



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



## CONTRACT OF SERVICE

KNOW ALL MEN BY THESE PRESENTS:

This contract made and entered into 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 **CLIENT**.

-and-

**AZTECO CORPORATION (AXIAA HOTEL)** a domestic corporation duly registered domestic corporation under the Philippine laws, with principal address at 135 West Avenue, Brgy. Bungad, Quezon City, represented herein by its Director of Sales, **JENNY LUSUAN**, hereinafter referred to as the **HOTEL COMPANY**.

### WITNESSETH

**WHEREAS**, the **CLIENT** has undertaken the procurement of **LEASE OF VENUE WITH FOOD AND ACCOMMODATION FOR THE REGIONAL TRAINING ON THE SCIENCE OF READING FOR EARLY LANGUAGE, LITERACY, AND NUMERACY TO STRENGTHEN THE IMPLEMENTATION OF THE ACADEMIC RECOVERY AND ACCESSIBLE LEARNING PROGRAM ON AUGUST 4-8, 2025** to be conducted by the Client.

**WHEREAS**, the Approved Budget for the Contract (ABC) is **TWO MILLION THREE HUNDRED EIGHTY-TWO THOUSAND PESOS (Php2,382,000.00)**.

**WHEREAS**, the 2016 Revised IRR of RA 9184, particularly Section 10, Rule IV thereof, states that all procurements shall be done through Competitive Bidding;

**WHEREAS**, Section 12.1 (j) Rule V of the 2016 Revised IRR of RA 9184 states that, the Bids and Awards Committee (BAC) shall recommend to the Head of the Procuring Entity (HOPE) the use of Alternative Methods of Procurement as provided in Rule XVI thereof;

**WHEREAS**, Section 53, rule XVI of the 2016 Revised IRR 9184 states that for purposes of economy and efficiency, the agency concerned may adopt Alternative Methods of Procurement such as Negotiated Procurement;

**WHEREAS**, Section 53.10, Rule XVI of the 2016 Revised IRR 9184 provides for Negotiated Procurement under the Lease of Real Property and Venue for official use, subject to Annex "H" of the 2016 IRR;

**WHEREAS**, pursuant to the specific guidelines for the Alternative Methods of Procurement, Item V-D 9(b)(i) of Annex "H" in the 2016 Revised IRR of RA No. 9184, states that:



“i. Publicly-owned vis-à-vis privately-owned real property and venue.

It is preferred that government agencies lease publicly-owned real property or venue from other government agencies.

If there is an available publicly-owned real property or venue that complies with the requirements of the Procuring Entity, it may enter into a contract of lease with the government-agency owner.

In the event that the Procuring Entity would resort to privately-owned real property or venue, the End-user unit shall justify that the same is more efficient and economical to the government.”

**WHEREAS**, no other government facilities can accommodate said activity that complies with the specification of the End-User;

**WHEREAS**, the end-user decided to cater the services of the privately-owned venue that complies with their requirements;

**WHEREAS**, Rule XVI, Section 48.2 of the IRR of R.A. 9184, otherwise known as the “Government Procurement Reform Act of 2003” provides the general rule that public bidding is the general mode of procurement. However, the same section allows procuring entities to resort to alternative methods of procurement such as Negotiated Procurement subject to the approval of the Head of the Procuring Entity;

**WHEREAS**, Rule XVI, Section 53.10 of the IRR of R.A. 9184 allows Negotiated Procurement under Lease of Real Property and Venue as a mode of procurement subject to the approval of the Head of Procuring Entity;

**WHEREAS**, the BAC through its Secretariat, initiated the procurement activity by requesting for quotation to four (4) prospective suppliers namely:

- 1. Great Eastern Hotel, Inc.;
- 2. Red Hotel, Inc.;
- 3. Northwalk Inn Inc. (Eurotel Hotel - North Edsa); and
- 4. Azteco Corporation (Axiaa Hotel);

**WHEREAS**, two (2) suppliers submitted their respective proposals before the deadline for the submission of quotations, offering the following financial quotations, as read:

NAME OF BIDDER	AMOUNT OF BID	REMARKS
GREAT EASTERN HOTEL, INC.	Php2,203,350.00	Complying
AZTECO CORPORATION (AXIAA HOTEL)	Php2,261,709.00	Complying

**WHEREAS**, on July 29, 2025, the end-user conducted an ocular inspection. Based on the Ocular Inspection report as follows:

*Upon inspection, it was found that **Great Eastern Hotel** does not meet the minimum requirements of the activity. The venue lacks adequate breakout session rooms necessary to carry out the intensive workshops and group tasks designed to produce the expected outputs. This limitation poses a direct threat to the successful accomplishment of the activity objectives. Furthermore, the accommodation rooms, particularly for triple sharing, were found to be dimly lit and cramped, creating an unsuitable environment for the participants’ rest and preparation. In terms of internet connectivity, which is crucial for the workshops that will utilize cloud-enabled applications, the onsite speed yielded only 12 Mbps. This speed is insufficient to support the stable connection required for simultaneous, high-bandwidth activities by multiple participants.*



On the other hand, **Axiaa Hotel** demonstrated full compliance with the venue specifications and activity needs. It has adequate function rooms, well-structured breakout session areas, and properly ventilated and spacious accommodation options fit for triple sharing. Most importantly, its internet infrastructure is capable of handling high data traffic, ensuring smooth access to online platforms and resources throughout the duration of the training. The overall environment of the hotel is conducive for learning, collaboration, and productivity.

In view of the above, **Axiaa Hotel is strongly recommended** as the official venue for the said training. Its facilities, services, and technical capacity are aligned with the standards necessary to achieve the goals and intended outcomes of the Regional Training.

**WHEREAS**, based on the result of the ocular inspection reflected in the Rating Factors and Determination of Reasonableness of Rental Rate, **GREAT EASTERN HOTEL, INC.** has been rated by with the score of 79;

**WHEREAS**, based on the result of the ocular inspection reflected in the Rating Factors and Determination of Reasonableness of Rental Rate, **AZTECO CORPORATION (AXIAA HOTEL)** has been rated by with the score of 92;

**WHEREAS**, the report containing the result of the evaluation and its attachments is attached hereto as Annex "A" and Annex "B" and made an integral part hereof;

**WHEREAS**, after review and deliberation on the proposal **GREAT EASTERN HOTEL, INC.** is non-compliant for the said activity due to the abovementioned reason;

**WHEREAS**, after review and deliberation on the proposal, **AZTECO CORPORATION (AXIAA HOTEL)** complied with the requirements and is hereby declared as the Lowest Calculated and Responsive Quotation (LCRQ);

**WHEREAS**, the BAC hereby **RESOLVES**, as it hereby **RESOLVED**:

1. **To DECLARE GREAT EASTERN HOTEL, INC.** as ineligible bidder for failure to comply with the required specification issued by this Office;
2. **To RECOMMEND** to the Head of Procuring Entity the award of the project to **AZTECO CORPORATION (AXIAA HOTEL)** in the amount of **TWO MILLION TWO HUNDRED SIXTY-ONE THOUSAND SEVEN HUNDRED NINE PESOS (Php2,261,709.00)**.

**WHEREAS**, the Client invited bids for the Procurement for the food and accommodation of the participants in the **"REGIONAL TRAINING ON THE SCIENCE OF READING FOR EARLY LANGUAGE, LITERACY, AND NUMERACY TO STRENGTHEN THE IMPLEMENTATION OF THE ACADEMIC RECOVERY AND ACCESSIBLE LEARNING PROGRAM"** on August 4-8, 2025 and has accepted the bid/quotation of the Hotel Company for the food and accommodation in the sum of **TWO MILLION TWO HUNDRED SIXTY-ONE THOUSAND SEVEN HUNDRED NINE PESOS (Php2,261,709.00)**. (Hereinafter called "the Contract Price").

**NOW, THEREFORE**, for and in consideration of the foregoing premises of the mutual covenants and provisions hereafter set forth, the parties hereto have agreed and do hereby mutually agree as follows:

#### Section 1 Documents deemed part

All documents submitted by Hotel Company and all the documents released and issued by the Client and its Bids and Awards Committee and Technical Working Group such as but not limited to:

- a) BAC Resolution;
- b) Abstract of Quotation;

- c) Ocular Inspection for Lease of Venue;
- d) Request for Quotation;
- e) Technical Specifications;
- f) All other documents already submitted by the Hotel Company and to be required to be submitted after the perfection of this contract.

shall form part of this contract.

## Section 2 Responsibilities of the Hotel Company

The **Hotel Company** shall:

1. Provide food and hotel accommodation on **August 4-8, 2025** to the guaranteed number of participants of the **Client**. The details and/or specifications of these services are provided under Section 5 of this contract.
2. Maintain that all of the services to be performed under or pursuant to this contract shall be of the standard and quality which prevail among similar businesses and organizations of superior knowledge and skill engaged in providing similar services under the same or similar circumstances.
3. Provide:
  - 3.1 a personnel to maintain cleanliness in the function hall, restrooms, sleeping quarters, hallway, pantry, and dining area;
  - 3.2 a provision for backdrop for the activity; and Tarpaulin display/TV Monitor at Project Site, not to exceed 3" x 4"; optional for Projects not exceeding 5 days (COA Circ. No. dated January 30, 2013-004);
  - 3.3 a sufficient parking area for VIP and other guests;
  - 3.4 a personnel to respond to safety and security requirements of the government, 24-hour security, front desk and housekeeping services.
  - 3.5 a stand-by medical team in case of emergencies
  - 3.6 provision of fire extinguishers in every floor/hallway and with clear emergency exit signs and maps per floor and per room respectively
4. Do such other act which are necessary in the performance of the above functions as well as those obligations arising from this contract

## Section 3 Responsibilities of the Client

The **Client** shall:

1. Pay the **Hotel Company** the guaranteed number of participants
2. Charged or billed the total amount of **TWO MILLION TWO HUNDRED SIXTY-ONE THOUSAND SEVEN HUNDRED NINE PESOS (Php2,261,709.00)** for the whole duration of the event;
3. Exercise strict discipline, close supervision and exclusive control and administration over its participants in accordance with law, ordinances and pertinent government rules and regulations as well as the rules and policies laid down by the **Hotel Company** on the matter;



## Section 4 Terms of Payment

The **Client** binds itself to pay the **Hotel Company** within thirty (30) days after the conclusion of the training/seminar. The **Client** hereby understands that the focal person must be the one responsible for the immediate processing of payments.

## Section 5 Specification of the Services

The **Hotel Company** shall provide for the following:

### 1. The Meals shall be:

- 1.1 Complete meal (breakfast, AM snacks, lunch, PM snacks and dinner) to the participants of the Client;
- 1.2 First meal is **Breakfast on August 4, 2025** and Last meal is **PM Snacks on August 8, 2025** of the event;
- 1.3 Served by manage buffet with stand-by waiters during breakfast, lunch and dinner;
- 1.4 With unlimited coffee, purified drinking water, tea, chocolate drink, or coffee and candies with assistance of stand-by waiters;

### 2. The Function Hall and Facilities shall be:

- 2.1 Can accommodate at least 200 pax in a conference set-up/ plenary (1 big functional hall) session; and **another breakout rooms** that can accommodate **at least 60 pax total of 3 breakout rooms**;
- 2.2 Fluorescent lights (LED) in the function rooms;
- 2.3 well-lighted and well ventilated;
- 2.4 Availability of audio-visual equipment with stand-by assistant:
  - a. **three (3) LCD projectors and wide screens** per breakout room;
  - b. **three (3) Whiteboard with marker/s and erasers** per breakout room;
  - c. complete set sound system, at least **ten (10) extension cords per breakout session room** for laptops;
  - d. **three (3) wireless microphones, one (1) microphone stands each function hall**; and
  - e. Podium/lectern, etc.
- 2.8 Unlimited access to internet / Wi-Fi in all areas of venue;
- 2.9 no pillars in the middle of the function room;
- 2.10 three (3) round tables per breakout rooms for the Secretariat (Registration Area);

### 3. The Room Accommodation shall be:

- 3.1 **at least two (2) single beds per rooms for Secretariat and facilitators**;
- 3.2 **At least triple sharing rooms for participants**;
- 3.3 No bed mattress on the floor/pull-out beds;
- 3.4 **NO BED SHARING**;
- 3.5 With 24-hours hot and cold shower, clean beddings, rooms and restrooms;

## Section 6 Use of Hotel Parking Space

The **Hotel Company** shall allow the use of its parking space to the participants free of charge.

## Section 7 Termination of Contract

Any party may terminate this Contract based on the grounds provided and after compliance with Annex "I" of the 2016 Implementing Rules and Regulations of Republic Act 9184.

## Section 8 Alternative Dispute Resolution (ADR) Clause

Both parties entered into this agreement in the spirit of mutual trust and understanding. The parties intend that all unforeseen matters, issues, and concerns that will arise in the future shall be resolved with mutual understanding. In case of conflict/dispute between the parties, it shall be resolved in a peaceful and amicable manner. Every earnest effort shall be made to amicably settle the conflict/dispute through peaceful dialogue and negotiation to accommodate the policies and intention of both parties.

In case of failure to settle the conflict/dispute through peaceful and amicable manner, such conflict/dispute shall be submitted for arbitration/mediation in accordance with Republic Act No. 9285, known as *Alternative Dispute Resolution Act of 2004*. Both parties mutually agree that the decision of the designated/chosen arbitrator/mediator is binding to them. The place of arbitration/mediation is exclusively in Cainta, Rizal.

No legal action may be instituted in any court/tribunal/quasi-judicial body unless the arbitration/mediation has failed or waived by both parties in writing. Legal action for breach of this agreement shall only be instituted in the courts of competent jurisdiction in Cainta, Rizal to the exclusion of all other courts outside the judicial region.

## Section 9 Capacity and Authorization

The signatories to this contract hereby represent and warrant that they are 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 between the parties.


## Section 10 Other conditions of the contract

- a. In case of damage to the property of the participants of the **Client** caused by negligence of the personnel of the **Hotel Company**, the **Hotel Company** shall be liable for the damages;
- b. Necessary medical services and facilities shall be the responsibility and for the account of the **Hotel Company**; and
- c. The **Hotel Company** shall cause the notarization of this contract.

IN WITNESS WHEREOF, the parties have hereunto set their hands, this day of  
31 JUL 2025 at CITY OF MANILA, Philippines.

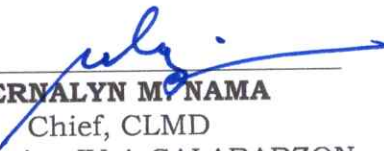
**Department of Education  
 Region IV-A CALABARZON**

**AZTECO CORPORATION (AXIAA  
 HOTEL)**

  
**ATTY. ALBERTO T. ESCOBARTE, CESO II**  
 Regional Director

  
**JENNY LUSUAN**  
 Director of Sales

SIGNED IN THE PRESENCE OF:

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

  
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REPUBLIC OF THE PHILIPPINES )  
CITY OF MANILA ) SS.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, this 31 JUL 2025, personally appeared:

Name	Identification No.	Expiration Date
Atty. Alberto T. Escobarte	DepEd Office ID No. 4529876	
Jenny Lusuan	Driver's License NO4-03-006304	Dec 2032

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 eight (8) 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.

CITY OF MANILA  
WITNESS MY HAND AND SEAL, at the place and date above-written. 31 JUL 2025

Doc. No. 170;  
Page No. 35;  
Book No. XVI;  
Series of 2025.

ATTY. MARIELLE JENELLE L. LAGUERTA  
Notary Public  
for City of Manila until Dec. 31, 2025  
Notarial Commission No. 2024-179  
Tower 3, 3k, No. 181 W. Lopez St. Ermita, Manila  
IBP No. 468207 - Dec. 27, 2024 for year 2025  
PTR No. 2041441 - Jan. 2, 2025 at Manila  
MCLE No. VIII-0010660 Valid until 4-14-2028 Roll No. 88314