



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 under the Philippine laws, with principal address at 135 West Avenue, Bungad, Quezon City, represented herein by its Sales Director, **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 TRAINING OF THE CAREER GUIDANCE PROGRAM CORE TEAM TRAINERS (PHASE 4) CUM CAPACITY BUILDING OF CAREER ADVOCATES ON THE IMPLEMENTATION OF CAREER GUIDANCE PROGRAM ON SEPTEMBER 29-OCTOBER 3, 2025** to be conducted by the **Client**.

WHEREAS, the Approved Budget for the Contract (ABC) is **FOUR MILLION NINE HUNDRED FIFTY THOUSAND PESOS (Php4,950,000.00)**.

WHEREAS, Section 26.1 (i) of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 12009 otherwise known as the "New Government Procurement Act, provides for Negotiated Procurement as one of the modes of Procurement consistent with the Fit-for-Purpose procurement approach;

WHEREAS, Section 42.1 (a) Rule V of the IRR of RA 12009 states that, the Bids and Awards Committee (BAC) shall recommend to the Head of the Procuring Entity (HOPE) the use of any of the modes of procurement as provided in Rule IV thereof;

WHEREAS, Section 35, Rule IV of the IRR of RA 12009 consistent with the Fit-for Purpose approach, the agency concerned may adopt any of the modes of procurement such as Negotiated Procurement;

WHEREAS, Section 35.9, Rule IV of the IRR of RA 12009 provides for Negotiated Procurement under the Lease of Real Property and Venue for lease of real property and venue for official use, states that:

"Section 35.9 Lease of Real Property and Venue – For the lease of real property and venue for official use, 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 or Implementing Unit shall justify that the same is more efficient and economical to the government.”

WHEREAS, Section 34.3 (a) of the said IRR, the End-User or Implementing Unit shall submit a request for Lease of Real Property and Venue to the BAC. The request shall indicate the Technical Specifications, Scope of Work, Terms of Reference, as the case may be, Approved Budget for the Contract and other terms and conditions;

WHEREAS, on September 9, 2025, the End-User submitted their request to procure the said item/s under LOV - mode of procurement to the Bids and Awards Committee (BAC), which includes the following:

- Approved Activity to Procure;
- Approved Budget for the Contract (ABC);
- Technical Specifications;
- Project Procurement Management Plan (PPMP);

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

1. Red Hotel, Inc.;
2. Great Eastern Hotel, Inc.;
3. Azteco Corporation (Axiaa Hotel); and
4. St. Giles Hotel (Manila), Inc.;

WHEREAS, three (3) 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
ST. GILES HOTEL (MANILA), INC.	Php4,888,125.00	Complying
AZTECO CORPORATION (AXIAA HOTEL)	Php4,900,500.00	Complying
GREAT EASTERN HOTEL, INC.	Php4,950,000.00	Complying

WHEREAS, on September 15, 2025, the end-user conducted an ocular inspection. Based on the Ocular Inspection report as follows:

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“The ESSD conducted an ocular visit to three hotels, named Axiaa Hotel (West Avenue), St. Giles Hotel (Makati City), and Great Eastern Hotel in Quezon Avenue, on September 11, 2025 and September 14, 2025, respectively. The visit was done prior to leasing of the venue for the upcoming School-Based Career Guidance Career Advocates Training Phase 4 to be held from September 29, 2025 to October 3, 2025.

Based on the inspection result, following the standard requirement of the procurement entity, Great Eastern Hotel got 97.6 percent, Axiaa Hotel got 93.8 percent, and St. Giles Hotel got 93.3 percent ratings. All three hotels passed the required rating of 85 percent from the procurement office. However, St. Giles Hotel failed to meet requirements for room accommodations, having quad and triple lodging rooms and small conference rooms.

I am writing this letter to respectfully recommend the second-lowest bidder, which is the AXIAA hotel, as the most qualified venue for the conduct of the aforementioned event. The space and structure requirements, including sanitation, health conditions, and other facilities, are found to be most

suitable for the said event. The location and site conditions also received high rating due to their accessibility to participants."

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WHEREAS, based on the result of the ocular inspection reflected in the Rating Factors and Determination of Reasonableness of Rental Rate, **ST. GILES HOTEL (MANILA), INC.** has been rated by with the score of 93.3, **AZTECO CORPORATION (AXIAA HOTEL)** has been rated by with the score of 93.8, and **GREAT EASTERN HOTEL, INC.** has been rated by with the score of 97.6;

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

WHEREAS, after review and deliberation on the proposal **ST. GILES HOTEL (MANILA), INC.** is non-compliant for the said activity due to the abovemention 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** the quotation of **ST. GILES HOTEL (MANILA), INC.** as ineligible bidder for failure to comply with the required specification issued by this Office;
2. **To DECLARE** the quotation of **AZTECO CORPORATION (AXIAA HOTEL)** as the Lowest Calculated Responsive Quotation (LCRQ) in the amount of **FOUR MILLION NINE HUNDRED THOUSAND FIVE HUNDRED PESOS (Php4,900,500.00)**;
3. **To RECOMMEND** to the Regional Director, as the Head of Procuring Entity, the award of the project to **AZTECO CORPORATION (AXIAA HOTEL)** in the amount of **FOUR MILLION NINE HUNDRED THOUSAND FIVE HUNDRED PESOS (Php4,900,500.00)** for the **LEASE OF VENUE WITH FOOD AND ACCOMMODATION** for the **TRAINING OF THE CAREER GUIDANCE PROGRAM CORE TEAM TRAINERS (PHASE 4) CUM CAPACITY BUILDING OF CAREER ADVOCATES ON THE IMPLEMENTATION OF CAREER GUIDANCE PROGRAM ON SEPTEMBER 29-OCTOBER 3, 2025.**

WHEREAS, the Client invited bids for the Procurement for the lease of venue with food and accommodation of the participants in the **"TRAINING OF THE CAREER GUIDANCE PROGRAM CORE TEAM TRAINERS (PHASE 4) CUM CAPACITY BUILDING OF CAREER ADVOCATES ON THE IMPLEMENTATION OF CAREER GUIDANCE PROGRAM"** on **SEPTEMBER 29-OCTOBER 3, 2025** and has accepted the bid/quotation of the Hotel Company for the food and accommodation in the sum of **FOUR MILLION NINE HUNDRED THOUSAND FIVE HUNDRED PESOS (Php4,900,500.00)**. (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 **SEPTEMBER 29-OCTOBER 3, 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 **FOUR MILLION NINE HUNDRED THOUSAND FIVE HUNDRED PESOS (Php4,900,500.00)** 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 **September 29, 2025** and Last meal is **PM Snacks** on **October 3, 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, or coffee; with artificial sweetener (equal, Splenda, etc.), and candies with assistance of stand-by waiters;

2. The Function Hall and Facilities shall be:

- 2.1 Can accommodate at least 495 pax in a conference/training set-up;
- 2.2 well-lighted and well ventilated;
- 2.3 Availability of audio-visual equipment with stand-by assistant:
 - a. at least **ten (10) LCD projectors and widescreens**;
 - b. at least **seven (7) 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. **sixteen (16) microphones, two (2) wireless microphones, and one (1) microphone**; and
 - e. Podium/lectern, etc.
- 2.4 Unlimited access to internet / Wi-Fi in all areas of venue;
- 2.5 no pillars in the middle of the function room;
- 2.6 at least **one (1)** for the Secretariat (Registration Area);
- 2.7 2 VIP rooms.

3. The Room Accommodation shall be:

- 3.1 **at least two (2) single beds sharing rooms (strictly single beds only)**;
- 3.2 No bed mattress on the floor/pull-out beds;
- 3.3 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 25 SEP 2025 at CITY OF MANILA, Philippines.

Department of Education
Region IV-A CALABARZON

ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director

AZTECO CORPORATION
(AXIAA HOTEL)

JENNY LUSUAN
Sales Director

SIGNED IN THE PRESENCE OF:

EDUARDA M. ZAPANTA
Chief ES, ESSD
DepEd Region IV-A CALABARZON

Chestine Cerilla

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) SS.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, this 25 SEP 2025, personally appeared:

Name	Identification No.	Expiration Date
Atty. Alberto T. Escobarte	DepEd Office ID No. 4529876	
Jenny Lusuan	Driver's License NO 4-03-006304	Dec 5, 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 seven (7) 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 25 SEP 2025
WITNESS MY HAND AND SEAL, at the place and date above-written.

Doc. No. 330;
Page No. 67;
Book No. XIX;
Series of 2025.

ATTY. MARIELE JENELLE L. LAGUERTA
Notary Public
for City of Manila until Dec. 31, 2025
Notarial Commission No. 2024-179
Tower 3, 3k, No. 181 N. Lopez St. Ermita, Manila
IBP No. 488207 - Dec. 27, 2024 for year 2025
PTR No. 2041441 - Jan. 2, 2025 at Manila
MCLE No. VIII-0010660 Valid until 4-14-2026 Roll No. 88314