



SUPPLY AND DELIVERY AGREEMENT  
(Line 3: SDO-22-SERVICES-022)

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 -

CONVERGE INFORMATION AND COMMUNICATIONS TECHNOLOGY SOLUTIONS, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at New Street Bldg. Mac Arthur Highway Balibago Angeles City Pampanga, herein represented by its Chief Operating Officer, JESUS C. ROMERO, hereinafter referred to as "SUPPLIER";

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

RECITAL

WHEREAS, on 16 December 2021, the Bids and Awards Committee conducted a public competitive bidding for "Line 3: Procurement of 20MBPS Fiber Optic Direct Internet Access for Year 2022 (Early Procurement Activity) under Project No. SDO-22-SERVICES-022 (the "Project").

WHEREAS, the SUPPLIER participated in the competitive bidding and was declared to be the Lowest Bid as Read;

WHEREAS, the SUPPLIER passed both the detailed evaluation and post qualification stages, and was declared as the Lowest Calculated and Responsive Bid;

WHEREAS, on DEC 29 2021, the Notice of Award was issued to the SUPPLIER;

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 20 MBPS Fiber Optic Direct Internet Access for One Hundred Sixty (160) school sites provided



to elementary and secondary public schools in Quezon City, the technical specifications of which are defined in the Terms of Reference, to include:

20 MBPS Fiber Optic Direct Internet Access, inclusive of taxes, installation and waived one time charge (OTC) and the following:

- (a) Service Router
- (b) 30-45 Days Installation
- (c) Multi-Router Traffic Grapher (MRTG) account
- (d) 24/7 Customer Service
- (e) Minimum of one (1) Static IP Address (per school)
- (f) Throughput/ Bandwidth 99.95% of committer bandwidth
- (g) No data cap

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

- (a) Invitation to Bid;
- (b) Instruction to Bidders;
- (c) Bid Data Sheet;
- (d) General Conditions of Contract;
- (e) Special Conditions of Contract;
- (f) Schedule of Requirements;
- (g) Technical Specifications;
- (h) Supplemental Bid Bulletins, if any;
- (i) Notice of Award;
- (j) Bid Form;
- (k) Schedule of Prices;
- (l) Certificate of Availability of Fund (CAF); and
- (m) Performance Security;

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

*Section 3. Delivery Schedule.* Consistent with the TOR, the **SUPPLIER** shall deliver to the **CITY** one hundred percent (100%) of the required Mobile Sim Card Accounts within fifteen (15) calendar days from the issuance of the Notice of Proceed. Likewise, one hundred percent (100%) of the Data Allocation seeding requirement for identified Mobile Prepaid LTE Sim cards must be conducted within fifteen (15) calendar days from the issuance of the Notice of Proceed.

*Section 4. Term.* This Agreement shall be effective for the period of one (1) year commencing on JAN 01 2022 2022 and to end on DEC 31 2022 2022, subject to a regular performance rating by the **CITY**.

*Section 5. Contract Price.* In consideration of the complete and faithful delivery of the deliverables defined herein and the performance of any and all obligations of the **SUPPLIER** under this Agreement, the **SUPPLIER** shall be paid the total amount of **Twenty**



One Million Five Hundred Six Thousand One Hundred Fifty Pesos (P 21,506,150.00) inclusive of the 12% Value Added Tax (VAT) (the "Contract Price").

*Section 6. Terms of Payment.* The payment of the Contract Price shall be made thirty (30) calendar days after activation.

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

*Section 9. 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 Tablets for the Project 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 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 10. Authority to Deduct Liquidated Damages.* For purposes of assessment and enforcement of the liquidated damages provided under Section 8 hereof, the CITY, upon written notice to the SUPPLIER, is hereby authorized to deduct any amount due as 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 assessment of liquidated damages are cumulative and not alternative remedies of the CITY under this Agreement.

*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.



  
MA. JOSEFINA G. BELMONTE  
City Mayor

  
JESUS C. ROMERO  
Chief Operating Officer

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;

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:

- Terminate this Agreement;
- Call on the Performance Security to answer for any and all damages of whatever nature suffered by the **CITY** resulting or arising from the **SUPPLIER's** default; and
- Take such other steps or actions against the **SUPPLIER** for the full protection and enforcement of the **CITY's** rights and interests.

*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.

MA. JOSEFINA G. BELMONTE

City Mayor

JESUS C. ROMERO

Chief Operating Officer



*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 : CONVERGE INFORMATION AND  
COMMUNICATIONS TECHNOLOGY  
SOLUTIONS, INC.  
New Street Bldg. Mac Arthur Highway Balibago  
Angeles City Pampanga

*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.

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



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government




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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 DEC 31 2021 2021, at Quezon City, Philippines

QUEZON CITY GOVERNMENT

By:


  
MA. JOSEFINA G. BELMONTE  
City Mayor

CONVERGE INFORMATION AND  
COMMUNICATIONS TECHNOLOGY  
SOLUTIONS, INC.

By:

  
JESUS C. ROMERO  
Authorized Representative

SIGNED IN THE PRESENCE OF:

  
RUBY G. MANANGU  
City Accountant



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES }  
QUEZON CITY } S.S.

BEFORE ME, a Notary Public for and in QUEZON CITY, this DEC 31 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

OCM-0081744

JESUS C. ROMERO, in her capacity as the Account Manager and authorized representative Converge Information and Communications Technology Solutions, Inc.

PASSPORT No. ISSUE DATE  
P1772299B / May 29, 2019

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 Supply and Delivery Agreement, signed by the parties and their instrumental witnesses, consists of seven (8) pages, including this page on which the acknowledgement is written.

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

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Series of 2021



ATTY. DONATO C. MANGIAT  
Notary Public  
Commission No. NP-080 (Expires Dec. 31, 2021)  
IBP No. 135260, Dec. 16, 2020, Q.C.  
PTR No. 0598817 D. Jan. 4, 2021, Q.C.  
Attorney's Roll No. 34845  
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