

CONTRACT AGREEMENT
FOR THE
SUPPLY AND DELIVERY OF BRAND NEW DROP SIDE TRUCK FOR
NORSU MAIN CAMPUS

THIS CONTRACT is made and entered into this ___ day of DEC 18 2020 by and between:

NEGROS ORIENTAL STATE UNIVERSITY, a State University organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Kagawasan Ave., Main Campus, Dumaguete City, Negros Oriental, Philippines, duly represented by **DR. JOEL P. LIMSON**, hereinafter referred to as **OWNER**.

And

HYUNDAI CEBU INC., of 21 A.S. Fortuna St., Banilad Mandaue City Cebu, duly represented by **MR. Garrick F. Halican** by virtue of a Secretary's Certificate dated July 17, 2020 authorized by **PIO Y. GO**, hereinafter referred to as **SUPPLIER**.

WITNESETH:

WHEREAS, a public bidding was conducted on September 9, 2020 at the BAC Office of Negros Oriental State University, Kagawasan Avenue, Dumaguete City for the project "**Supply and Delivery of Brand New Drop Side Truck for NORSU Main Campus**";

WHEREAS, the NORSU Bids and Awards Committee recommended to the University President that the project shall be awarded to **HYUNDAI CEBU INC.**, its offer being the most advantageous to the Philippine Government;

WHEREAS, time is the essence of this contract;

NOW, THEREFORE, for and in consideration of the foregoing premises and other covenants hereinafter named, the parties agree as follows:

ARTICLE I. CONTRACT DOCUMENTS

The following documents shall be attached, deemed to form, and be read and construed as integral part of this Agreement, to wit:

- (a) The Bid Form and the Price Schedule by the Bidder;
- (b) The Schedule of Requirements;
- (c) The Technical Specifications;
- (d) The General Conditions of Contract;
- (e) The Special Conditions of Contract;
- (f) The Performance Security; and
- (g) Eligibility requirements, documents and/or statements;
- (h) Performance Security;
- (i) Notice of Award of Contract and the Bidder's conforme thereto;
- (j) Abstract of Bids
- (k) Resolution of the BAC recommending the award of the project to the winning bidder;
- (l) Other contract documents that may be required by existing laws and/or the Entity.

ARTICLE II – SCHEDULE OF REQUIREMENTS

The inclusions in the delivery of the items in this contract are as follows:

known/Branded, Brand New Drop Side Truck (1 unit)

- at least 14 ft Cargo Body length, at least standard width -**Bidder counter Offer is 16ft Cargo body**
- Engine Displacement: At least 3.5L but not exceeding 5.0L
- 4 cylinder, Turbo-Inter-Cooler, Direct Injection, Diesel Engine
- 5 speed Manual Transmission
- Tires and Wheels 6 wheelers with Spare Tire
- Hydraulic with Vacuum Servo Assistance
- Suspension, Multi Leaf Spring Front and Rear
- Fuel Tank Capacity at least 100 liters
- With Air-conditioning system
- Power Window type, Auto door lock type
- Engine: at least 500+ NM

Note:

1. Three years warranty on registration (red plate), comprehensive GSIS insurance and PMS warranty services
2. One year warranty on parts and labor
3. Transfer from private to government license plate number
4. At least 5 years or more Company Operation in the Vehicle Business in Negros Oriental
5. NORSU Logo (at least 6 inches in diameter) and "For Official Use Only" (3 to 4 inches)
6. Early warning device with vehicle manual and standard tools



Gil - approved to



Hyundai Cebu Incorporated (HCI)
Hyundai Cebu South Showrooms Building
J. De Veyra St., Skyway Correas NPA, Port Center,
Cebu City, Philippines 6000
Tel: (032) 272-3333 Loc. 502 Fax: (032) 272-3333 Loc. 510
Email: ghalican@hyundai-cebu.com

**AFTER SALES SERVICE-PARTS / WARRANTY / PRODUCTION / TECHNICAL SPECIFICATION /
DELIVERY AND SCHEDULE REQUIREMENT**

Name of Project : SUPPLY AND DELIVERY OF BRAND NEW DROP SIDE TRUCK FOR
NORSU MAIN CAMPUS
Project Location : Negros Oriental
Project Reference No. : 7192240
Solicitation Number : GOOD20200701

- 1) AFTER SALES SERVICE-PARTS - WITH OWN SALES SHOWROOM / SERVICE AND PARTS CENTER
- 2) WARRANTY - 3 YEARS WARRANTY OR 200,000 Kms WHICHEVER COMES FIRST
- 3) PRODUCTION / TECHNICAL SPECIFICATION SIXTY (60) CALENDAR DAYS / PLEASE SEE ATTACHED TECHNICAL SPECIFICATION AND BROCHURE
- 4) DELIVERY AND SCHEDULE REQUIREMENT SIXTY(60) CALENDAR DAYS FROM THE RECEIPT OF THE APPROVED NOTICE TO PROCEEDS PLEASE SEE ATTACHED DELIVERY AND SCHEDULE OF REQUIREMENTS
- 5) MANPOWER SCHEDULE - 1 DRIVER / 1 ASSISTANT / 1 SERVICE TECHNICIAN

Prepared by:


GARRICK F. HALICAN
SALES MANAGER - CV



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ARTICLE III – DELIVERY, INSPECTION AND TESTING

The work to be performed by the SUPPLIER under this contract shall commence after seven (7) calendar days upon receipt and acceptance of the Notice to Proceed from NORSU by the SUPPLIER. The delivery of "Supply and Delivery of Brand New Drop Side Truck for NORSU Main Campus" shall be completed within Sixty (60) Calendar Days upon receipt of Notice to Proceed. All hardware components must be 100% functional and in good operating condition.

Intensive testing should be done by the SUPPLIER together with the authorized representatives (including the end-user) of the OWNER to achieve functionality and benefits of the equipment. The SUPPLIER must provide an actual result of the testing of the hardware validated by the end-user.

ARTICLE IV – WARRANTY

The warranty period for the contract shall be Three (3) years on registration (red plate), comprehensive GSIS insurance and PMS warranty services and One (1) warranty on parts and labor. The SUPPLIER hereby warrants compliance with the requirements stipulated under this contract including the hardware equipment supplied.

ARTICLE V – MAINTENANCE/TECHNICAL SUPPORT

During the warranty period, the SUPPLIER shall provide regular scheduled PMS on the said vehicle on site, must have branch dealership or tie up service center in Dumaguete City and an authorized operational local service center of the vehicle brand, in case of malfunctioning or any other related problem wholly or partly attributable to the operating condition of the said vehicle.

Winning bidder shall also provide decal stickers to be approved by the end-user with "NORSU Logo" at least 6 inches in diameter and "For Official Use Only" 3 to 4 inches, and an early warning device with vehicle manual and standard tools. With at least 5 years or more Company Operation in the Vehicle Business.

During warranty period, all parts beyond repair shall be in Intensive testing and should be done by the SUPPLIER together with the authorized representatives (including the end-user) of the OWNER to achieve functionality and benefits of the equipment. The SUPPLIER must provide an actual result of the testing of the vehicle validated by the end-user.

ARTICLE VI – TECHNOLOGY TRANSFER

When needed, the SUPPLIER must provide technology transfer/in-depth technical training to SUPPLIER'S authorized personnel/end-user and staff, free of charge. Training shall commence before issuance of Certificate of Acceptance by OWNER.

ARTICLE VII – THE CONTRACT SUM

The OWNER for and in consideration of the faithful and satisfactory fulfillment of the contract by the SUPPLIER in accordance with the terms and conditions of all contract documents and subject to the deduction herein provided, shall pay to the SUPPLIER in Philippine Currency the sum of **One Million Nine Hundred Ninety Thousand Pesos Only (PHP 1,990,000.00)**.

ARTICLE VIII – PERFORMANCE SECURITY

In accordance with the Instruction to Bidders and General Conditions of the contract, the SUPPLIER shall furnish and file per acceptance to the OWNER a Performance Security in accordance with Section 39 of the Revised Implementing Rules and Regulations of RA 9184 to guaranty the full and faithful performance of this Agreement to answer for any liability that maybe suffered by the OWNER resulting from the violation of the SUPPLIER of labor laws and other laws. PROVIDED, that in the event of the recession or termination of this contract for breach thereof, the Performance Security, at the option of the OWNER shall be automatically forfeited in favor of the OWNER and becomes immediately payable and collectible by the OWNER, otherwise, the Performance Security shall remain and continue in full force until the aforementioned obligations as to the completion and faithful compliance of the contract, liquidated

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damages and cost of labor and materials shall have been duly satisfied, discharged, settled and paid by the SUPPLIER.

The Performance Security shall be denominated on Philippine Pesos and posted in favor of the OWNER in an amount equal to the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the required percentage of the Total Contract Price)
a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank. For biddings conducted by LGUs, the cashier's/manager's check may be issued by other banks certified by the BSP as authorized to issue such financial instrument	Five percent (5%)
b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank. For biddings conducted by LGUs, bank draft/guarantee, or irrevocable letter of credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

ARTICLE IX – LIQUIDATED DAMAGES

Should the SUPPLIER refuse to satisfactorily comply with its undertakings, and is hereby in default under this contract, the SUPPLIER shall be liable for damages for the delay and shall pay the OWNER for liquidated damages and not by way of penalty, an amount equivalent to one-tenth (1/10) of one percent (1%) of the cost of unperformed portion thereof, for every day of delay until the same is finally performed/completed and accepted by the OWNER.

It is understood that the damages herein provided are fixed and agreed liquidated damages and to be entitled to such damages, the OWNER need not prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due to SUPPLIER under the contract and/or collect such liquidated damages from the performance security posted by the SUPPLIER, whichever is convenient to the OWNER.

In no case, however, shall the total sum of liquidated damages reaches ten percent (10%) of the total contract price, by the OWNER and the erring SUPPLIER'S performance security shall be forfeited. The amount of the forfeited performance security shall be set aside from the amount of the liquidated damages that the SUPPLIER shall pay OWNER under this section and the other appropriate sanctions that may be imposed to the former.

ARTICLE X – SUPPLIER'S LIABILITY

The SUPPLIER shall assume full responsibility, agrees and binds itself to indemnify the OWNER for any loss, damage, destruction and/or injury that may be incurred the during period of

delivery until the period of acceptance for acts attributed to negligence, fault, misconduct or unlawful acts of the SUPPLIER and its personnel.

ARTICLE XI – CANCELLATION/TERMINATION OF CONTRACT

The OWNER has the right to terminate or cancel the contract without need of judicial action at any time on reasonable grounds, such as, but not limited to: unsatisfactory service and performance or violation of the terms and conditions of this contract, by giving the SUPPLIER at least fifteen (15) calendar days of written notice in advance to that effect, which Notice shall be final and binding on all parties.

Within thirty (30) days after the termination, cancellation, or rescission of this contract, the parties shall settle their respective accountabilities as of the date of termination, cancellation, or rescission.

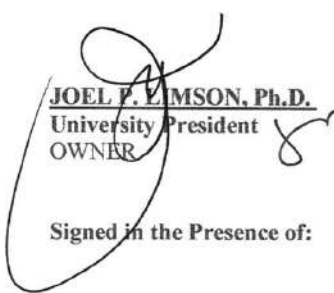
ARTICLE XII – VENUE OF COURT ACTION


Should any court action be instituted by the NORSU or SUPPLIER arising from this contract, the parties hereby agree that the venue thereof shall be the proper court in the province of Negros Oriental.

IN WITNESS WHEREOF, the parties have hereunto set their hands this DEC 18 2020 day of 2020 at NORSU Main Campus I, Kagawasan Avenue, Dumaguete City, Philippines.

NEGROS ORIENTAL STATE UNIVERSITY
Kagawasan Avenue, Dumaguete City

HYUNDAI CEBU INC.
21 A.S. Fortuna St., Banilad Mandaue City Cebu


JOEL P. JIMSON, Ph.D.
University President
OWNER


GARRICK F. HALICAN
Authorized Representative
SUPPLIER

Signed in the Presence of:


REMEGIOS S. TINGUBAN
Head, NORSU Motorpool
End-User


CHERIE ANN ZISKORINACK

ACKNOWLEDGMENT

Republic of the Philippines]
 Province of Negros Oriental } S.S
 City of Dumaguete]

BEFORE ME, a Notary Public, for and in the City of Dumaguete, Philippines, this DEC 18 2020 day of 2020, personally appeared the parties with their competent evidence of identity which bears their pictures and signatures, to wit:

Name	Identification Card/No.	Valid Until
GARRICK F. HALICAN	SSS ID No. 06-1715926-3	
JOEL P. LIMSON, Ph. D.	NORSU ID# 121101	

That they are the same persons who executed the foregoing instrument and acknowledged that the same is their free and voluntary act and deed consisting of seven (7) pages including this page whereon this acknowledgement is written, is signed by the parties and their instrumental witnesses on each and every page thereof and sealed with my Notarial Seal.

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

Doc. No. 467 ;
 Page No. 94 ;
 Book No. XIII ;
 Series of 2020.

Sum
ACHILLES ARTURO S. UMBAC, JR.
 NOTARY PUBLIC
 MY COMMISSION EXPIRES ON 12/31/20
 SERIAL No. 2019-034; ROLL No. 45,698; MAY 23 09
 PTR No. 2143021; ISSUED 1/22/19; ISSUED IN
 DUMAGUETE CITY; TIN: 179-903-077

Gill - approved #