



SUPPLY AND DELIVERY AGREEMENT
SDO-21-IS-14

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into by and between:

QUEZON CITY GOVERNMENT, a public corporation existing under the laws of the Philippines, represented herein by the Honorable **MA. JOSEFINA G. BELMONTE**, in her capacity as City Mayor, with office at Quezon City Hall Compound, Elliptical Road, Diliman, Quezon City, Metro Manila, and hereinafter referred to as the "**CITY**"

-and -

GLOBE TELECOM, INC., an entity duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at The Globe Tower 32nd Street cor. 7th Avenue BGC Taguig City, Metro Manila NCR, Philippines, herein represented by its Authorized Representative, **MS. MARIANNE A. QUIAMBAO**, hereinafter referred to as "**SUPPLIER**";

(**CITY** and **SUPPLIER** may be referred to individually as a "Party" and collectively, as "Parties.")

RECITAL

WHEREAS, the City's Bids and Awards Committee conducted a public competitive bidding on 13 August 2020 for the Supply and Delivery of Tablets, Mobile Prepaid LTE Sim Cards and Quezon City WiFi Service for Distance Learning Modality of Schools Division Office - Quezon City Hall (the "**Project**") Line 2 ("**Data Allocation**").

WHEREAS, the **SUPPLIER** participated in the competitive bidding and was declared to be the single bid as read;

WHEREAS, the **SUPPLIER** passed both the detailed evaluation and post qualification stages, and was determined to be the single calculated and responsive bid for the Project;

WHEREAS, on September 21, 2020, the Notice of Award was issued and the **SUPPLIER** subsequently duly posted a performance security, subject to the terms and conditions hereafter set forth;

WHEREAS, the **CITY** and the **SUPPLIER** executed a Supply and Delivery Agreement dated 30 September 2020, giving the latter until March 30, 2021 to completely perform its obligations;

WHEREAS, the Quezon City Schools Division Office (the "**end-user**"), as end-user of the Project, submitted a letter request to the BAC-Goods and Services, and requested for the extension of the Project insofar as the internet services is concerned to ensure a

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continued provision of internet services that are needed by the elementary and secondary students of the City;

WHEREAS, pursuant to Section 3.3.1.2 of Appendix 21 of the IRR of R.A 9184, the end-user evaluated the quality of service provided by the **SUPPLIER** and found the same satisfactory which meets the City's required standards;

WHEREAS, pursuant to Section 3.3.1.3 of Appendix 21 of the IRR of R.A 9184, the end-user also conducted a cost benefit analysis based on the quotations previously submitted by capable service providers in the area, and concluded that renewing the existing contract with the **SUPPLIER** under the same terms and conditions will be the most advantageous to the City, as supported by the following justifications:

1. The **SUPPLIER** offers the longest data validity period. The longer validity period of allocated data is advantageous to students as the uneven use of data in completing performance tasks and assessments allows the maximum use of the package;
2. The **SUPPLIER** offers a blacklisting of website feature. The Blacklisting feature is essential as it ensures that the data is utilized for studying and school related activities; and
3. The **SUPPLIER** offers the 10GB of allocated data compared to other offers of only 2 Gb. Greater Data allocation allows for more multimedia content access and asynchronous activities allowance for students.

WHEREAS, based on the result of conducted cost-benefit analysis and assessments of the quality of service provided by the **SUPPLIER**, the end-user recommended the renewal of contract for internet services;

WHEREAS, the BAC - Goods and Services concluded that the basis of the request for renewal is reasonable and compliant with the requirements and conditions set forth in Appendix 21 of the IRR of Republic Act No. 9184 Guidelines on Procurement of Water, Electricity, Telecommunications and Internet Service Providers, as amended by GPPB Resolution No. 41-2017;

WHEREAS, the BAC- Goods and Services issued Resolution on Prior Approval No. 04-71B series of 2021 recommending the renewal of the Contract with the **SUPPLIER** for internet subscription;

NOW THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants and undertakings hereinafter provided, the Parties hereto agree, as they have hereby agreed, as follows:

Section 1. Deliverables. Pursuant to and in accordance with the Contract Documents provided herein, the **SUPPLIER** undertakes to deliver to the **CITY** the deliverables required by the Project, the technical specifications of which are defined under Request for Quotation (RFQ). These include the delivery by the **SUPPLIER** of the custom prepaid mobile plan for students and the automated monthly seeding through a web-based loading platform.

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Section 2. Contract Documents. The following documents shall be read and deemed incorporated in this Agreement, *viz.*:

- (a) Request for Quotation (RFQ);
- (b) Terms of Reference (TOR);
- (c) Notice of Award;
- (d) Notice to Proceed;
- (e) Certificate of Availability of Fund (CAF);
- (f) Supply and Delivery Agreement dated 30 September 2020
- (g) Any and all other documents submitted to the City during the course of the procurement process.

The documents mentioned above shall be collectively referred to as "Contract Documents".

Section 3. Delivery Schedule. The **SUPPLIER** shall deliver to the **CITY** the required deliverables within from the date of effectivity of the Notice to Proceed (NTP).

Section 4. Contract Price. In consideration of the complete and faithful delivery of the services and the performance of any and all obligations of the **SUPPLIER** under this Agreement, the **SUPPLIER** shall be paid the total amount of **Philippine Peso: SIXTY-FIVE MILLION SIX HUNDRED TWENTY-NINE THOUSAND THREE HUNDRED FIFTY PESOS ONLY (P65,629,350.00)**, inclusive of the 12% Value Added Tax (VAT) (the "Contract Price").

Section 5. Terms of Payment. The Contract Price shall be paid to the **SUPPLIER** on a monthly load seeding basis subject to the strict review and monitoring by the **CITY**.

The processing of payments will entail the approval by the **CITY** of the **SUPPLIER's** complete documentation and deliverables before invoices may be processed for payment. The **CITY** likewise reserves the right to validate billing/invoice before payment of fees.

Section 6. Price Adjustment. The Contract Price shall be fixed and there shall be no price adjustment and escalation for the duration of the Agreement until and unless there exists an extraordinary circumstance as may be determined by the National Economic Development Authority that may warrant an increase of the Contract Price in accordance with Section 61 of the Implementing Rules and Regulations of RA 9184, otherwise known as the Government Procurement Reform Act.

Section 7. Penalties. The **SUPPLIER** shall be liable for penalty for any breach of contract under all applicable laws, issuances and regulations.

Section 8. Liquidated Damages. It is understood and agreed that time is of the essence of this Agreement. In the event the **SUPPLIER** refuses or fails to completely supply and deliver to the **CITY** the services defined herein within the delivery schedule provided under Section 3 hereof at no fault of the **CITY**, the **SUPPLIER** shall be liable for liquidated damages in the amount equivalent to one tenth of one percent (1/10 of 1%) of the Contract Price for every day of delay until the Project is completely delivered: *Provided, that, the total*

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cumulative amount of liquidated damages shall not exceed ten percent (10%) of the Contract Price: *Provided*, further, that, once the cumulative amount of liquidated damages exceeds ten percent (10%) as provided herein, the **CITY**, in accordance with Section 68 of the IRR of R.A. 9184, may rescind or terminate this Agreement without prejudice to other remedies and other courses of action available to the **CITY** under this Agreement and pursuant to any and all applicable laws.

Section 9. Authority to Deduct Penalties and Liquidated Damages. For purposes of assessment and enforcement of the penalties and liquidated damages provided in the immediately preceding sections, the **CITY**, upon written notice to the **SUPPLIER**, is hereby authorized to deduct any amount due as penalty and/or liquidated damages from any amount due or may become due and owing to the **SUPPLIER** or from any and all bonds or securities posted by the **SUPPLIER** in favor of the **CITY**, at the option of the latter. It is hereby agreed and understood that the imposition of penalty and assessment of liquidated damages are cumulative and not alternative remedies of the **CITY** under this Agreement.

Section 10. Assignment and Sub-contracting. This Contract or any portion hereof shall not be assigned, transferred or ceded to any other party/ies without the written consent of the **CITY**. **SERVICE PROVIDER** is further prohibited from sub-contracting any obligations in this contract to any other party.

Section 11. Representations and Warranties of the Supplier. The **SUPPLIER** hereby represents and warrants to the **CITY** as follows:

a. The **SUPPLIER** is an entity duly organized, validly existing and in good standing under the laws of the Republic of the Philippines.

b. The **SUPPLIER** has full legal right, power and authority to carry on its present business, to own its properties and assets, and to execute and deliver this Agreement and all other documents executed, or required or necessary to be executed pursuant thereto, and to perform and observe the terms and conditions thereof.

c. All appropriate and necessary corporate and legal actions have been taken by it to authorize the execution and delivery of this Agreement, and all other documents executed, or required or necessary to be executed pursuant thereto and the performance of all provisions, conditions, covenants, and other terms hereof and thereof, as well as all the transactions contemplated herein.

d. This Agreement and all other documents executed, or required or necessary to be executed pursuant thereto, constitute, or when executed and delivered pursuant thereto, will constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms.

e. The execution and delivery of this Agreement and all other documents executed, or required or necessary to be executed pursuant thereto and the performance of its obligations hereunder will not:

i. conflict with its Articles of Incorporation, By-Laws or other constitutive documents, as may be applicable;

ii. conflict with, result in the breach of, or constitute an event which would either immediately or with the lapse of time or giving of notice or both, result in a default under, or accelerate the performance required by, the terms of any agreement, document, contract, instrument or commitment to which it is a party or by which it or any of its assets is bound;

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iii. conflict with or require any written consent or approval under any judgment, order, writ, decree, permit or license to which it is a party or by which any of its assets is bound; or

iv. require the written consent or approval of any other party to any agreement, document, contract, instrument or commitment to which it is a party or by which any of its assets is bound.

f. There are no actions, suits or proceedings existing, pending or, threatened against or directly affecting the **SUPPLIER** and/or any of its assets before any court, arbitrator or governmental or administrative body or agency that affect the validity or enforceability of this Agreement or that would affect the ability of the **SUPPLIER** to perform its obligations hereunder.

g. No event has occurred and is continuing which might materially and adversely affect the carrying out of its obligations under this Agreement.

h. It is in compliance with all applicable laws and regulations in connection with the delivery of the Project.

i. Each of the representations and warranties herein shall survive the execution of this Agreement and shall be deemed repeated during the effectivity of this Agreement.

Section 12. Indemnification. The **SUPPLIER** shall indemnify and save the **CITY** and all its officers, employees, personnel and persons acting as agents or representatives and render them free and harmless from any and all claims, actions, liabilities, losses and suits which may be brought or instituted against them arising out of or resulting from the **SUPPLIER**'s supply, delivery and performance of its obligations under this Agreement.

Section 13. Events of Default of the Supplier. Any of the following shall constitute an Event of Default under this Agreement:

a. When the **SUPPLIER** becomes insolvent, or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against the **SUPPLIER**, in any bankruptcy, insolvency, administration, suspension of payment, reorganization, winding-up or liquidation proceeding, or any other proceeding analogous in purpose and effect; (ii) the making of an assignment by the **SUPPLIER** for the benefit of its creditors; (iii) the admission in writing by the **SUPPLIER** of its inability to pay its debts; (iv) the entry of any order of judgment of any competent court, tribunal or administrative agency or body confirming the bankruptcy or insolvency of the **SUPPLIER** or approving its reorganization, winding-up or liquidation, or (v) the lawful appointment of a receiver or trustee to take possession of the properties of the **SUPPLIER**;

b. When the **SUPPLIER** suspends or discontinues all or a substantial portion of its business operations, whether voluntarily or involuntarily, for a period of at least sixty (60) days;

c. Any material breach by the **SUPPLIER** of any of its warranty, representation or covenant made under this Agreement.

Section 14. Consequences of Default. Upon occurrence of any Events of Default under this Agreement, the **CITY** may declare the **SUPPLIER** in default and shall have the right to:

- a. Terminate this Agreement; and
- b. Take such other steps or actions against the **SUPPLIER** for the full protection and enforcement of the **CITY**'s rights and interests.

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Section 15. Compliance with Laws, Ordinances and Regulations. The **SUPPLIER** shall comply with any and all laws, ordinances and regulations of the national and local government applicable to or binding upon the parties hereto. For this purpose, any and all pertinent provisions of RA 9184 and its IRR, and other applicable laws and regulations are deemed written and incorporated in this Agreement. In case of conflict between any of the provisions of this Agreement and those of the applicable laws and regulations, the latter shall prevail.

Section 16. Indemnities and Attorney's Fees. Should any of the parties resort to court action in order to enforce their respective rights under this Agreement, the prevailing party or its successors-in-interest shall be entitled to be indemnified by the other party by way of attorney's fees, a reasonable sum equivalent to the actual amount of fees paid or to be paid by the prevailing party.

Section 17. Notification. All notices and communications shall be done in writing and shall be directed as follows:

CITY	:	OFFICE OF THE CITY MAYOR c/o Bids and Awards Committee Secretariat 2nd Floor Finance Bldg, Quezon City Hall Complex, Elliptical Road, Diliman, Quezon City
SUPPLIER	:	GLOBE TELECOM, INC. The Globe Tower 32nd Street cor 7th Avenue BGC Taguig City, Metro Manila NCR, Philippines

Section 18. Effectivity. This Agreement shall be effective upon execution by the parties hereto.

Section 19. Miscellaneous Provisions.

a. This Agreement, including the documents and/or agreements specifically incorporated herein by reference, constitutes the entire agreement between the parties. This Agreement may be amended and supplemented in writing at any time as decided and agreed upon by mutual consent of the parties.

b. This Agreement and all documents related thereto shall be binding upon and inure to the benefit of the parties herein and/or their respective heirs, agents, representatives, successors-in-interest, and assigns. The **SUPPLIER** shall not assign its rights and obligations under this Agreement without the written consent of the **CITY**.

c. This Agreement embodies the entire arrangement or agreement of the parties and no undertaking, verbal or otherwise, in relation thereto, shall exist between the parties except as herein expressly set forth.

d. The parties hereby certify that they have read or caused to be read to them all the provisions of the foregoing Agreement, receipt of a signed copy of which is hereby expressly acknowledged by the parties and that they have fully understood the same.

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Authorized Representative



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e. The parties hereby represent and warrant that they have the necessary power and corporate authority to execute and deliver this Agreement and perform their obligations as incorporated herein and that such execution, delivery and performance do not and will not contravene any provision of their respective Articles of Incorporation, by-laws, any agreements or instruments to which they are a party or any laws or regulations of any governmental authority.

f. If any provision of this Agreement be declared by any court or other authorized agency of the government to be null and void, the nullity thereof shall not affect the validity of this transaction or any other provisions herein which shall then be considered as valid and binding between the parties.

g. Any and all disputes arising from the implementation of this Agreement shall be submitted to arbitration in the Philippines according to the provisions of RA 876, otherwise known as the "Arbitration Law" and RA 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004": Provided, that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

IN WITNESS WHEREOF the parties have hereunto set their hands to this Agreement on ___ day of APR 30 2021 2021, at Quezon City, Philippines

QUEZON CITY GOVERNMENT

GLOBE TELECOM, INC.


By:


By:


MA. JOSEFINA G. BELMONTE
City Mayor


MARIANNE A. QUIAMBAO
Authorized Representative

SIGNED IN THE PRESENCE OF:


RUBY G. MANANGU
City Accountant
City Accounting Department


PATRICIA S. DE LEON

MA. JOSEFINA G. BELMONTE
City Mayor

MARIANNE A. QUIAMBAO
Authorized Representative



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES }
_____ }s.s.

BEFORE ME, a Notary Public for and in _____, this APR 30 2021, personally appeared:

Name Competent Proof of Identity

HON. MA. JOSEFINA G. BELMONTE, in her capacity as Mayor of the Local Government of Quezon City

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MARIANNE A. QUIAMBAO, in her capacity as the authorized representative of Globe Telecom, Inc.

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City Mayor

all known to me and to me known to be the same persons who executed this Agreement, and they acknowledged to me that the same is their free and voluntary act and deed, and the free and voluntary act and deed of the parties which they respectively represent.

I certify that the foregoing Agreement, signed by the parties and their instrumental witnesses, consists of eight (8) pages, including this page on which the acknowledgement is written.

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

Doc. No. 83
Page No. 17
Book No. 1
Series of 2021.



MARIANNE A. QUIAMBAO
Authorized Representative

ATTY. MARK JOSEPALE MARCELO
Notary Public
Room 405, Security Bank Building,
Matalino St., Quezon City
Adm. Matter No. 09-103
Commission expires on December 31, 2022
Attorney's Roll No. 09314
IBP Lifetime No. 016506, Quezon City Chapter
PTR No. 0689739, 01/08/2021 Quezon City
MCLE Compliance No. VI-0026095