CONTRACT AGREEMENT
DOCUMENT DIGITIZATION SERVICES FOR THE CITY CIVIL REGISTRY DEPARTMENT (CCRD) OF QUEZON CITY

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into by and between:

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

-and -

ESTANIEL ENTERPRISES, a sole proprietorship duly organized and existing under the laws of the Republic of the Philippines with office address at 7A March Street Congressional Village, Bahay Toro, Quezon City, represented herein by its Proprietor, **NOEL T. YAP**, and hereinafter referred to as the **"SERVICE PROVIDER"**

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

- RECITAL -

WHEREAS, the Bids and Awards Committee conducted a competitive bidding on 22 October 2024 for the DOCUMENT DIGITIZATION SERVICES FOR THE CITY CIVIL REGISTRY DEPARTMENT (CCRD) OF QUEZON CITY under Project No. CCRD-24-SERVICES-1583 (the "**Project**").

WHEREAS, the **SERVICE PROVIDER** participated in the competitive bidding and was declared to be the Single Bid as Read;

WHEREAS, the **SERVICE PROVIDER** passed both the detailed evaluation and post qualification stages, and was declared as the Single Calculated and Responsive Bid;

WHEREAS, on NOV 22 2024 a Notice of Award was issued to the **SERVICE PROVIDER**;

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. **Scope of Work.*** Pursuant to and in accordance with the Contract Documents provided herein, the **SERVICE PROVIDER** undertakes to deliver to the **CITY** the scope of work required by the Project, the specifications of which are specifically defined under Section VI. Schedule of Requirements, Section VII. Technical Specifications of the Bidding Documents and the Terms of Reference (TOR).

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) Terms of Reference;
(i) Supplemental Bid Bulletins, if any;
(j) Bid Form;
(k) Schedule of Prices;
(l) Notice of Award;
(m) Notice to Proceed;
(n) Obligation Request;
(o) Certificate of Availability of Fund (CAF);
(p) Performance Security; and
(q) 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. ***Term.*** This Agreement shall be effective for the period commencing on NOV 22 2024 and ending on JAN 06 2025. The **SERVICE PROVIDER** shall deliver to the **CITY** the required deliverables within a period of Forty-Five (45) Calendar Days from the issuance of the Notice to Proceed or upon completion of 280,880 set of documents with full completion and acceptance, whichever comes first and one (1) year for maintenance and warranty. The Project Milestones stated in the Bidding Documents and the Terms of Reference are as follows:

PROJECT MILESTONES	CALENDAR DAYS
Project kick-off: A detailed discussion on the process and limitation of the project	Within seven (7) days upon issuance of Notice to Proceed (NTP)
Documentation Digitization (scanning, uploading, encoding and evaluation)	Within forty-five (45) days upon issuance of Notice to Proceed or upon completion of 280,880 set of documents with full completion and acceptance, whichever comes first

Section 4. ***Contract Price.*** In consideration of the complete and faithful delivery of any and all Services and performance of any and all obligations of the **SERVICE PROVIDER** under this Agreement, the **SERVICE PROVIDER** shall be paid for the entire duration of the Agreement the total amount of THREE MILLION NINE HUNDRED NINETY THOUSAND PESOS AND 00/100 ONLY (Php 3,990,000.00) inclusive of the 12% Value Added Tax (VAT) (the "**Contract Price**") in accordance with the conditions set forth in Section 5 hereof.

Section 5. ***Terms of Payment.*** Payment to the **SERVICE PROVIDER** shall be paid based on the following man-days:

MILESTONES	PAYMENT SCHEDULE
Upon completion of 50% of the total sets (140,440 sets), payment of 50% of the total project cost will be released.	50%
Upon completion of an additional 30% of the total sets (84,264 sets), payment of 30% of the total project cost will be released.	30%
Upon completion of the remaining 20% of the total sets (56,176 sets) and final approval of all deliverables, the remaining 20% of the total project cost will be released.	20%
Total	100%

The processing of payments will entail the approval by the **CITY** of the **SERVICE PROVIDER'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. ***Project Cost Adjustment.*** As stated in Republic Act 9184, otherwise known as the Government Procurement Reform Act, Section 61.2, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the Government of the Philippines, promulgated after the date of bid opening, *[such as, but not limited to, increase in minimum daily wage pursuant to law or new wage order],* a contract price adjustment shall be made on a no loss-no gain basis.

Section 7. ***Standard of Performance.*** The **SERVICE PROVIDER** shall perform the required services and carry out its obligations with all due diligence, efficiency and economy. It shall observe the highest degree of standards based on industry practice.

Section 8. ***Penalties.*** The **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER**, is hereby authorized to deduct any amount due as liquidated damages from any amount due or may become due and owing to the **SERVICE PROVIDER** or from any and all bonds or securities posted by the **SERVICE PROVIDER** 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 Service Provider.*** The **SERVICE PROVIDER** hereby represents and warrants to the **CITY** as follows:

a. The **SERVICE PROVIDER** is a corporation duly organized, validly existing and in good standing under the laws of the Republic of the Philippines.

b. The **SERVICE PROVIDER** 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;

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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER's** supply, deliver and performance of its Services under this Agreement.

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

a. When the **SERVICE PROVIDER** becomes insolvent, or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against the **SERVICE PROVIDER**, 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 **SERVICE PROVIDER** for the benefit of its creditors; (iii) the admission in writing by the **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER;**

b. When the **SERVICE PROVIDER** 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER** in default and shall have the right to:

a. Terminate this Agreement;

b. Call on the Performance Security to answer for any and all damages of whatever nature suffered by the **CITY** resulting or arising from the **SERVICE PROVIDER's** default; and

c. Take such other steps or actions against the **SERVICE PROVIDER** for the full protection and enforcement of the **CITY's** rights and interests.

Section 15. ***Compliance with Laws, Ordinances and Regulations.*** The **SERVICE PROVIDER** 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
SERVICE PROVIDER	:	**ESTANIEL ENTERPRISES** 7A March Street Congressional Village, Bahay Toro, Quezon City

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 **SERVICE PROVIDER** 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 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 NOV 22 2024, at Quezon City.

QUEZON CITY GOVERNMENT

By:

MA. JOSEFINA G. BELMONTE
City Mayor

ESTANIEL ENTERPRISES

By:

NOEL T. YAP
Proprietor

SIGNED IN THE PRESENCE OF:

RUBY G. MANANGU
City Accountant

Republic of the Philippines
Quezon City Government
BAGONG PILIPINAS
2411130

ACKNOWLEDGMENT

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

NOV 22 2024

BEFORE ME, a Notary Public for and in QUEZON CITY, this _____, 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-008-1744
NOEL T. YAP, in his capacity as the proprietor of Estaniel Enterprises	DRIVERS LICENSE : N02-83-003774

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. 115;
Page No. 24;
Book No. LXXV;
Series of 2024

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ATTY. RIZAL JOSE F. VALMORES
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
ADM MATTER NO. 153
PTR NO. 5091994D 01-02-2024 / Q.C.
IBP NO. 329024 / 12-15-2023 / Q.C.
ROLL NO. 28435
MCLE NO. VIII-0008500 / 05-07-2024
Address: Boni Serrano Road, Barangay San Roque, Murphy, Quezon City