



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BIDS AND AWARDS COMMITTEE

Resolution No. 2021-40

WHEREAS, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a Public Bidding for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," with an Approved Budget for the Contract of P1,500,000.00 through the authorized appropriations under the FY 2021 General Appropriations Act, as reflected in the CY 2021 Annual Procurement Plan;

WHEREAS, on February 23, 2021, the Invitation to Bid for the Project was posted on the Philippine Government Electronic Procurement System (PhilGEPS) website, the DBM website, and all DBM bulletin boards;

WHEREAS, on March 16, 2021, after preliminary examination of the bids, the DBM-BAC, using non-discretionary "pass/fail" criteria, determined the submissions of Peniton Trading, Asahi Design Centre, Inc. (Asahi), See Manufacturing Contractor (See Manufacturing), Design and Function, Inc. (Design and Function), and Design Excellence Home and Office Systems Co. (Design Excellence) as "passed" for complying with all the eligibility and technical requirements as stated in the Bidding Documents;

WHEREAS, after evaluation of the financial components of the bids, the bids were ranked based on the total calculated bid prices to identify the Lowest Calculated Bid, as follows:

1. Peniton Trading	-	P890,000.00
2. See Manufacturing	-	P987,788.00 (as recalculated)
3. Asahi	-	P1,227,339.00
4. Design and Function	-	P1,239,490.00
5. Design Excellence	-	P1,427,800.00

WHEREAS, the DBM-BAC accordingly declared the submission of Peniton Trading as the Lowest Calculated Bid in the amount of P890,000.00;

WHEREAS, based on the results of the post-qualification of the bid submission of Peniton Trading, the DBM-BAC issued Resolution No. 2021-16 dated March 23, 2021, resolving as follows:

1. To declare the post-disqualification of Peniton Trading for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," and to notify the said bidder in writing about its post-disqualification and the grounds¹ for it,

¹ After verification, validation, and ascertainment of all statements made and documents submitted by Peniton Trading, using non-discretionary criteria, as stated in the Bidding Documents, the DBM-BAC determined that the submission of Peniton Trading failed the criteria of post-qualification, particularly for its non-compliance with the required contents of Section VII. Technical Specifications and the Omnibus Sworn Statement, as prescribed in

pursuant to Section 34.5 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184; and

2. To initiate and complete the post-qualification process on the bidder with the second Lowest Calculated Bid, See Manufacturing Contractor, pursuant to Section 34.6 of same IRR.

WHEREAS, however, under BAC Resolution No. 2021-19 dated April 6, 2021, the DBM-BAC resolved, as follows:

1. To declare the bid of See Manufacturing for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," in the amount of P987,788.00 as the Lowest Calculated and Responsive Bid (LCRB) in accordance with Section 34.6 of the 2016 Revised IRR of RA No. 9184;
2. To recommend to the DBM Secretary, as the Head of the Procuring Entity (HoPE), that the contract for the Project be awarded to See Manufacturing in the above-mentioned amount, in accordance with Section 37.1.1 of the 2016 Revised IRR of RA No. 9184; and
3. To notify all other bidders, in writing, of the DBM-BAC's recommendation within three (3) calendar days from the issuance of the resolution recommending award of the contract, pursuant to Section 37.1.1 of the 2016 Revised IRR of RA No. 9184;

WHEREAS, subsequently, under BAC Resolution No. 2021-31 dated May 18, 2021, the DBM-BAC resolved to:

1. Disqualify See Manufacturing in view of its failure, refusal and inability to post the required Performance Security, as provided in Section 40.2 of the 2016 Revised IRR of RA No. 9184;
2. Initiate and complete the post-qualification process on the bidder with the next Lowest Calculated Bid, Asahi, in accordance with Section 40.2 of the same IRR; and
3. Recommend to the Secretary of the DBM, as the HoPE, the blacklisting of See Manufacturing Contractor, particularly as follows:

Pursuant to Section 6.0 of Appendix 10 of the 2016 Revised IRR of RA No. 9184, the issuance to See Manufacturing Contractor of a **blacklisting order** for a period of two years in all government procurement activities which includes the demand for the **payment of a fine in the amount of P239,551.00**, equivalent to the difference between the evaluated bid prices of See Manufacturing (i.e., P987,788.00) and Asahi, the bidder with the next Lowest Calculated Bid (i.e., P1,227,339.00), within fifteen (15) days from receipt of the blacklisting order;

WHEREAS, under BAC Resolution No. 2021-39 dated June 1, 2021, the DBM-BAC resolved to:

1. Declare the post-disqualification of Asahi for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," and to notify the said bidder in writing about its post-disqualification and the grounds² for it, pursuant to Section 34.5 of the 2016 Revised IRR of RA No. 9184; and
2. Initiate and complete the post-qualification process on the bidder with the next Lowest Calculated Bid, Design and Function, in accordance with Section 34.7 of the same IRR;

WHEREAS, considering the foregoing, after verification, validation, and ascertainment of all statements made and documents submitted by Design and Function, using non-discretionary criteria, as stated in the Bidding Documents, the DBM-BAC found that the submission of Design and Function passed all the criteria for post-qualification.

NOW, THEREFORE, for and in consideration of the foregoing premises, the DBM-BAC **RESOLVED**, as it is hereby **RESOLVED**, the following:

1. To declare the bid of Design and Function, Inc. for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," in the amount of P1,239,490.00 as the LCRB in accordance with Section 34.7 of the 2016 Revised IRR of RA No. 9184;
2. To recommend to the DBM Secretary, as the HOPE, that the contract for the Project be awarded to Design and Function, Inc. in the above-mentioned amount, in accordance with Section 37.1.1 of the 2016 Revised IRR of RA No. 9184; and
3. To notify all other bidders, in writing, of the DBM-BAC's recommendation within three (3) calendar days from the issuance of the resolution recommending award of the contract, pursuant to Section 37.1.1 of the 2016 Revised IRR of RA No. 9184.

ADOPTED, this 8th day of June 2021 at the Department of Budget and Management, General Solano St., San Miguel, Manila.

 Thea Marie
Corinne F.
Palarca

THEA MARIE CORINNE F. PALARCA
End-user Representative



VIRGILIO A. UMPACAN JR.
B.U.D.G.E.T. Representative

² After verification, validation, and ascertainment of all statements made and documents submitted by Asahi, using non-discretionary criteria, as stated in the Bidding Documents, the DBM-BAC determined that the submission of Asahi failed the criteria of post-qualification, particularly for its non-compliance with the **required contents of the Omnibus Sworn Statement**, as prescribed in the Bidding Documents for the Project consistent with the format under the 6th edition of the Philippine Bidding Documents, pursuant to Sections 25.2 (a) (viii) and 25.3 of the 2016 Revised IRR of RA No. 9184.



Digitally signed by
Dante B. De Chavez

DANTE B. DE CHAVEZ

Member



Digitally signed
by Ryan S. Lita

RYAN S. LITA

Member



Digitally signed by
Rowel D. Escalante

ROWEL D. ESCALANTE

Member



Digitally signed
by Andrea Celene
M. Magtalas

ANDREA CELENE M. MAGTALAS

Vice Chairperson



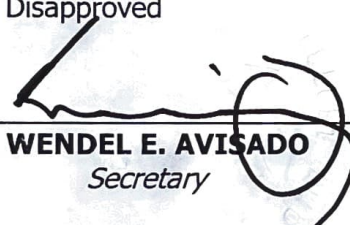
Digitally
signed by
Janet B. Abuel

JANET B. ABUEL

Chairperson

☒ Approved

☐ Disapproved


WENDEL E. AVISADO

Secretary

Date: _____



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NOTICE OF AWARD

JUN 16 2021

MS. PRECILLA M. MANGUBA

Design and Function, Inc.
Unit 1202 Prestige Tower Condominium
F. Ortigas Jr. Road, Ortigas Center
Pasig City

Dear **Ms. Manguba**:

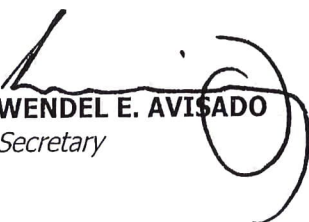
We are pleased to inform you that the contract for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," is hereby awarded to Design and Function, Inc. in the amount of P1,239,490.00.

In this regard, you are hereby required to post a performance security, which shall remain valid until the issuance of the Certificate of Final Acceptance by the Department of Budget and Management (DBM), in the amount and form prescribed in Section 39 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 (the Government Procurement Reform Act).

Pursuant to Section 37.2.1 of the same IRR, you have ten (10) calendar days from receipt of this Notice to post the said performance security and enter into a contract with the DBM.

Thank you and God Bless.

Very truly yours,


WENDEL E. AVISADO
Secretary



Received by:  6/18/21
Leonard Smith Yazar



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NOTICE TO PROCEED

MS. PRECILLA M. MANGUBA

Design and Function, Inc.
Unit 1202 Prestige Tower Condominium
F. Ortigas Jr. Road, Ortigas Center
Pasig City

Dear **Ms. Manguba**:

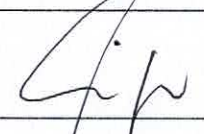
This is to inform your company that performance of the obligations specified in the attached Contract for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," shall commence upon receipt of this Notice to Proceed in accordance with Section 37.4 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 (The Government Procurement Reform Act).

Thank you and God Bless.

Very truly yours,


WENDEL E. AVISADO
Secretary



To be accomplished by the authorized representative of the winning bidder:	
This Notice is acknowledged and accepted in behalf of <u>Design and Function, Inc.</u>	
Name of Authorized Representative	Precilla M. Manguba
Signature	
Date	July 9, 2021

CONTRACT No. 2021-23
SUPPLY AND DELIVERY OF FURNITURE AND FIXTURES FOR THE
DBM ARCACHE BUILDING

This CONTRACT made and entered into by and between the following:

DEPARTMENT OF BUDGET AND MANAGEMENT, a government agency - created by virtue of the laws of the Republic of the Philippines, with principal office address at General Solano St., San Miguel, Manila, represented herein by its **SECRETARY, WENDEL E. AVISADO**, hereinafter called the "**DBM**";

- and -

DESIGN AND FUNCTION, INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Unit 1202 Prestige Tower Condominium, F. Ortigas Jr. Road, Ortigas Center, Pasig City, represented by its **AUTHORIZED REPRESENTATIVE, PRECILLA M. MANGUBA**, hereinafter referred to as the "**SUPPLIER**";

Collectively, the "**PARTIES**";

WITNESSETH:

WHEREAS, the DBM conducted a public bidding for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," and the bid of the Supplier was declared as the Lowest Calculated and Responsive Bid in the amount of One Million Two Hundred Thirty-Nine Thousand Four Hundred Ninety Pesos (P1,239,490.00), hereinafter called the "Contract Price";

WHEREAS, pursuant to Sections 37 and 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184, the Notice of Award was issued to the Supplier last June 18, 2021, and the Supplier posted its performance security in the form of a Performance Security Declaration on June 23, 2021, in the amount of N/A (P N/A);

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereby mutually stipulate and agree as follows:

1. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the General and Special Conditions of Contract referred to in Annex D and E, respectively.
2. The following documents shall form and be read and construed as part of this Contract:

Annex	A	-	Bid Form
	B	-	Schedule of Requirements
	C	-	Technical Specifications
	D	-	General Conditions of Contract
	E	-	Special Conditions of Contract
	F	-	Notice of Award
	G	-	Performance Security

③

3. In consideration of the payments to be made by the DBM to the Supplier, the Supplier hereby covenants with the DBM to provide the Goods and Services, which is the Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building, and to remedy defects therein in conformity with the provisions of the Contract.
4. The DBM hereby covenants to pay the Supplier, in consideration of the provision of the Goods and Services, which is the Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building, and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the time and in the manner prescribed by the Contract.
5. The period for the performance of the obligations under this Contract shall not go beyond the validity of the appropriation for this Project.
6. Entire Agreement. All parties agree that this Contract, including the attached Annexes, contains their full agreement and supersedes all previous agreements, either written or oral, if there are any. No agreements, understandings, commitments, discussions, warranty, representations or other covenants, whether oral or written, between the parties are included in this Contract, including the attached Annexes, except as set forth herein.

IN WITNESS WHEREOF, the parties hereto have signed this Contract on this ____ day of _____, 2021 at General Solano St., San Miguel, Manila, Philippines.

**DEPARTMENT OF BUDGET
AND MANAGEMENT**

by:

WENDEL E. AVISADO
Secretary



DESIGN AND FUNCTION, INC.

by:

PRECILLA M. MANGUBA
Authorized Representative

SIGNED IN THE PRESENCE OF

THEA MARIE CORINNE F. PALARCA
Director IV
Administrative Service

CYRENE M. FOYB

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in the City of MANILA, Philippines on this JUL 07 2021 day of _____, 2021 personally appeared the following:

NAME	VALID ID	VALID UNTIL
WENDEL E. AVISADO	DBM ID No. 4601	

PRECILLA M. MANGUBA	NO 1-04-269971 Driver's License	May 11, 2024
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known to me to be the same persons who executed the foregoing Contract and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This CONTRACT for the Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building was signed by the parties, and their material witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this _____ day of JUL 07 2021, 2021.

ATTY. CARY CAMITAN AURE
NOTARY PUBLIC, ROLL NO. 60777
PTR No. 9826456 issued on Jan. 4, 2021 until Dec. 31, 2021 Manila
JER License No. 07-1540 issued on Feb. 2, 2018
Commission No. 2018-521 issued on Jan. 31, 2018 until Dec. 31, 2021 Manila
MCLE No. VI-000618 issued on Feb. 20, 2018 at Pasig, City Valid until April 14, 2022
Office Address: G/F YNCA Building, 350 Antonio Villegas Street, Ermita, Manila

Doc. No. 491;
Page No. 49;
Book No. LVK
Series of 2021.

BID FORM

Date: March 12, 2021

Project Identification No. : **DBM-2021-19***To: Department of Budget and Management**General Solano Street, San Miguel, Manila*

Having examined the Philippine Bidding Documents (PBDs) including the Supplemental or Bid Bulletin Numbers 1, the receipt of which is hereby duly acknowledged, we, the undersigned, offer **Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building** in conformity with the said PBDs for the sum of *One Million Two Hundred Thirty Nine Thousand Four Hundred Ninety Pesos Only (PhP 1,239,490.00)* or the total calculated bid price, as evaluated and corrected for computational errors, and other bid modifications in accordance with the details provided herein and made part of this Bid. The total bid price includes the cost of all taxes, such as, but not limited to those which are itemized herein.

	Particulars	Quantity	Cost per Piece/Set ¹	Total Price (inclusive of VAT)
1	Office Technical Chair	129 pcs	3,700.00	477,300.00
2	3-Seater Sofa	3 pcs	26,000.00	78,000.00
3	Dining Chair	6-pc set	3,500.00	21,000.00
4	Assistant Director's Chair	2 pcs	7,500.00	15,000.00
5	Visitor's Chair	14 pcs	4,135.00	57,890.00
6	Conference Chair	24-pc set	3,700.00	88,800.00
7	Gang Chair	4 pcs	8,000.00	32,000.00
8	Side board Cabinet	18 pcs	9,500.00	171,000.00
9	Sofa One-Seater	5 pcs	15,500.00	77,500.00
10	Conference Chair (Executive Type)	34 pcs	6,500.00	221,000.00
	Total			PhP 1,239,490.00

If our Bid is accepted, we undertake:

- to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements of the Philippine Bidding Documents (PBDs);
- to provide a performance security in the form, amounts, and within the times prescribed in the PBDs;
- to abide by the Bid Validity Period specified in the PBDs and it shall remain binding upon us at any time before the expiration of that period.

¹ For Item Nos. 3 and 6, please indicate cost of the set



Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the Lowest Calculated Bid or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements pursuant to the PBDs.

The undersigned is authorized to submit the bid on behalf of *Design & Function Incorporated* as evidenced by the attached *Secretary's Certificate*.

We acknowledge that failure to sign each and every page of this Bid Form, shall be a ground for the rejection of our bid.

Name: Precilla M. Manguba

Legal capacity: Sales Manager

Signature:



Duly authorized to sign the Bid for and behalf of: Design & Function Incorporated

Date: March 12, 2021

Section VI. Schedule of Requirements

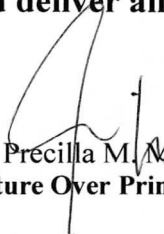
The delivery schedule stipulates hereafter the date of delivery to the project site.

Item	Description	Quantity	Delivery Schedule
1	Office Technical Chair	129 pcs	Within thirty (60) calendar days upon receipt of Notice to Proceed
2	3-Seater Sofa	3 pcs	
3	Dining Chair	6-pc set	
4	Assistant Director's Chair	2 pcs	
5	Visitor's Chair	14 pcs	
6	Conference Chair	24-pc set	
7	Gang Chair	4 pcs	
8	Side board Cabinet	18 pcs	
9	Sofa One-Seater	5 pcs	
10	Conference Chair (Executive Type)	34 pcs	
11	Submission of Warranty Certificate by the Supplier	-	Within three (3) working days from the date of acceptance by the DBM-Administrative Service

* The period for the performance of the obligations under the Contract shall not be beyond the validity of the appropriation for the Project.

I hereby certify to comply and deliver all the above requirements.

Design & Function Inc.
Name of Company/Bidder


Precilla M. Manguba
Signature Over Printed Name of Representative

March 11, 2021
Date

Section VII. Technical Specifications

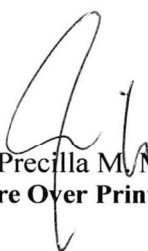
Bidders must state here either "Comply" or any equivalent term in the column "Bidder's Statement of Compliance" against each of the individual parameters of each "Specification."

Item	Specifications	Quantity	Bidder's Statement of Compliance
1	Office Technical Chair Mid high back swivel with armrest, lumbar support, fabric upholstered, backtilt, gaslift starbase with caster Color: submit swatches color for approval	129 pcs	COMPLY
2	3-Seater Sofa Dimension: 2090-2100mm(W) x 740-750mm(D) x 840-850mm(HT) Frame: Traditional kiln dried wood framing Legs: metal legs in chrome finish High resilience polyurethane cushion Textured heavy duty leatherette, dark gray/black Design: submit picture of design for approval	3 pcs	COMPLY
3	Dining Chair 430-480mm(W) x 460-500mm (D) x 750-800mm(HT) Stackable, Black, heavy duty leatherette upholstery on polished chrome legs with plastic glides. Frame: Bentwood backrest and seat frame All chairs shall be similar in style as a set	6-pc set	COMPLY
4	Assistant Director's Chair High back swivel with integrated armrest, lumbar support, polyurethane cushion, leatherette upholstery, gaslift, backtilt, starbase with caster Color: submit swatches color for approval	2 pcs	COMPLY
5	Visitor's Chair Dimension: 490-500mm(W) x 510-520mm(D) x 790-800mm (HT) Mid high back Fabric, polyurethane cushion foam on padded armrest, sled type black legs Color: submit swatches color for approval	14 pcs	COMPLY
6	Conference Chair Mid-high back swivel with armrest, lumbar support, polyurethane cushion with fabric upholstered seat, starbase with caster, gaslift Color: submit swatches color for approval All chairs shall be similar in style as a set	24-pc set	COMPLY
7	Gang Chair Maximum dimension: 1800-2330mm(L) x 650-680mm (W) x 635-780mm (HT) 4-seater gang chair, Mid-high with arms chrome plated seat and back With six (6) legs, located at the middle and both ends	4 pcs	COMPLY

8	Side board Cabinet Dimension: 800mm(L) x 400mm(W) x 900mm (HT) Thickness: ¾" Wood: Full medium density fibre (MDF) board Rectangular shaped counter cabinet with 2 door cabinet and an open shelf Color: white laminate finish for body, Oakwood laminate finish for cabinet doors	18 pcs	COMPLY
9	Sofa One-Seater Dimension: 890-900(W) x 740-750mm(D) x 840-850mm (HT) Traditional kiln dried wood frame metal legs in chrome finish High resilience polyurethane Textured heavy duty leatherette Black	5 pcs	COMPLY
10	Conference Chair (Executive Type) High back swivel, lumbar support, polyurethane cushion with leatherette upholstered seat, padded armrest, backtilt, starbase with caster, gaslift Color: submit swatches color for approval	34 pcs	COMPLY
Warranty: One (1) year on parts and services, or replacement of unit(s) if not repairable.			

I hereby certify to comply with all the above Technical Specifications.

Design & Function Inc.
Name of Company/Bidder


 Precilla M. Manguba
Signature Over Printed Name of Representative

March 11, 2021
Date



design & function
incorporated

unit 2609, 26/f prestige tower condominium
f. ortigas jr. road, ortigas center, pasig city, philippines, 1605
tel. nos. +632 716.3800 * 633.5394 * 633.9699 * 636.1957 * 633.8311
e-mail: dfisales@designandfunctioninc.com
website: www.designandfunctioninc.com

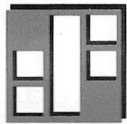
MANPOWER REQUIREMENTS

Qualification of Key Personnel Proposed to be assigned to Department of Budget and Management with office address at General Solano Street, San Miguel, Manila.

Project Manager	Warren M. Sorsogon	
Technical Supervisor	Ricky M. Manguba	
CAD Designer	Ezekiel A. Corpuz	
Warehouse Staff	Geraldine Gripal (Checker) Verna Norcio (Inventory)	
Delivery/Installers	Francis Valera Merlito Macalla Michael Valencia Joey Frias Rex Te Domas	Frederick Chan Benjie Cotamen Marino Padernilla Andy Macasil Rondito Pepito
Production	Arman Castillo (Prdn' Head) Fernando Macasil (Stockman-Partition) Glenn Pron (Stockman-Chair) Jimmy Raquid (Stockman-Cabinet) Elizer Esponilla (Staff) Gerry Velasco (Staff) Joey Frias (Staff) Reggie Singin (Staff)	

Submitted by:


Precilla M. Manguba
Sales Manager
March 15, 2021



design & function
incorporated

unit 2609, 26/f prestige tower condominium
f. ortigas jr. road, ortigas center, pasig city, philippines, 1605
tel. nos. +632 716.3800 * 633.5394 * 633.9699 * 636.1957 * 633.8311
e-mail: dfisales@designandfunctioninc.com
website: www.designandfunctioninc.com

AFTER SALES WARRANTY CERTIFICATION

DESIGN & FUNCTION, INC., gives One (1) year warranty on parts and services for various modular office furniture from the date of purchase and delivery to Department of Budget and Management with office address at General Solano Street, San Miguel, Manila.

Done this 15th day of March, 2021 at 12/F, 1202 Prestige Tower Condominium, F. Ortigas Jr., Ortigas Center, San Antonio, Pasig City.

Submitted by:

Precilla M. Manguba
Sales Manager
March 15, 2021

No. 2021-10
Cc. Office File

Section IV. General Conditions of Contract

1. Scope of Contract

This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. All the provisions of RA No. 9184 and its 2016 Revised IRR, including the Generic Procurement Manual, and associated issuances, constitute the primary source for the terms and conditions of the Contract, and thus, applicable in contract implementation. Herein clauses shall serve as the secondary source for the terms and conditions of the Contract.

This is without prejudice to Sections 74.1 and 74.2 of the 2016 Revised IRR of RA No. 9184 allowing the GPPB to amend the IRR, which shall be applied to all procurement activities, the advertisement, posting, or invitation of which were issued after the effectivity of the said amendment.

Additional requirements for the completion of this Contract shall be provided in the **Special Conditions of Contract (SCC)**.

2. Advance Payment and Terms of Payment

2.1. Advance payment of the contract amount is provided under Annex “D” of the 2016 Revised IRR of RA No. 9184.

2.2. The Procuring Entity is allowed to determine the terms of payment on the partial or staggered delivery of the Goods procured, provided such partial payment shall correspond to the value of the goods delivered and accepted in accordance with prevailing accounting and auditing rules and regulations. The terms of payment are indicated in the **SCC**.

3. Performance Security

Within ten (10) calendar days from receipt of the Notice of Award by the Bidder from the Procuring Entity but in no case later than prior to the signing of the Contract by both parties, the successful Bidder shall furnish the performance security in any of the forms prescribed in Section 39 of the 2016 Revised IRR of RA No. 9184.

4. Inspection and Tests

The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Project specifications at no extra cost to the Procuring Entity in accordance with the Generic Procurement Manual. In addition to tests in the **SCC, Section IV (Technical Specifications)** shall specify what inspections and/or tests the Procuring Entity requires, and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

All reasonable facilities and assistance for the inspection and testing of Goods, including access to drawings and production data, shall be provided by the Supplier to the authorized inspectors at no charge to the Procuring Entity.

5. Warranty

- 5.1 In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier as provided under Section 62.1 of the 2016 Revised IRR of RA No. 9184.
- 5.2 The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, repair or replace the defective Goods or parts thereof without cost to the Procuring Entity, pursuant to the Generic Procurement Manual.

6. Liability of the Supplier

The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

If the Supplier is a joint venture, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.

Section V. Special Conditions of Contract

Special Conditions of Contract

GCC Clause	
1	<p>Delivery and Documents</p> <p>For purposes of the Contract, “EXW,” “FOB,” “FCA,” “CIF,” “CIP,” “DDP” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p>“The delivery terms applicable to the Contract are DDP delivered Manila. In accordance with INCOTERMS.”</p> <p>“The delivery terms applicable to this Contract are to be delivered in Manila. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.”</p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI (Schedule of Requirements).</p> <p>For purposes of this Clause the Procuring Entity’s Representative at the Project Site is Director Thea Marie Corinne Palarca, Administrative Service.</p> <p>Incidental Services</p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:</p> <ul style="list-style-type: none"> a. performance or supervision of on-site assembly and/or start-up of the supplied Goods; b. furnishing of tools required for assembly and/or maintenance of the supplied Goods; c. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods; and d. performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract. <p>The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.</p>

Packaging

The Supplier shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.

The outer packaging must be clearly marked on at least four (4) sides as follows:

Name of the Procuring Entity
Name of the Supplier
Contract Description
Final Destination
Gross weight
Any special lifting instructions
Any special handling instructions
Any relevant HAZCHEM classifications

A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.

Transportation

Where the Supplier is required under Contract to deliver the Goods CIF, CIP, or DDP, transport of the Goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in this Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the contract price.

	<p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered force majeure.</p> <p>The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP deliveries. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to the Procuring Entity until their receipt and final acceptance at the final destination.</p> <p>Intellectual Property Rights</p> <p>The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.</p>
2.2	<p>In order to proceed with the payment process, the bidder must submit the following documents in case they were not submitted during the deadline for the submission of bidding documents/post-qualification stage/contract signing stage, as applicable:</p> <ul style="list-style-type: none"> a. Renewed Mayor's/Business Permit in lieu of the submitted expired permit; b. Notarized Omnibus Sworn Statement in lieu of the submitted unnotarized Omnibus Sworn Statement; and c. Notarized Performance Securing Declaration (PSD) or any form of Performance Security, as stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184, in lieu of the unnotarized PSD.
3	<p>In accordance with item 6.4 of GPPB Resolution No. 09-2020, a Performance Securing Declaration (PSD) shall be accepted in lieu of a performance security to guarantee the winning bidder's faithful performance of obligations under the contract, subject to the following:</p> <ul style="list-style-type: none"> a. Similar to the PSD used in Framework Agreement, such declaration shall state, among others, that the winning bidder shall be blacklisted from being qualified to participate in any government procurement activity for one (1) year, in case of first offense or two (2) years, if with prior similar offense, in the event it violates any of the conditions stated in the contract;

	<p>b. An unnotarized PSD may be accepted, subject to submission of a notarized PSD before payment, unless the same is replaced with a performance security in the prescribed form, as stated below; and</p> <p>c. The end-user may require the winning bidder to replace the submitted PSD with a performance security in any of the prescribed forms under Section 39.2 of the 2016 Revised IRR of RA No. 9184 upon lifting of the State of the Calamity, or community quarantine or similar restriction, as the case may be.</p>
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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NOTICE OF AWARD

JUN 16 2021

MS. PRECILLA M. MANGUBA

Design and Function, Inc.
Unit 1202 Prestige Tower Condominium
F. Ortigas Jr. Road, Ortigas Center
Pasig City

Dear **Ms. Manguba**:

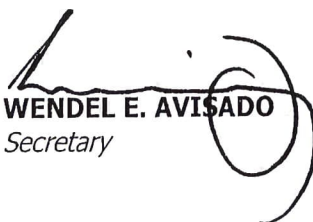
We are pleased to inform you that the contract for the Project, "Supply and Delivery of Furniture and Fixtures for the DBM Arcache Building," is hereby awarded to Design and Function, Inc. in the amount of P1,239,490.00.

In this regard, you are hereby required to post a performance security, which shall remain valid until the issuance of the Certificate of Final Acceptance by the Department of Budget and Management (DBM), in the amount and form prescribed in Section 39 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 (the Government Procurement Reform Act).


Pursuant to Section 37.2.1 of the same IRR, you have ten (10) calendar days from receipt of this Notice to post the said performance security and enter into a contract with the DBM.

Thank you and God Bless.

Very truly yours,


WENDEL E. AVISADO
Secretary



Received by:  6/18/21
Leonard Smith Yazar

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG CITY) S.S.
X-----X

PERFORMANCE SECURING DECLARATION

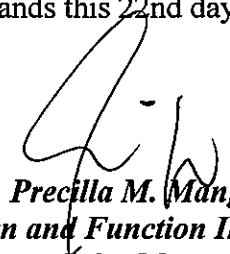
Invitation to Bid: DBM -2021-19

To: *Department of Budget and Management
General Solano Street, San Miguel, Manila*

We, the undersigned, declare that:

1. We understand that, according to your conditions, to guarantee the faithful performance by the supplier of its obligations under the Contract, we shall submit a Performance Securing Declaration within a maximum period of ten (10) calendar days from the receipt of the Notice of Award prior to the signing of the Contract.
2. We accept that we will be automatically disqualified from bidding for any procurement contract with any procuring entity for a period of one (1) year if in case it is my first offense, or two (2) years if I have a prior similar offense upon receipt of your Blacklisting Order if we have violated our obligations under the Contract.
3. We understand that this Performance Securing Declaration shall cease to be valid upon:
 - a. issuance by the Procuring Entity of the Certificate of Final Acceptance, subject to the following conditions:
 - i. Procuring Entity has no claims filed against the contract awardee;
 - ii. It has no claims for labor and materials filed against the contractor; and
 - iii. Other terms of the contract; or
 - b. replacement by the winning bidder of the submitted PSD with a performance security in any of the prescribed forms under Section 39.2 of the 2016 IRR of RA No. 9184 as required by the end-user.

IN WITNESS WHEREOF, We have hereunto set our hands this 22nd day of June, 2021 at Pasig City.


Precilla M. Manguba
Design and Function Incorporated
Sales Manager
Affiant

SUBSCRIBED AND SWORN TO before me this 22nd day of June, 2021 at Pasig City, Philippines. Affiant is personally known to me and was identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant exhibited to me her Driver's License with License No.NO 1-04-269971, with her photograph and signature appearing thereon, with expiry date on May 11, 2024.

Witness my hand and seal this 22nd day of June, 2021.

ATTY. FERDINAND D. AYALAO

Notary Public

NAME OF NOTARY PUBLIC Unit 5, West Tower PSE, Exchange Road
 Serial No. Appointment No. 184 (2020-2021)
 Notary Public For Pasig City, Pateros and San Juan City
 Roll of Attorneys No. O.R. No. 535886; 06-21-2001
 PTR No. TIN 123-011-785; PTR 7205599; 01-06-21; Pasig
 Date Ortigas Center, Pasig City Tel +632-86314090
 Place _____
 TIN _____
 IBP _____

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