

AGREEMENT FOR THE PROCUREMENT OF DFA LOYALTY PINS FOR CY 2014

KNOW ALL MEN BY THESE PRESENTS:

This Agreement for the Procurement of DFA Loyalty Pins (hereinafter, the AGREEMENT), entered into in Pasay City, Philippines, on 09 26 14, between the:

DEPARTMENT OF FOREIGN AFFAIRS, (hereinafter, the **PROCURING ENTITY**), with principal office address at 2330 Roxas Blvd., Pasay City, Metro Manila, represented by its Undersecretary for Administration and Head of Procuring Entity (**HOPE**) **HONORABLE LINGLINGAY F. LACANLALE**,

and

R & J Jewelry Class Ring & Metalcraft Inc. (R&J Jewelry) (hereinafter, the **CONTRACTOR**), is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at No. 8 Gold Street, Millionaires Village, Novaliches, Quezon City, represented by its Vice President, **VICENTE N. PODEROSO**, who is duly authorized to enter into this Agreement pursuant to the Secretary's Certificate dated 25 February 2014, copy of which is attached as **ANNEX A** and made integral part of this **AGREEMENT**.

WITNESSETH:

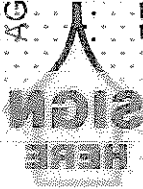
WHEREAS the **PROCURING ENTITY** invited bids for the Procurement of DFA Loyalty Pins for CY2014, and has accepted a bid by the **CONTRACTOR** to provide said goods in the sum of Six Hundred Seventy-Six Thousand One Hundred Eighty Pesos (PHP 676,180.00) only (hereinafter, the Contract Price), inclusive of value added tax (VAT) and other lawful charges.

WHEREAS, this Agreement, undertaken pursuant to BAC Resolution No. 81-14 dated 25 March 2014, a copy of which is attached to the Notice of Award in **ANNEX "G"**, complies with the applicable provisions of Republic Act 9184 and its Implementing Rules and Regulations;

NOW, THEREFORE, for and in consideration of the foregoing premises, the **PARTIES** agree as follows:

1. The definitions included in the General and Special Conditions of a Contract (GCC) provided with the Philippine Bidding Documents for Procurement of Goods issued by the Government Procurement Policy Board (GPPB) are deemed incorporated in this **AGREEMENT**.
2. The following documents are attached and made integral parts of this **AGREEMENT**:
ANNEX B - Bid Form and Bid Rate Sheet submitted by the **CONTRACTOR**
ANNEX C - Technical Specifications and Scope of Work
ANNEX D - Bid Bulletin No. 1
ANNEX E - General Conditions of Contract
ANNEX F - Special Conditions of Contract
ANNEX G - Notice of Award dated 25 March 2014
ANNEX H - Performance Security
3. The **CONTRACTOR** shall deliver the goods not later than twenty (20) calendar days from the date of the Notice to Proceed.
4. For and in consideration of the performance of services, the **PROCURING ENTITY** shall pay the **CONTRACTOR** the above-mentioned Contract Price. The terms of payment shall be in accordance with the provisions of Sections 10 and 11 of the GCC, which is attached and made an integral part of this Agreement.

IN WITNESS WHEREOF, the Parties through their authorized representatives hereto have signed this AGREEMENT on 052814, in Pasay City, Metro Manila.



DEPARTMENT OF FOREIGN AFFAIRS

R&J JEWELRY CLASS RING & METALCRAFT INC.

By: Honorable LINGLINGAY F. LACANLALE
Undersecretary for Administration
and Head of the Procuring Entity

By: MR. VICENTE N. PODEROSO
Vice President/Authorized Representative

WITNESSES

Atty. Alvar E. Rosales
DFA Chief Accountant

JOSELITO F. FERRADA
R&J Jewelry Class Ring & Metalcraft Inc.

ACKNOWLEDGMENT

Republic of the Philippines)
(052814) s.s.

BEFORE ME, a NOTARY PUBLIC for and in the City of Pasay, Philippines, on 052814 personally appeared HONORABLE LINGLINGAY F. LACANLALE, Undersecretary for Administration of the Department of Foreign Affairs and MR. VICENTE N. PODEROSO, Vice President and Authorized Representative of R&J Jewelry Class Ring & Metalcraft Inc., known to me to be the same persons who executed the foregoing AGREEMENT FOR THE PROCUREMENT OF DFA LOYALTY PINS FOR CY2014, which instrument consists of pages including the page on which this acknowledgement is written and the Annexes attached thereto, all pages of which have been signed by said PARTIES and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they represent.

The Philippine Passport / Philippine Government-Issued ID of the Parties were exhibited to me, the same bearing:

NAME	ID No.	PLACE OF ISSUE	DATE OF ISSUE
LINGLINGAY F. LACANLALE	Passport #		
VICENTE N. PODEROSO			

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day, year and in the place above written.

Doc. No. 280
Page No. 56
Book No. 65
Series of 2014

ATTEST: JOSE L. ENGBANO
NOTARY PUBLIC
COMMISSION EXPIRES JAN. 11, 2013
UNTIL JAN. 11, 2014
PTR NO. 00000000000000000000
AT QUEZON CITY JAN. 07, 2014
IBP NO. 0000000000
MCLENO. 13-00000000

AGREEMENT FOR THE PROCUREMENT OF DFA LOYALTY PINS FOR CY 2014

KNOW ALL MEN BY THESE PRESENTS:

This Agreement for the Procurement of DFA Loyalty Pins (hereinafter, the AGREEMENT), entered into in Pasay City, Philippines, on 052814, between the:

DEPARTMENT OF FOREIGN AFFAIRS, (hereinafter, the **PROCURING ENTITY**), with principal office address at 2330 Roxas Blvd., Pasay City, Metro Manila, represented by its Undersecretary for Administration and Head of Procuring Entity (**HOPE**) **HONORABLE LINGLINGAY F. LACANLALE**,

and

R & J Jewelry Class Ring & Metalcraft Inc. (R&J Jewelry) (hereinafter, the **CONTRACTOR**), is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at No. 8 Gold Street, Millionaires Village, Novaliches, Quezon City, represented by its Vice President, **VICENTE N. PODEROSO**, who is duly authorized to enter into this Agreement pursuant to the Secretary's Certificate dated 25 February 2014, copy of which is attached as **ANNEX A** and made integral part of this AGREEMENT.

WITNESSETH:

WHEREAS the **PROCURING ENTITY** invited bids for the Procurement of DFA Loyalty Pins for CY2014, and has accepted a bid by the **CONTRACTOR** to provide said goods in the sum of Six Hundred Seventy-Six Thousand One Hundred Eighty Pesos (PHP 676,180.00) only (hereinafter, the Contract Price), inclusive of value added tax (VAT) and other lawful charges.

WHEREAS, this Agreement, undertaken pursuant to BAC Resolution No. 81-14 dated 25 March 2014, a copy of which is attached to the Notice of Award in **ANNEX "G"**, complies with the applicable provisions of Republic Act 9184 and its Implementing Rules and Regulations;

NOW, THEREFORE, for and in consideration of the foregoing premises, the **PARTIES** agree as follows:

1. The definitions included in the General and Special Conditions of a Contract (GCC) provided with the Philippine Bidding Documents for Procurement of Goods issued by the Government Procurement Policy Board (GPPB) are deemed incorporated in this AGREEMENT.
2. The following documents are attached and made integral parts of this AGREEMENT:
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 - ANNEX F - Special Conditions of Contract
 - ANNEX G - Notice of Award dated 25 March 2014
 - ANNEX H - Performance Security

3. The **CONTRACTOR** shall deliver the goods not later than twenty (20) calendar days from the date of the Notice to Proceed.

4. For and in consideration of the performance of services, the **PROCURING ENTITY** shall pay the **CONTRACTOR** the above-mentioned Contract Price. The terms of payment shall be in accordance with the provisions of Sections 10 and 11 of the GCC, which is attached and made an integral part of this Agreement.

IN WITNESS WHEREOF, the Parties through their authorized representatives hereto have signed this AGREEMENT on 052814, in Pasay City, Metro Manila.

DEPARTMENT OF FOREIGN AFFAIRS

R&J JEWELRY CLASS RING & METALCRAFT INC.

R. L. L. L.
By: **HON. LINGLINGAY F. LACANLALE**
Undersecretary for Administration
and Head of the Procuring Entity

[Signature]
By: **MR. VICENTE N. PODEROSO**
Vice President/Authorized Representative

[Signature]
ATTY. ALVAR E. ROSALES
DFA Chief Accountant

WITNESSES

[Signature]
JOSCELITO F. FERRADA
R&J Jewelry Class Ring & Metalcraft Inc.

ACKNOWLEDGMENT

Republic of the Philippines)
) s.s.

BEFORE ME, a NOTARY PUBLIC for and in the City of Pasay, Philippines, on 052814, personally appeared HONORABLE LINGLINGAY F. LACANLALE, Undersecretary for Administration of the Department of Foreign Affairs and MR. VICENTE N. PODEROSO, Vice President and Authorized Representative of R&J Jewelry Class Ring & Metalcraft Inc., known to me to be the same persons who executed the foregoing AGREEMENT FOR THE PROCUREMENT OF DFA LOYALTY PINS FOR CY2014, which instrument consists of pages including the page on which this acknowledgement is written and the Annexes attached thereto, all pages of which have been signed by said PARTIES and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they represent.

The Philippine Passport / Philippine Government-Issued ID of the Parties were exhibited to me, the same bearing:

NAME	ID No.	PLACE OF ISSUE	DATE OF ISSUE
LINGLINGAY F. LACANLALE	Passport #		
VICENTE N. PODEROSO			

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day, year and in the place above written.

ATTY. JESUS M. ENCARNO
NOTARY PUBLIC
COMMISSION NO. 172913
UNITED STATES OF AMERICA
PTR NO. 122 ISSUED
AT QUEZON CITY JAN 07, 2014
IBP NO. 92553/5

Doc. No. 280
Page No. 56
Book No. 65
Series of 2014

SECRETARY'S CERTIFICATE

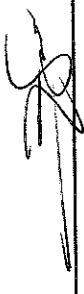
KNOW ALL MEN BY THESE PRESENTS:

I, **Emilyn C. Poderoso**, of legal age and with postal address at No. 8 Diamond Street, Millionaires Village, Novaliches, Quezon City, after having been sworn to in accordance with the law, hereby depose, and say:

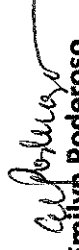
That I am the Corporate Secretary of **R&J JEWELRY, CLASS RING AND METALCRAFT INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office at No. 8 Gold St., Millionaires Village, Novaliches, Quezon City;

That at the special meeting of the Board of Directors of the Corporation held on February 21, 2014 at the principal office of the corporation, the following resolutions on the motion were duly seconded:

"RESOLVED, that **R & J JEWELRY CLASS RING AND METALCRAFT INC.**, that the Corporation hereby appoints and designates the officer below to sign all contracts and other similar writings under such terms and conditions as they may deem fit for the Corporation, in connection to the supply and delivery of DFA Loyalty Pins for 2014.



VICENTE N. PODEROSO
Vice President



Done this 25 day of February 2014, Quezon City, Philippines.


Emilyn Poderoso
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 25 day of February 2014 in the City of Quezon, affiant exhibited to me her Postal Id No. 1050630.

Doc. No. 098
Page No. 20
Book No. 65
Series of 2014


ATTY. JOSE B. ENSAMANO
NOTARY PUBLIC
COMMISSIONED BY LRA-13
DATE: FEB 12, 2014
PTR AAD, A/2/2013
AT QUEZON CITY JAN 07, 2014
IBP NO. 925525
MCLENO.IV-0001912

Bid Form

Date: 24 February 2014
Invitation to Bid¹ N°: PB-GS-003-2014

To: Department of Foreign Affairs-
Bids and Awards Committee (DFA-BAC)
Secretariat Office
12th Floor, DFA Main Building, Pasay City

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Number 1, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply the **DFA Loyalty Pins** in conformity with the said Bidding Documents for the sum of **Six Hundred Seventy Six Thousand and One Hundred Eighty Pesos, P 676,180.00**, or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

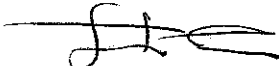
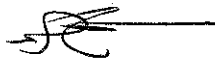
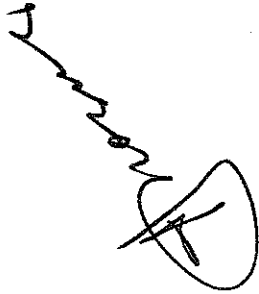
If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for **ITB** Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:²

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
None		
(if none, state "None")		

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.



We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

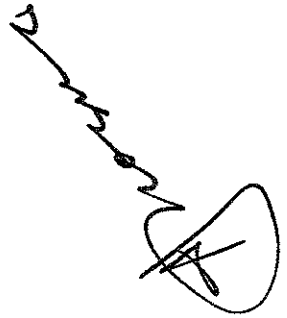
Dated this 24th day of February 2014.



Vicente Poderoso
[signature]

Vice-President
[in the capacity of]

Duly authorized to sign Bid for and on behalf of R&J Jewelry, Class Ring and Metalcraft Inc.



For Goods Offered From Within Philippines

Name of Bidder: R&J Jewelry, Class Ring and Metalcraft Inc.
 Invitation to Bid Date: February 7, 2014

1	Item		14K Gold Pin	With the following specification/composition: Gold- 58.33% Silver-4.0% Copper-31.42% Zinc-6.43% 23 mm (diameter) 6 to 6.5 grams With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty.			Philippines	46 pcs	P 9,776.79	P 8,799.11	P 449,732.34	P 9,776.79	P 1,173.21	P 503,700.00	
2	Description														
3	Country of origin														
4	Quantity														
5	Unit price EXW per item														
6	Cost of local labor, raw material, and component ²														
7	Total price EXW per item (cols. 4 x 5)														
8	Unit prices per item final destination and unit price of other incidental services														
9	Sales and other taxes payable per item if Contract is awarded														
10	Total Price delivered Final Destination (col 8 + 9) x 4														

Handwritten signatures and initials:
 [Signature]
 [Signature]
 [Initials]

For Goods Offered From Within Philippines

Name of Bidder: R&J Jewelry, Class Ring and Metalcraft Inc.
Invitation to Bid Date: February 7, 2014

1	Item		2	Sterling Silver Pin With the following specification/composi tion: Silver- 92.5% Copper- 7.5% 23 mm (diameter) 6 to 6.5 grams With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty.									
2	Description				Philippines	150 pcs	Php 785.71	Php 707.14	Php 117,856.50	Php 785.71			
3	Country of origin												
4	Quantity												
5	Unit price EXW per item												
6	Cost of local labor, raw material, and component ²												
7	Total price EXW per item (cols. 4 x 5)												
8	Unit prices per item final destination and unit price of other incidental services												
9	Sales and other taxes payable per item if Contract is awarded												
10	Total Price delivered Final Destination (col 8 + 9) x 4												



For Goods Offered From Within Philippines

Name of Bidder: R&J Jewelry, Class Ring and Metalcraft Inc.
 Invitation to Bid Date: February 7, 2014

1	Item	3	
2	Description	Bronze Pin With the following specification/composi tion: Copper-90% Zinc-10% 23 mm (diameter) 6 to 6.5 grams With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty.	
3	Country of origin	Philippines	
4	Quantity	253	
5	Unit price EXW per item	Php 143.86	
6	Cost of local labor, raw material, and component ²	Php 129.47	
7	Total price EXW per item (cols. 4 x 5)	Php 36,396.58	
8	Unit prices per item final destination and unit price of other incidental services	Php 142.86	
9	Sales and other taxes payable per item if Contract is awarded	Php 17.14	
10	Total Price delivered Final Destination (col 8 + 9) x 4	Php 40,480.00	

[Handwritten signature]

Section VI. Schedule of Requirements

The delivery schedule expressed as weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Item Number	Description	Quantity	Total	Delivered, Weeks/Months
1	14K Gold Pin (percentage of material, as may be recommended by BSP) 23 mm (diameter) 6 to 6.5 grams With complete clutch gripper and with box	46 pcs.		Not later than twenty (20) calendar days from the date of the Notice to Proceed. Delivery shall be made to the DFA at 2330 Roxas Blvd. Pasay City.
2	Sterling Silver Pin (percentage of material, as may be recommended by BSP) 23 mm (diameter) 6 to 6.5 grams With complete clutch gripper and with box	150 pcs		- Same -
3	Bronze Pin (percentage of material, as may be recommended by BSP) 23 mm (diameter) 6 to 6.5 grams With complete gripper and with box	253 pcs		- Same -
	(Nothing follows)			

Note: This Schedule of Requirements must be signed by the Bidder or its authorized representative with statement of conformity/compliance, and submitted together with other required documents on or before the Deadline for Submission of Bids.

Section VII. Technical Specifications

Note on the Technical Specifications

Bidders must state here either "Comply" or "Not Comply" against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of "Comply" or "Not Comply" must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of **ITB** Clause 3.1(a)(ii) and/or **GCC** Clause 2.1(a)(ii).

Technical Specifications

Item	Specification	Statement of Compliance
1	<p>46 pieces of 14K Gold Pin (for 30-50 years of service)</p> <p>With the following specification/composition:</p> <p>Material: 14 K Solid – Yellow Gold Content: 58.50% Gold Gold – 58.33% Silver – 4.0% Copper – 31.42% Zinc – 6.43%</p> <p>Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock / gold plated Jewelry Box: 1.5" x 1.5" Transparent Acrylic Box</p> <p>(With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty)</p>	comply
2	<p>150 pieces of Sterling Silver Pin (for 20-25 years of service)</p> <p>With the following specification/composition:</p> <p>Material: Sterling Silver Content: 93% Silver Silver – 92.5% Copper – 7.5%</p> <p>Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock /silver plated Jewelry Box: 1.5" x 1.5" Transparent Acrylic Box</p> <p>(With complete clutch gripper, with box, and with</p>	comply

	Certificate of Authenticity and Warranty)	
3	<p>253 pieces of Bronze Pin (for 10-15 years of service)</p> <p>With the following specification/composition:</p> <p>Material: Bronze Content: 90% Copper 10% Zinc Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock/bronze plated Jewelry Box: 1.5" x 1.5" Transparent Acrylic Box (With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty)</p>	comply
4	The design of the pins, particularly the logo/seal, shall conform to actual design provided by the DFA.	comply
5	The Supplier shall deliver all the items/goods within twenty (20) calendar days from the date of the Notice to Proceed.	comply
6	The Supplier shall issue a Certificate of Authenticity for each pin stating, among others, the specification/standard used for the materials, the origin of the material, and lifetime warranty particularly for the gold and silver pins.	comply

Note: This Technical Specifications must be signed by the Bidder or its authorized representative with statement of conformity/compliance, and submitted together with other required documents on or before the Deadline for Submission of Bids.



Kagawaran ng Agnayang Panlabas

Department of Foreign Affairs

DEPARTMENT OF FOREIGN AFFAIRS

BIDS AND AWARDS COMMITTEE

2330 Roxas Boulevard, Pasay City

Tel. Nos. 834-4116 ; Fax No. 831-9584

Email: bac.secretariat@dfa.gov.ph

SUPPLEMENTAL / BID BULLETIN No. 1

PROJECT : Procurement of DFA Loyalty Pins for CY 2014
Reference No. : PB-GS-003-2014
ABC : PhP873,600.00
DATE : 17 February 2014

This supplemental/bid bulletin is issued to provide information to the prospective proponents/bidders for the above-named Project on the following changes, particularly the following:

Technical Specifications:

Item	Specification	Quantity	Statement of Compliance
1	<p>Item: Pin for 30-50 years of service Material: 14 K Solid – Yellow Gold Content: 58.33% Gold; 4.0% Silver; 31.42% Copper; 6.43% Zinc Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black Letter: (Front) DFA and Loyalty Award –1.8 mm height x 1.7 mm width, Font - Arno Pro Republika ng Pilipinas -.9 mm x .65 mm, Font – Arno Pro (Back) Above – affix company name/logo name of awardee and years of service Size – 2.6mm, Font – Arial Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock / gold plated Jewelry Box: 1.5” x 1.5” Transparent Acrylic Box (With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty)</p>	46 pieces	COMPLY
2	<p>Item: Pin for 20-25 years of service Material: Sterling Silver Content: 93% Silver; 7.5% Copper Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black</p>	150 pieces	COMPLY

	Letter: (Front) DFA and Loyalty Award -1.8 mm height x 1.7 mm width, Font - Arno Pro (Back) Republika ng Pilipinas -.9 mm x .65 mm, Font - Arno Pro Above - affix company name/logo name of awardee and years of service Size - 2.6mm, Font - Arial Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock /silver plated Jewelry Box: 1.5" x 1.5" Transparent Acrylic Box		comply
3	(With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty) Item: Pin for 10-15 years of service Material: Bronze Content: 90% Copper and 10% Zinc Weight: 6-6.5 grams Diameter: 23 mm Engraving: .04 mm depth (deep engraving) Color: Black Letter: (Front) DFA and Loyalty Award -1.8 mm height x 1.7 mm width, Font - Arno Pro (Back) Republika ng Pilipinas -.9 mm x .65 mm, Font - Arno Pro Above - affix company name/logo name of awardee and years of service Size - 2.6mm, Font - Arial Pin Truck: 5 mm spike soldered at the back of the pin Clutch Gripper: 6.9 mm x 10 mm Cone Type Imported Lock/bronze plated Jewelry Box: 1.5" x 1.5" Transparent Acrylic Box	253 pieces	comply
4	(With complete clutch gripper, with box, and with Certificate of Authenticity and Warranty) The design of the pins, particularly the logo/seal, shall conform to actual design provided by the DFA.		comply
5	The bidder/s shall present samples of the pins during the post qualification conference.		comply
6	The winning bidder shall deliver all the items/goods within twenty (20) calendar days from the date of the Notice to Proceed.		comply
7	The Supplier shall issue a Certificate of Authenticity for each pin stating, among others, the specification/standard used for the materials, the origin of the material, and lifetime warranty particularly for the gold and silver pins.		comply
8	The Supplier is precluded from reproducing the pins without authority from the Department.		comply

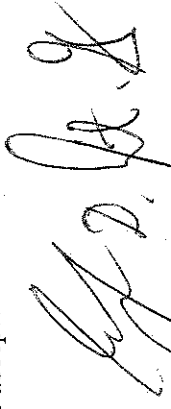
Also attached are the lay-outs for each pin (Annexes A, B and C), for the prospective bidders' information.

DFA-BAC will only accept bids from those who have paid the non-refundable bidding document fee of One Thousand Pesos (Php1,000.00). Bidders shall indicate the amount paid and Official Receipt No. on the cover of their Bid Envelopes.

Bids must be submitted to the DFA-BAC Secretariat Office on or before 28 February 2014, 12:00 noon. All bids must be accompanied by a bid security in any of the acceptable forms in the amount stated in Section 27.2 of the IRR of RA No. 9184.

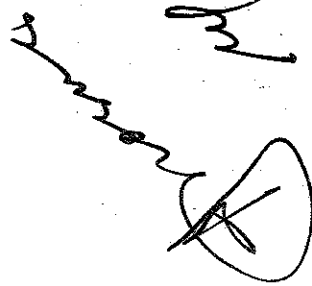
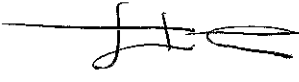
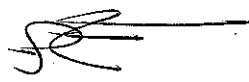
Bid Opening shall be at 2:00 P.M. of 28 February 2014 (**Friday**) at the VFA Com Conference Room, 9th floor, DFA Main Building, Roxas Boulevard, Pasay City. No further revisions of schedules shall be made by the DFA-BAC for this Project. Late bids shall not be accepted.

For the information and guidance of all concerned.



EVELYN D. AUSTRIA-GARCIA
Chairperson

Pasay City, 17 February 2014



Section IV. General Conditions of Contract

Notes on the General Conditions of Contract

Section IV. General Conditions of Contract (GCC) should be read in conjunction with Section V. Special Conditions of Contract (SCC) and other documents listed therein. Both the GCC and the SCC enumerates all the rights and obligations of the parties.

It is understood that the Bidder, by submitting a bid for the Project, has understood and agrees to all the terms and conditions contained in both the GCC and the SCC.

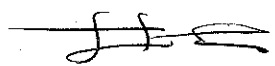
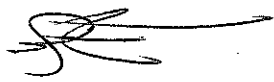


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1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) "SCC" means the Special Conditions of Contract.
- (g) "The Procuring Entity" means the organization purchasing the Goods, as named in the SCC.
- (h) "The Procuring Entity's country" is the Philippines.
- (i) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The "Funding Source" means the organization named in the SCC.
- (k) "The Project Site," where applicable, means the place or places named in the SCC.
- (l) "Day" means calendar day.
- (m) The "Effective Date" of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.
- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1.

Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

(iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.

(iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) "obstructive practice" is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

6. Scope of Contract

6.1. The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.

6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

7. Subcontracting

7.1. Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.

- 7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29.

10. Payment

- 10.1. Payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in GCC Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by the Procuring Entity. Initial payment shall be made not later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. Unless otherwise provided in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment and Terms of Payment

11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.

11.2. For Goods supplied from abroad, the terms of payment shall be as follows:

(a) On Contract Signature: Ten percent (10%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.

(b) On Delivery: Seventy percent (70%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.

(c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

11.3. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.

13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.

13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.

13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:

- (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
- (b) The Supplier has no pending claims for labor and materials filed against it; and
- (c) Other terms specified in the SCC.

13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.

16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.

16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.

17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.

17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least ten percent (10%) of the final payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; 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.

17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.

17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.

18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon

as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.

- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. Liquidated Damages

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.

- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."

- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the SCC.

21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.

22.2. For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:

(a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;

(b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of *force majeure* is deemed to have ceased; or

(c) The Supplier fails to perform any other obligation under the Contract.

23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time

plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.

25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:

- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
- (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
- (b) Drawing up or using forged documents;
- (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and

- (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
- (i) that this Contract is being terminated for any of the ground(s) aforementioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
 - (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity; and

(h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

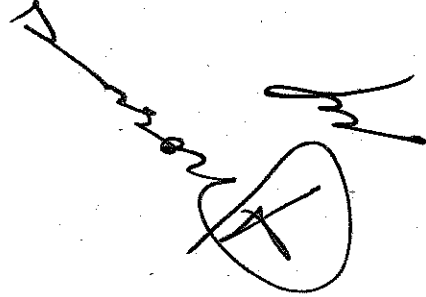
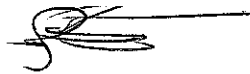
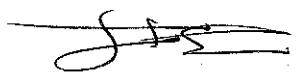
The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

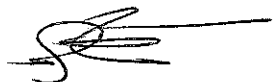
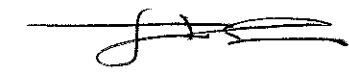
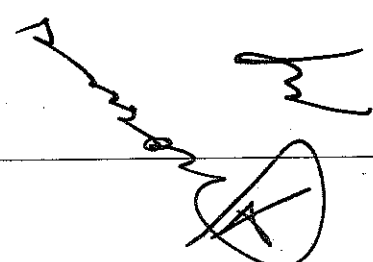
30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

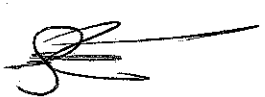
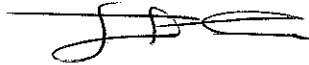
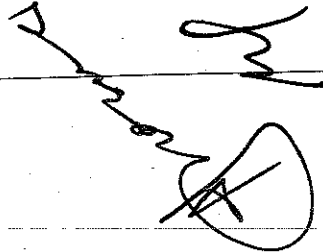
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Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is the <i>Department of Foreign Affairs</i>
1.1(i)	The Contractor is <i>R&J Jewelry Class Ring & Metalcraft Inc.</i>
1.1(j)	The Funding Source is the Government of the Philippines (GOP) through the <i>Government Appropriations Act of 2014</i> , in the amount of Php 873,600.00 .
1.1(k)	The Project Site is the Department of Foreign Affairs, 2330 Roxas Blvd. Pasay City.
5.1	<p>The Procuring Entity's address for Notices is:</p> <p>2330 Roxas Boulevard, Pasay City Contact Person: Shirley O. Nuevo (Head, BAC Secretariat) Tel. no. 834-4116 or Fax no. 831-9584. <u>bac.secretariat@dfa.gov.ph</u></p> <p>The Contractor's address for Notices is:</p> <p>No. 8 Gold Street, Millionaires Village, Novaliches, Quezon City represented by Mr. Vicente N. Poderoso, Vice President and Authorized Representative, with telefax number 921-2235.</p>
6.2	<p>Delivery and Documents –</p> <p>For purposes of the Contract, “EXW,” “FOB,” “FCA,” “CIF,” “CIP,” “DDP” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p><i>For Goods Supplied from Abroad, state</i> “The delivery terms applicable to the Contract are DDP delivered to the Department of Foreign Affairs, 2330 Roxas Blvd. Pasay City, and to the addresses of the eighty-four (84) Philippine Foreign Service Posts in accordance with INCOTERMS.”</p> <p><i>For Goods Supplied from Within the Philippines, state</i> “The delivery terms applicable to this Contract are delivered to the Department of Foreign Affairs, 2330 Roxas Blvd. Pasay City; and to the addresses of the eighty-four (84) Philippine Foreign Service Posts. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.”</p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are as follows:</p> <p><i>For Goods supplied from within the Philippines:</i></p> <p>Upon delivery of the Goods to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents to the Procuring Entity:</p>

(i)	Original and four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount;
(ii)	Original and four copies delivery receipt/note, railway receipt, or truck receipt;
(iii)	Original Supplier's factory inspection report;
(iv)	Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
(v)	Original and four copies of the certificate of origin (for imported Goods);
(vi)	Delivery receipt detailing number and description of items received signed by the authorized receiving personnel;
(vii)	Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site; and
(viii)	Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site.
<i>For Goods supplied from abroad:</i>	
Upon shipment, the Supplier shall notify the Procuring Entity and the insurance company by cable the full details of the shipment, including Contract Number, description of the Goods, quantity, vessel, bill of lading number and date, port of loading, date of shipment, port of discharge etc. Upon delivery to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents as applicable with the documentary requirements of any letter of credit issued taking precedence:	
(i)	Original and four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount;
(ii)	Original and four copies of the negotiable, clean shipped on board bill of lading marked "freight pre-paid" and five copies of the non-negotiable bill of lading ;
(iii)	Original Supplier's factory inspection report;
(iv)	Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
(v)	Original and four copies of the certificate of origin (for imported Goods);
(vi)	Delivery receipt detailing number and description of items received signed by the Procuring Entity's representative at the Project Site;
(vii)	Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site; and
(viii)	Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site.
For purposes of this Clause, the Procuring Entity's Representative at the Project Site is the Assistant Secretary of the Office of Personnel and Administrative Services (OPAS)	

Incidental Services -

The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:

- (a) performance or supervision of on-site assembly and/or start-up of the supplied Goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied Goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
- (d) performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and
- (e) training of the Procuring Entity's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

Spare Parts -

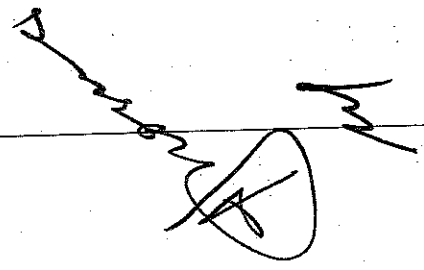
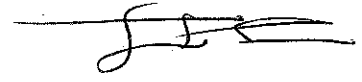
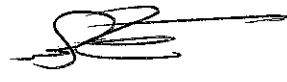
The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

- (a) such spare parts as the Procuring Entity may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract; and
- (b) in the event of termination of production of the spare parts:
 - i. advance notification to the Procuring Entity of the pending termination, in sufficient time to permit the Procuring Entity to procure needed requirements; and
 - ii. following such termination, furnishing at no cost to the Procuring Entity, the blueprints, drawings, and specifications of the spare parts, if requested.

The spare parts required are listed in Section VI. Schedule of Requirements and the cost thereof are included in the Contract Price.

The Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spares for the Goods for a period of one (1) year from the date of final acceptance.

Other spare parts and components shall be supplied as promptly as possible,



but in any case within three (3) months of placing the order.

Packaging -

The Supplier shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the GOODS' final destination and the absence of heavy handling facilities at all points in transit.

The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.

The outer packaging must be clearly marked on at least four (4) sides as follows:

Name of the Procuring Entity

Name of the Supplier

Contract Description

Final Destination

Gross weight

Any special lifting instructions

Any special handling instructions

Any relevant HAZCHEM classifications

A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.

Insurance -

The Goods supplied under this Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The Goods remain at the risk and title of the Supplier until their final acceptance by the Procuring Entity.

Transportation -

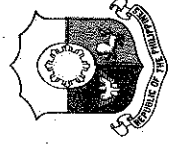
Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, transport of the Goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in this Contract, shall be arranged and paid for by the Supplier, and the cost thereof

	shall be included in the Contract Price.
	Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the Contract Price.
	Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered <i>force majeure</i> in accordance with GCC Clause 22.
	The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP Deliveries. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to the Procuring Entity until their receipt and final acceptance at the final destination.
	Patent Rights -
	The Supplier shall indemnify the Procuring Entity against all third party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.
10.4	Not applicable. Payment shall be made in Philippine Pesos.
13.4(c)	No further instructions.
16.1	The Procuring Entity reserves the right to conduct inspections and tests after delivery is made by the Supplier.
17.3	The Supplier shall provide one (1) year warranty on the Goods delivered counted from date of acceptance by the Procuring Entity.
17.4	The period for correction of defects within the warranty period is two weeks for material and/or workmanship.
21.1	No additional provision. But if the Supplier is a joint venture, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.

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Kagawaran ng Agnayang Panlabas

Department of Foreign Affairs

BAC-NOA-GS-____-2014-OPAS

OFFICE OF THE UNDERSECRETARY FOR ADMINISTRATION

NOTICE OF AWARD

25 March 2014

Sir:

Please be informed that, upon the recommendation of the Bids and Awards Committee (BAC) of the Department of Foreign Affairs as contained in its Resolution No. 81-14, the Department is awarding the Contract for the procurement of **DFA Loyalty Pins for CY 2014**, to your company, **R&J Jewelry Class Ring & Metalcraft Inc.**, in the amount of **Six Hundred Seventy-Six Thousand One Hundred Eighty Pesos Only (Php676,180.00)**, inclusive of all taxes and other lawful charges, subject to the signing of the Contract and to the posting of the required performance security within ten (10) calendar days from receipt of this Notice.

Very truly yours,

LINGLINGAY F. LACANLAE
Undersecretary for Administration
and Head of Procuring Entity

Conforme:

For: **R&J Jewelry, Inc.**

MR. VICENTE N. PODEROSO
Vice President/Authorized Representative
R&J Jewelry, Inc.
No. 8 Gold St., Millionaires Village
Novaliches, Quezon City
Date: 04/10/14



Kagawaran ng Agnangang Panlabas

Department of Foreign Affairs

NOTICE TO PROCEED


10 April 2014

Sir,

Please be informed that, pursuant to the Notice of Award dated 25 March 2014, issued by the Undersecretary for Administration and Head of the Procuring Entity, and upon the signing of the Contract Agreement Form, ***R & J Jewelry Class Ring & Metalcraft Inc.*** is hereby given this Notice to Proceed to provide for the ***supply and delivery of DFA Loyalty Pins for CY 2014*** for a total contract price of Six Hundred Seventy-Six Thousand One Hundred Eighty Pesos (Php676,180.00) only inclusive of all taxes and lawful charges. Your undertaking shall commence from the date of receipt of this Notice to Proceed and shall be deemed terminated twenty (20) days thereafter.

This Notice is issued in accordance with the requirements of RA No. 9184.

Very truly yours,


LINGLINGAY F. LACANLALE
*Undersecretary for Administration
and Head of the Procuring Entity*

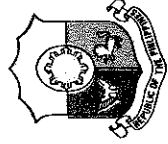
Conforme:



MR. VICENTE N. PODEROSO
Vice President/Authorized Representative
R&J Jewelry Class Ring & Metalcraft Inc.

Date: 05/28/14

MR. VICENTE N. PODEROSO
Vice President/Authorized Representative
R&J Jewelry Class Ring & Metalcraft Inc.
No. 8 Gold Street
Millionaires Village
Novaliches, Quezon City



BIDS AND AWARDS COMMITTEE

BAC Resolution No. 81-14

RESOLUTION RECOMMENDING, BY REFERENDUM, THE AWARD OF
CONTRACT FOR THE PROCUREMENT OF DFA LOYALTY PINS FOR CY 2014

WHEREAS, on 24 January 2014, the Office of Personnel and Administrative Services (OPAS), initiated the procurement of Loyalty Pins for 2014 Loyalty Awardees;

WHEREAS, the Office of Fiscal Management (OFM) issued on 05 February 2014 a *Certificate of Availability of Funds* in the amount of *Eight Hundred Seventy-Three Thousand Six Hundred Pesos Only* (Php873,600,000.00) to cover the payment for the 449 loyalty pins, chargeable against OPAS' MOOE;

WHEREAS, on 21 January 2014, in compliance with Section 20.1 of the Revised Implementing Rules and Regulations (RIRR) of the Government Procurement Reform Act (R.A. 9184), the Bids and Awards Committee (BAC), with the representatives from OPAS, conducted a *Pre-Procurement Conference* to discuss the bidding documents, including the Terms of Reference (TOR), the scope and contract duration, as well as the schedule of bidding activities for the Project;

WHEREAS, in compliance with Section 21.2 of the Revised Implementing Rules and Regulations (RIRR) of the Government Procurement Reform Act (R.A. 9184), the BAC published and posted, for seven (7) consecutive days, an *Invitation to Bid* for the procurement of Loyalty Pins for 2014 Loyalty Awardees in the DFA Website, PhilGeps and in conspicuous places within the premises of the DFA beginning 07 February 2014;

WHEREAS, in response to said advertisements, three (3) companies namely, *R & J Jewelry Class Ring and Metalcraft, Inc.*, *Suarez & Sons, Inc.*, and *Suarez Bros. Metal Arts, Inc.*, purchased the *Bidding Documents*, in the amount of One Thousand Pesos Only (Php1,000.00);

WHEREAS, on 28 February 2014, the deadline set by the DFA-BAC for the submission and opening of bids, *R&J Jewelry Class Ring & Metalcraft Inc.*, *Suarez & Sons, Inc.*, and *Suarez Bros. Metal Arts, Inc.*, submitted their sealed Eligibility and Technical Requirements, and Financial Proposal envelopes;

WHEREAS, upon examination of its submitted bidding documents and consistent with Section 23 of the RIRR of R.A. 9184, *R&J Jewelry Class Ring & Metalcraft Inc.* was declared as the company with the Lowest Calculated Bid (LCB);

WHEREAS, the financial bid of *R&J Jewelry Class Ring & Metalcraft Inc.* was:

Bidders	Financial Bid
Approved Budget for the Contract	Php 873,600.00 (Eight Hundred Seventy-Three Thousand Six Hundred Pesos Only)
R&J Jewelry Class Ring & Metalcraft Inc.	Php 676,180.00 (Six Hundred Seventy-Six Thousand One Hundred Eighty Pesos Only)

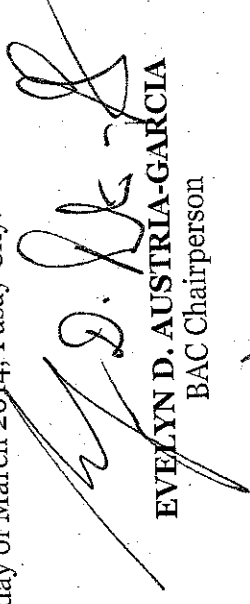
WHEREAS, on 06 March 2014, in compliance with Section 34 of the RIRR of R.A. 9184, *R&J Jewelry Class Ring & Metalcraft Inc.*, after being declared as the *Lowest Calculated Bidder*, underwent *Post-Qualification* wherein the DFA-BAC-Technical Working Group (TWG), in the presence of the representatives from OPAS, evaluated the Eligibility, Technical, Financial and Post-Qualification documents submitted by *R&J Jewelry Class Ring & Metalcraft Inc.*, and was determined to have passed all the documentary requirements;

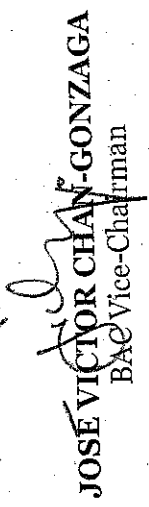
WHEREAS, the DFA-BAC-TWG, in its report dated 13 March 2014, finds that *R&J Jewelry Class Ring & Metalcraft Inc.* has passed all the criteria for *Post-Qualification* and recommends that the company be declared as the *Lowest Calculated Responsive Bidder*;

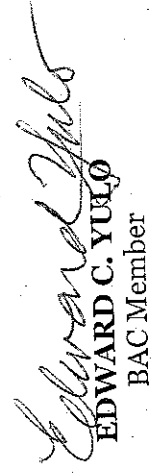
WHEREFORE, premises considered, the Committee unanimously resolves to recommend to the Head of the Procuring Entity of the Department Foreign Affairs to:

- 1.) award the contract for the procurement of DFA Loyalty Pins to *R&J Jewelry Class Ring & Metalcraft Inc.* for having submitted the *Lowest Calculated Responsive Bid* in the amount of *Php676,180.00*; and
- 2.) commence Contract Signing with *R&J Jewelry Class Ring & Metalcraft Inc.* upon the issuance of the *Notice of Award*.

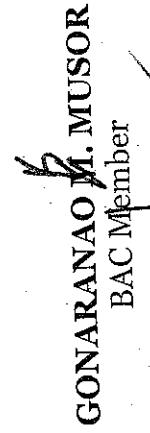
ADOPTED this 25th day of March 2014, Pasay City.


EVELYN D. AUSTRIA-GARCIA
BAC Chairperson

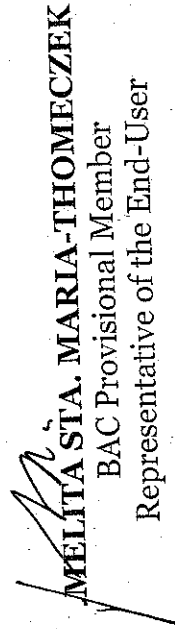

JOSE VICTOR CHAN-GONZAGA
BAC Vice-Chairman


EDWARD C. YULO
BAC Member

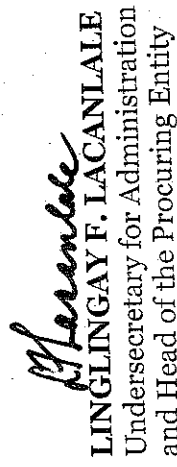
GERARDO P. ABIOG
BAC Member

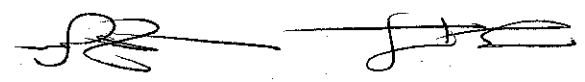

GONARANAO M. MUSOR
BAC Member


BERTRAND THEODOR SANTOS
BAC Member


MELITA STA. MARIA-THOMECZEK
BAC Provisional Member
Representative of the End-User

Approved:
By the Authority of the Secretary of Foreign Affairs:


LINGGAY F. LACANLALE
Undersecretary for Administration
and Head of the Procuring Entity





OFFICIAL RECEIPT

Republic of the Philippines

Department of Foreign Affairs



Accountable Form No. 51 Revised January, 1992		ORIGINAL	
DATE 10 APRIL 2014		NO 0680292	
PAYOR R-J JEWELRY CLASS RING AND METAL CRAFT INC.			
NATURE OF COLLECTION		AMOUNT	
Payment of Performance		P33,809. -	
Security - Provision of			
Loyalty Pins for FY2014			
TOTAL		P33,809. -	
AMOUNT IN WORDS THIRTY THREE THOUSAND			
EIGHT HUNDRED NINE PESOS ONLY			
<input type="checkbox"/> Cash <input type="checkbox"/> Treasury Warrant <input checked="" type="checkbox"/> Check <input type="checkbox"/> Money Order		Received from the Amount Stated Above	
Treasury Warrant or Money Order Number 10 APRIL 2014			
Date of Treasury Warrant, Check, Money Order			

NOTE: Write the number and date of this receipt on the back of treasury warrant, check or money order received.