



Republic of the Philippines
Department of Education
 REGION IV-A CALABARZON



Legal-CO01-2024-509

CONTRACT OF SERVICE

KNOW ALL MEN BY THESE PRESENTS:

This contract is entered is entered into this__ day of 13 DEC 2024, by and between :

DEPARTMENT OF EDUCATION REGIONAL OFFICE IV-A CALABARZON, a component field office of the government entity known as the Department of Education organized under existing Philippine laws with office address at Gate 2, Karangalan Village, Cainta, Rizal and herein represented by its Regional Director, **ATTY. ALBERTO T. ESCOBARTE**. It shall be referred in this agreement as the **PROCURING ENTITY**.

-and-

COSMIC TECH NOLOGIES INCORPORATED, an entity duly organized and existing under the Philippine laws, represented herein by its Authorized Representative, **CHARLESTON C. TEE**, with office address at No. 901 Apacible Street, corner Leon Guinto Street, Ermita, Manila, herein after referred to as the **SUPPLIER**.

W I T N E S S E T H

WHEREAS, the **Procuring Entity** received the Sub-Allotment Release Order (SARO) with number OSEC-4A-24-5789 in the amount of TWENTY-NINE MILLION TWO HUNDRED FIFTY PESOS ONLY (PhP29,250,000.00) for the Procurement of Tablets for Alternative Learning System (ALS) Learners;

WHEREAS, attached in the SARO is the Joint Memorandum No. 047, s. 2024, dated August 22, 2024 entitled "Supplemental Guidelines on the Utilization of Additional Downloaded Fiscal Year 2023 Flexible Learning Options Funds for the Procurement of Tablets" stating that this fund shall mainly focus on OHSP learners, those who are residing in far-flung locale and areas that are at high-risk or prone to natural hazards, and learners in ALS in BLP to address and cater to the needs of ADM and ALS learners;

WHEREAS, on September 23, 2024, the end-user submitted the number of ALS Learners and ADM Learners under the Open High School Program as basis for the allocation of tablets for the School Division Offices;

WHEREAS, on October 7, 2024, the Bids and Awards Committee (BAC), Technical Working Group (TWG), BAC Secretariat and End-user conducted a pre-procurement conference to discuss the said allotment and approved the bid documents for the procurement of tablets for Alternative Learning System (ALS) Learners and Alternative Delivery Mode (ADM) Learners;

WHEREAS, on October 18, 2024, the **Procuring Entity** has advertised its procurement activity for the procurement of **SUPPLY AND DELIVERY OF TABLETS**



Address: Gate 2, Karangalan Village, Cainta, Rizal
 Telephone No.: 02-8682-2114
 Email Address: region4a@deped.gov.ph
 Website: depedcalabarzon.ph



Certificate No. PHP QMS
 22 93 0085

FOR ALTERNATIVE LEARNING SYSTEM (ALS) LEARNERS – LOT 1 in the Philgeps website, Office website, and in conspicuous bulletin board of the Office;

WHEREAS, the Approved Budget for the Contract (ABC) as indicated in the Philippine Bidding Documents is **TWENTY-NINE MILLION TWO HUNDRED FIFTY THOUSAND PESOS ONLY (PhP29,250,000.00)**;

WHEREAS, on October 25, 2024, Pre-bid Conference was conducted through on-line video conferencing/webcasting;

WHEREAS, Bid Bulletin No. 7, s. 2024 dated October 28, 2024 was issued;

WHEREAS, the bid submission and opening was conducted on November 6, 2024 at the Bulwagan ng Karangalan, DepEd Region IV-A CALABARZON, Cainta, Rizal;

WHEREAS, during the Bid Submission and Opening, the BAC received sealed bid, offering the financial bid for **LOT 1**, as read:

NAME OF BIDDER	TOTAL BID AMOUNT AS READ	REMARKS
RALCO COMMERCIAL TRADING	PhP26,908,830.00.00	COMPLYING
ASIAPRIME COMMODITIES CORP.	PhP28,820,005.50	COMPLYING
SILICON VALLEY COMPUTER GROUP	PhP28,177,500.00	COMPLYING
COSMIC TECH NOLOGIES INCORPORATED	PhP22,425,000.00	COMPLYING
PYTOS TECHNOLOGY PHILIPPINES INC.	PhP0.00	NON-COMPLYING- no MOVs attached as stated in the Conformity with the Technical Specifications

WHEREAS, using the checklist of required documents and taking into account the non-discretionary "Pass or Fail Criterion," the BAC found **COSMIC TECH NOLOGIES INCORPORATED** have complied with specifications issued by this Office;

WHEREAS, upon Post-Qualification proceedings and careful examination, validation and verification of all the eligibility, legal, technical, and financial requirements submitted by **COSMIC TECH NOLOGIES INCORPORATED** with the Lowest Calculated Bid (LCB), the bid of **COSMIC TECH NOLOGIES INCORPORATED** has been found to be responsive;

WHEREAS, on November 27, 2024, the Bids and Awards Committee of the **Procuring Entity** recommended to the head of the procuring entity the award to the **Supplier** for the **SUPPLY AND DELIVERY OF TABLETS FOR ALTERNATIVE LEARNING SYSTEM (ALS) LEARNERS with Identification Number ROIVA-24-09 - LOT 1** in the amount of **TWENTY-TWO MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND PESOS ONLY (PhP22,425,000.00)**;

NOW, THEREFORE, for and in consideration of the premises, the parties hereby agree as follows:

SECTION 1 **Use of words**

In this Agreement, words and expressions shall have the same meanings as those respectively assigned in the Philippine Bidding Document.

SECTION 2
Documents deemed part

All documents submitted by the **Supplier** and all the documents released and issued by the **Procuring Entity** and its Bids and Awards Committee and Technical Working Group such as but not limited to:

- a) Invitation to Bid;
- b) Instructions to Bidders;
- c) Bid Data Sheet;
- d) General Conditions of Contract;
- e) Special Conditions of Contract;
- f) Schedule of Requirements;
- g) Technical Specifications;
- h) Bid Bulletins;
- i) Notice of Award of Contract and the Bidder's conforme thereto;
- j) Performance Security;
- k) **Supplier's** Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidders response to request to clarifications on the bid), including corrections to the bid resulting from the **Procuring Entity's** bid evaluation;
- l) Eligibility requirements, documents and/or statements;
- m) All other documents already submitted by the **Supplier** and to be required to be submitted after the contract perfection of this contract.

shall form part of this contract.

SECTION 3
Supplement to the Supplier's Obligation

In addition to the **Supplier's** Obligations mentioned and stated in Section V (Special Conditions of the Contract) and Section VI (Schedule of Requirements) of the Philippine Bidding Documents and all other documents mentioned in Section 2 of this Contract, the **Supplier** shall also:

- a. Supply and deliver the Tablets and its corresponding quantity to the Twenty-three (23) Schools Division Offices of DepEd Region IV-A CALABARZON identified in Section VI (Schedule of Requirements) with the following Technical Specifications Identified in the Philippine Bidding Documents and in the Bid Bulletin No. 7, s. 2024 dated October 28, 2024. The delivery shall be done within 90 calendar days from receipt of the Notice to Proceed.

Staggered delivery of the **Tablets** is allowed provided that all the **Tablets** are delivered before the lapse of the 90 calendar days.

The time as well the protocols in the delivery as identified in the Special Conditions of the Contract and Schedule Requirements of the Philippine Bidding Documents shall be strictly complied by the **Supplier**.

- b. Comply to the lawful order of the **Procuring Entity** or its representative especially when the **Supplier** is made to answer in writing his failure to accomplish the supply and door to door delivery in accordance with this contract;
- c. Submit an accomplishment report when required by the **Procuring Entity** as part of its monitoring and evaluation; and

- d. Tablets with defects or non-compliant with the required technical specifications upon delivery shall be rejected, orally or in writing by the **Procuring Entity** and replaced by the **Supplier** in accordance with the warranty provisions in the Philippine Bidding Documents. The **Supplier** shall replace all rejected tablets within five calendar days from its receipt of the Notice of Rejection from the recipient Schools Division Office. The replacement of the tablets shall be subject to re-inspection.

SECTION 4 **Obligations of the Procuring Entity**

The **Procuring Entity** hereby undertake to pay the **Supplier**, in consideration of the faithful and full performance of the **Supplier's** obligations, the amount of **TWENTY-TWO MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND PESOS ONLY (Php22,425,000.00)**. The terms of payment shall be in accordance with Item 2.2 of the Special Conditions of the Contract.

In case of partial or staggered delivery of the goods procured, the **Supplier** shall be paid the amount corresponding to the value of the goods delivered and accepted in accordance with prevailing accounting and auditing rules and regulations and subject to the imposition of liquidating damages for goods delivered after the contract period.

SECTION 5 **Monitoring and Validation of the Work Progress/Accomplishment**

The **Procuring Entity** or its representative shall monitor the progress of the delivery. Every Friday beginning the commencement of the supply and delivery or from the last monitoring, the **Procuring Entity** or his representative may follow-up the progress of the delivery until all the Tablets are delivered within the contract period.

In case the supply and delivery has not been fully satisfied until the last day of the contract time, the **Procuring Entity** or his representative shall make the **Supplier** explain in writing within three (3) days and the **Procuring Entity** may opt to avail of legal remedies provided in Annex "I" of the 2016 Revised IRR of RA 9184 and applicable laws, rules and regulations to make it sure that the interest of the government is protected.

SECTION 6 **Warranty**

Payment shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to three percent (3%) of the progress payment or a Special Bank Guarantee in an amount equal to three percent (3%) of the Contract Price required under Section 62 of RA 9184 and its revised IRR.

- a. A three-year comprehensive warranty shall be applied to the tablet device batteries and power adapter, and three years comprehensive and onsite warranty for the whole IT Equipment package including networking peripherals and for operation and maintenance of all licensed software products. The said warranty period shall reckon from the date of issuance of the Certificate of Final Acceptance by the

Procuring Entity that the delivered Goods have been duly inspected and accepted (i.e. final acceptance).

- b. Replacement and/or repair of the goods may be requested within the aforementioned warranty period. Repair of the goods shall be made within three (3) calendar days upon claim or request therefor. Replacement of the goods, in case the goods cannot be repaired, may be effected within a maximum period of seven (7) calendar days. Replacement must be of the same branding specifications and shall be installed prior to pull-out of the defective or unrepaired unit/s.

In case the **Supplier** opts for retention money, the amount shall be released at the expiration of the warranty period or the remaining amount in case it has been utilized pursuant to the warranty provision unless, during the remainder of the warranty period, the retention money as substituted with a special bank guarantee.

SECTION 7 Intellectual Property Rights

Ownership, title, rights, and interest with respect to the contents of the manuals, including all resources, records, or materials used or obtained in the course of this Contract shall vest exclusively with the **Procuring Entity**. **Supplier** hereby irrevocably waives any claim thereto. **Supplier** shall not, in any manner or for any purpose, use the contents of the manuals beyond what is expressly allowed for the purpose of accomplishing the terms under this Contract, unless express permission of the **Procuring Entity** in writing is obtained.

SECTION 8 Data Privacy

Each party, in the performance of their respective duties and responsibilities under this Contract and in the implementation thereof shall adhere to Republic Act No. 10173, otherwise known as the "Data Privacy Act of 2012" and its Implementing Rules and Regulations and applicable National Privacy Commission issuances. Any gathered data and information should be protected and respected during the term and even after the termination of this Contract. The processing of any gathered data and information should be in compliance with the confidentiality and privacy requirements under the said law and applicable regulations.

SECTION 9 Liquidated Damages

Supplier shall be liable for liquidated damages in an amount equal to one tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery, for every day of delay until such goods are finally delivered and accepted by the **Procuring Entity** shall deduct the liquidated damages from any money due or which may become due to **Supplier**, or collect from any of the securities or warranties posted by the **Supplier**, whichever is convenient to the **Procuring Entity**. Once the accumulated amount of liquidated damages reaches 10% of the Contract Price, **Procuring Entity** may rescind or terminate the Contract, without prejudice or other course of action and remedies available under the circumstances.

SECTION 10
Settlement of Dispute

If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of this contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any and all dispute arising from the implementation of a contract shall be submitted to arbitration in the Philippines according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004." By mutual agreement, the parties agree in writing to resort to other alternative modes of dispute resolution.

SECTION 11
Capacity and Authorization

Each of the parties to this contract hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this contract and that such action does not conflict with or violate any provision of law, regulation, policy, contract, deed of trust or other instrument to which it is a party or by which it is bound and that this contract constitutes a valid and binding obligation of it enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties have hereunto set their hands, this day of 3 DEC 2024 at MANILA, Philippines.

Department of Education
Region IV-A CALABARZON


ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director

Cosmic Tech Nologies
Incorporated


CHARLESTON C. TEE
Authorized Representative

SIGNED IN THE PRESENCE OF:

VIERNALYN M. NAMA
Chief Education Supervisor, CLMD
DepEd Region IV-A CALABARZON

Republic of the Philippines
MANILA S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of MANILA, this 13 DEC 2024, personally appeared:

Name	Identification No.	Date and place of issued
<u>Atty. Alberto T. Escobarte</u> <u>Charleston C. Tee</u>	DepEd Employee No. 4529876 NATIONAL ID NO. <u>2716-9508-3072-5982</u>	Cainta, Rizal <u>PSA OFFICE</u>

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

This instrument, consisting of seven pages, including the page on which this acknowledgment is written, has been signed on the left margin of each and every page hereof by the concerned parties and their witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, at the place and date above-written.

Doc. No. MB!
Page No. 60
Book No. 1111
Series of 2024.

ATTY. JOHN EDWARD T. ANG
 Notary Public for City of Manila
 2F Midland Plaza Hotel, Alabaster St. Ermita, Manila
 Notarial Commission No. 0043-001 Manila until 12-31-2024
 IBP No. 393541 Issued on Jan. 3, 2024 until Dec. 31, 2024 Pasig City
 PTR No. 1535522 Jan. 3, 2024 until Dec. 31, 2024 Manila
 Roll No. 68731 Issued on May 29, 2017
 MCLE No VII-0011675 Issued on March 1, 2022 until April 30, 2024