage to or loss of the **CLIENT**'s property, or to those for which the

CONTRACTOR may be held responsible, through the negligence or dishonesty of the janitors of the **CONTRACTORS** while in the course of their duties. In this connection, the janitors assigned to perform the service provided in this contract shall submit themselves to be searched by the security guards of the **CLIENT** if leaving the premises.

- F. All supplies, materials and equipment brought to the Center must be checked by the Storekeeper/Property Custodian in charge of office supplies in the presence of a representative of the Chief, General Services Section, Finance and Administrative Division before they are turned over to the janitors for their use.
- G. All supplies, materials and equipment taken out from the MIRDC premises must be covered by the Property Gate Pass properly approved by the Chief of the Finance and Administrative Division and endorsed by the Chief of the General Services Section.
- H. In consideration of the payments to be made by the Entity to the **CONTRACTOR** as hereinafter mentioned, the **CONTRACTOR** hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract
- I. The Entity hereby covenants to pay the **CONTRACTOR** in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.
- J. That in consideration of the stipulated services of the **CONTRACTOR**, the **CLIENT** during the term thereof shall pay the **CONTRACTOR** the sum of TWENTY ONE THOUSAND EIGHT HUNDRED EIGHTY EIGHT PESOS AND 54/100 PESOS ONLY (P21,888.54) per janitor per month, VAT included, payable semi-monthly upon receipt of the billing from the **CONTRACTOR** or a total contract price of ONE MILLION FIVE HUNDRED SEVENTY FIVE THOUSAND NINE HUNDRED SEVENTY FOUR PESOS AND 80/100 only (Php1,575,974.80). Cost Breakdown is herewith attached as Annex "A".
- K. In case the labor cost increases subsequent to the execution of this contract based on new laws, executive order or wage order for wage increase, the **CONTRACTOR** shall be entitled to an adjustment of the stipulated contract price. Said adjustment shall be limited to the amount stipulated in the said new law, executive order or wage order. However, any deficiency in funding requirements shall be subject to availability of funds, as requested by **CLIENT** from the Department of Budget and Management (DBM) for the latter's allocation and release for implementation.
- L. The **CONTRACTOR** shall send a Statement of Account to the **CLIENT** with an ORIGINAL INVOICE received and acknowledged by the Chief, Finance and Administrative Division or her authorized representative.
- M. The amount corresponding to the number of days when the janitors are absent without replacement, shall be deducted from the amount of the bill submitted by the **CONTRACTOR**

- N. The payment of this contract shall be subject to the usual accounting and auditing rules and regulations of the **CLIENT** and regulations and availability of **CLIENT's** funds.
- O. For violation of any provision of this Contract by the **CONTRACTOR**, the **CLIENT** shall have the right to collect from the offending party reasonable amount of damages and attorney's fees in addition to cost legally taxable.

III. EFFECTIVITY, DURATION AND TERMINATION:

- A. This Contract shall take effect upon approval by the HOPE and shall remain valid and in force until 31 December 2020 unless sooner terminated for any of the following grounds:
1. False statement or misrepresentation in the warranties indicated herein and in the submission of bid and awards documents;
 2. Acts and omissions on the part of **CONTRACTOR** resulting in injury, damage, loss or destruction of property of ENTITY and/or agencies and failure to restitute, replace or pay for the same;
 3. Failure of the **CONTRACTOR** to discipline or replace any janitorial/maintenance personnel which is found wanting in qualification, competency, honesty or integrity, or for any reasonable cause. Failure on the part of the **CONTRACTOR** to take appropriate action thereon within twenty-four (24) hours from receipt of formal advice or request for replacement from **CLIENT** shall be considered a cause for the pretermination of the contract.
 4. Violation of existing labor, social security, workmen's compensation and other rules as provided by existing laws and regulations related thereto; and Non-payment of stipulated contract price.
- B. The party opting to terminate the Contract before its expiration date, shall serve the other party its intention of such termination, in writing and at least fifteen (15) days before the effectivity thereof.

In the event that this Contract is pre-terminated for causes as herein provided, or the expiration thereof, **CONTRACTOR** shall cause the vacation of all premises of ENTITY and specified agencies within twenty-four (24) hours from the effectivity of said termination. Thereafter, the presence of any personnel of **CONTRACTOR** in said premises shall be prosecuted accordingly.

- C. The **CONTRACTOR** shall remain in operation on a month-to-month basis until the proper assumption or transition of duties to the new contract awardee. The extension of contract will be in accordance with the Appendix 24 of the Implementing Rules and Regulations of RA 9184 entitled " revised Guidelines on the Extension of Contract for General Support Services.
- D. Nothing in this Agreement shall preclude ENTITY from taking other actions to assert its rights under the Contract and/or bringing suit for damages in appropriate circumstances in a court of competent jurisdiction. However, any dispute or differences that may arise in the implementation of this contract shall be first resolved amicably or subject for arbitration in accordance with the provision of Republic Act of 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004". During the pendency of any such dispute, the **CONTRACTOR** shall proceed diligently with the

performance of its obligations and undertakings under this Contract as directed by DOST-MIRDC.

IV. VENUE AND JURISDICTION

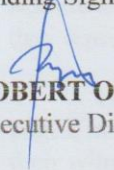
Violations or any interpretation of the provisions of this contract shall be brought exclusively to the proper Regional Trial Court of the City of Taguig and no other courts. The venue of litigations or court actions pertaining to this contract and other related issues shall be brought exclusively to the proper Regional Trial Court of the City of Taguig and to no other courts.

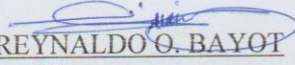
IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, and delivered by *ROBERT O. DIZON* the *Executive Director* for the *Metals Industry Research and Development Center*.

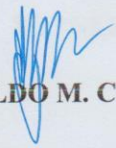
Signed, sealed, and delivered by **REYNALDO M. CUEVAS**, the President for the **CBII PHILIPPINES INTERNATIONAL, INC.**

Binding Signature of Procuring Entity:


ROBERT O. DIZON
Executive Director

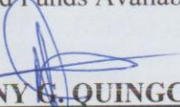

REYNALDO O. BAYOT
Witness

Binding Signature of CONTRACTOR:


REYNALDO M. CUEVAS
President
Witness


MYRNA O. CAMPOSANO

Certified Funds Available


JOHNNY G. QUINGCO
Accountant IV

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI CITY) S.S.

Before me, a Notary Public for and in the MAKATI CITY this
DEC 26 2019, personally appeared:

| NAME | I.D. NO. | DATE/PLACE ISSUED |
|--------------------|-----------------------|----------------------------|
| Robert O. Dizon | Passport EC4028370 | April 24, 2015/DFA, Manila |
| Reynaldo M. Cuevas | Passport P4970201A | Nov. 7, 2017/DFA, NCR West |

all known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free act and deed as well as of the principal they represent.

This instrument refers to **CONTRACTOR's** Agreement consisting of three (3) pages, including this page in which the Acknowledgment is written, signed by the parties and their witnesses on each and every page and sealed with my notarial seal.

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

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Series of 2019.

M. T. G.
RUBEN T.M. RAMIREZ
NOTARY PUBLIC
UNTIL DEC. 31, 2019

BP NO. 058333/01-3-19-Appointment#M-127
ROLL NO. 28947/MCLE NO V.0025589/9-8-2017
PTR NO. MKT 7333572/01-3-19 MAKATI CITY