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CONTRACT AGREEMENT

(Detailed Architectural and Engineering Design Services (DAEDS) for the Proposed Two-Storey College of Science and Mathematics (CSM) Academic Building)

THIS AGREEMENT is made and entered into by and between:

The UNIVERSITY OF THE PHILIPPINES, the national university of the Philippines, created by virtue of Act No. 1870, as amended and re-organized and operating by virtue of Republic Act No. 9500, through its constituent unit, the UNIVERSITY OF THE PHILIPPINES MINDANAO (UP MINDANAO), established by virtue of Republic Act No. 7889, with office address at Administration Building, Mintal, Tugbok District, Davao City, represented herein by its Chancellor, DR. LARRY N. DIGAL, Ph.D.; hereinafter referred to as the "UNIVERSITY"

and

The PALAFOX ASSOCIATES, an entity duly organized and existing under the laws of the Republic of the Philippines, with address at Makati City represented herein by its Founder and Managing Partner, AR. FELINO A. PALAFOX JR., hereinafter referred to as the "ARCHITECT".

WHEREAS, the UNIVERSITY is desirous that the ARCHITECT executes Detailed Architectural and Engineering Design Services (DAEDS) for the Proposed Two-Storey College of Science and Mathematics (CSM) Academic Building, hereinafter called "the Work" and the UNIVERSITY has accepted the Bid for Eight Million Nine Hundred Seventy-Six Thousand Five Hundred Twelve Pesos and 00/100 (P8,976,512.00) by the ARCHITECT for the execution and completion of such Works and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

- In this Agreement, words and expressions shall have the same meanings as the respectively assigned to them in the Conditions of contract hereinafter referred to.
- 2. The following documents as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - a. Philippine Bidding Documents (PBDs);
 - i. Drawings/Plans;
 - ii. Specifications;
 - iii. Bill of Quantities;
 - iv. General and Special Conditions of Contract;
 - v. Terms of Reference (TOR); and
 - vi. Supplemental or Bid Bulletins, if any.
 - Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;

- c. Performance Security;
- d. Notice of Award of Contract and the Bidder's conforme thereto:
- e. Terms of Reference; and
- f. Other contract documents that may be required by existing laws and/or the Procuring Entity concerned in the PBDs. Winning bidder agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

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Contract Agreement – Detailed Architectural and Engineering Design Services for the Proposed Two-Storey College of Science and Mathematics (CSM) Academic Building

3. PAYMENTS - In consideration of the payments to be made by the UNIVERSITY to the ARCHITECT as hereinafter mentioned, the ARCHITECT hereby covenants with the UNIVERSITY to provide the services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

The UNIVERSITY hereby covenants to pay the ARCHITECT in consideration of the provision of the services. 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.

The Contract Price is inclusive of all duties, taxes, license premiums, fees and changes which may accrue by virtue of the WORK, such as but not limited to permit and registration fees, municipal and personal property taxes, fees for storage or consumption, employment taxes, payments and contribution imposed by law and insurance. All such fees shall be for the account of the ARCHITECT. Any exemption in the payment of the foregoing shall be credited to the UNIVERSITY. The ARCHITECT is obligated to inform the UNIVERSITY in writing of any exemption obtained or granted to it with respect to taxes, licenses, and other fees. The ARCHITECT shall pay all cost incurred in the preparation of this Agreement, including notarial fees.

No changes shall be made on the contract price by reason of escalation in currency, the price of materials, tolls, equipment, or labor supervising during the course of the project, except under conditions specified by Law. Any adjustment in the Contract Price shall be done in accordance with guidance provided by law.

The schedule of payments shall be based on the services delivered and the completed milestones stipulated in the schedule provided for in the Terms of Reference (TOR) Part 1 Section 7.0 under Project Design Consultancy Services Duration, Submissions and Schedule. Any changes in the delivery dates shall be mutually agreed upon in writing between parties.

4. PERIOD OF WORK - The ARCHITECT shall complete the aforementioned Project within One Hundred Eighty (180) calendar days, starting from receipt of the Notice to Proceed ready for use of UNIVERSITY unless prevented by causes like strikes, accidents, typhoons, floods and other natural calamities or other unforeseen events, which render the work incapable of completion, in which case the UNIVERSITY shall have the power to extend the time and shall certify accordingly.

No extension of contract time whatsoever shall be granted to the ARCHITECT due to ordinary/unfavorable conditions, non-availability of equipment or personnel to be deployed, labor problems and such causes for which the UNIVERSITY is not directly responsible, or when time-affected activities do not fall within the critical part of the network. The Provisions of RA 9184 and its IRR shall apply in case of suspension of work.

5. 60-DAY EARLY EVENT SCHEDULE - The ARCHITECT shall provide the UNIVERSITY with the 60-DAY EARLY EVENT SCHEDULE within 14 days from the signing of this Agreement. This is to inform all work groups of the scheduled obligations at the initiation of the WORK and all critical key milestones. This schedule is driven by priorities to be established by the Consultant Master Project Schedule and Summary Schedules (CMPS).

The 60-day Early Event Schedule shall be maintained and updated as the execution schedule until such time when the CMPS baseline is approved.

The ARCHITECT may replace its personnel upon just and reasonable ground, provide however, that the UNIVERSITY shall give its consent in writing.

6. REPORTS - The ARCHITECT shall prepare and submit weekly and monthly reports on all phases of the DAEDS preparation as required by the UNIVERSITY. The manner and schedule of the submission of the reports shall be determined by the UNIVERSITY.

7. PROJECT MEETINGS - The ARCHITECT shall attend all meetings requested by the UNIVERSITY as deemed necessary.

Contract Agreement – Detailed Architectural and Engineering Design Services for the Proposed Two-Storey College of Science and

- 8. **MINUTES OF MEETINGS** The ARCHITECT shall prepare and distribute, minutes of all meetings within five (5) working days from date of meeting.
- 9. **OWNERSHIP OF THE MATERIALS** Any studies, reports or other materials, graphic software or otherwise, prepared by the ARCHITECT shall belong to and remain the property of the UNIVERSTY. The ARCHITECT may retain a copy of such documents and software, exclusively for record purposes.
- 10. **SUBCONTRACT** The ARCHITECT shall not assign, transfer, pledge, convey, subcontract or make any other disposition of the Contract or any part or interest therein under this Contract without the consent of the UNIVERSITY.
- 11. **LIQUIDATED DAMAGES** In the event the ARCHITECT refuses or fails to deliver within the time herein specified, or within the period or extension that may be granted by UNIVERSITY, if any, UNIVERSITY is hereby authorized to deduct liquidated damages from any amount due under this contract.

To be entitled to such liquidated damages, UNIVERSITY does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due to the ARCHITECT under the Contract and/or collect such liquidated damages from the securities posted by the ARCHITECT whichever is convenient to UNIVERSITY.

The amount of liquidated damages to be paid by the ARCHITECT shall be ONE TENTH OF ONE PERCENT (1/10 of 1 %) of the cost of the unperformed portion of the works for every day of delay.

The provisions of RA 9184 and its IRR on liquidated damages shall apply in case of liquidated damages.

- **12. CONFIDENTIALITY** The ARCHITECT shall not disclose any propriety or confidential information relating to the Services, this Contract without the prior written consent of the UNIVERSITY.
- 13. VIOLATION OF TERMS AND CONDITIONS If the ARCHITECT in any manner neglects or fails to perform any agreement herein stipulated, UNIVERSITY shall give written notice to the ARCHITECT to proceed with such work and to perform such agreement, and if it shall fail to do so accordingly within five (5) days from receipt thereof, shall be liable to the UNIVERSITY for the amount incurred in excess of the contract price plus other damages UNIVERSITY may suffer by reason thereof.
- **14. LIABILITY CLAUSE** The UNIVERSITY shall not be liable for any damage or prejudice caused to third persons arising out of or related to the contract, provided that there was no negligence on the part of the UNIVERSITY.
- **15. AMENDMENTS AND REVISIONS** All amendments or revision of any provision of this contract shall be upon the prior written consent of both parties subject to the execution of an appropriate instrument for the purpose.
- **16. APPLICABLE LAWS** Provisions in the Republic Act 9184, Republic Act No. 8393 (Intellectual Property Code) and Republic Act No. 10173 (Data Privacy Act) and its Implementing Rules and Regulations shall be deemed applicable. Other relevant laws and jurisprudence are suppletory in nature. In case of inconsistency in the provisions in this contract, RA 9184 and its IRR shall prevail.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written. 29 2021

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UNIVERSITY OF THE PHILIPPINES MINDANAO

PALAFOX ASSOCIATES

By:

LARRY N. DIGAL, Ph.D.

Chancellor

By:

AR. FELINO A. PALAFOX JR.

Founder and Managing Partner

Signed in the presence of:

Nigramanda KAREN JOYGE G. CAYAMANDA, Ph.D. Vice Chanceller for Administration

UP Mindanao

MERRYANN C. BORNALES
BUSINESS DENEWPMENT & CONTRACTS MANAGER

Palafox representative

Republic of the Philippines)
DAVAO CITY) ss.
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ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of Davao, personally appeared the following persons, to wit:

Name

Gov't Issued ID

Date Issued

1. Larry N. Digal, Ph.D.

2. Ar. Felino A. Palafox Jr.

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known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed and that it is within the authority of the entities they respectively represent in this instance.

This instrument consisting of four (4) pages including this page where the acknowledgment is written, refers to a Contract Agreement between the UNIVERSITY OF THE PHILIPPINES MINDANAO and PALAFOX ASSOCIATES. It has been signed by the parties and their instrumental witnesses at every page.

WITNESS MY HAND AND NOTARIAL SEAL this

at Davao City, Philippines.

Doc. No. 926; Page No. 67; Book No. 77; Series of 2021. Notary Public

Until December 31, 2022 IBP No. 135858 dtd. Dec. 19, 2020 for 2021 PTR No. 5023189 C dtd. Jan. 4, 2021 Roll No. 32978 Serial No. 2021-007-2022

MCLE Compliance No. VI-0012549, 09/16/18

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