

**CONTRACT FOR THE
SUPPLY OF BRAND NEW TIRES FOR GSIS MOTOR VEHICLES**

This Contract is made and executed on this ____ day of _____ at Pasay City, Philippines, by and between:

The **GOVERNMENT SERVICE INSURANCE SYSTEM**, a social insurance institution created under Commonwealth Act No. 186, as amended, and operating under its present Charter, Republic Act No. 8291, otherwise known as the GSIS Act of 1997, with principal office address at the GSIS Headquarters Building, Financial Center Area, Pasay City, represented herein by **PAUL G. DELA CUADRA**, Acting Vice President, General Services Office, hereinafter referred to as the "**GSIS**";

and

TIRE ASIA GROUP INC., a corporation duly organized and operating under the laws of the Philippines, with its principal place of business at 8277 Dr. A. Santos Ave. Sucat, Paranaque City, represented herein by **RIFELYN P. AGUSTIN**, Accounts Manager, duly authorized for this purpose, hereinafter referred to as the "**SUPPLIER**".

RECITALS

WHEREAS:

1. The **GSIS** invited quotations for the Supply of Brand New Tires for GSIS Motor Vehicles (the **Goods**) through Small Value Procurement.
2. The **SUPPLIER** submitted the Lowest Calculated and Responsive Quotation (LCRQ), representing that it has the resources and the capability to meet the requirements as defined under the Terms of Reference, and the **GSIS** has accepted said Quotation.

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties have agreed and stipulated as follows:

1. The following documents shall be deemed integral parts of this Contract:
 - 1.1 Terms of Reference; and
 - 1.2 Notice of Award.

The foregoing documents and this Contract contain all the agreements of the parties and replace and supersede any understanding, communications and representations, whether verbal or written, between the parties.

2. The words, terms and phrases stated in this Contract shall have the same meanings as are respectively assigned to them under the Terms of Reference.
3. In consideration of the Contract Price of **Two Hundred Fourteen Thousand Eight Hundred Sixty Pesos (Php214,860.00)** to be paid by the **GSIS**, the **SUPPLIER** hereby covenants with the **GSIS** to provide the **Goods** in conformity to the Terms of Reference and this Contract within fifteen (15) calendar days from receipt of the notarized Contract.
4. The **GSIS** shall pay the Contract Price at the time and in the manner prescribed by the Terms of Reference and this Contract. It is understood that all applicable taxes,

including Documentary Stamp Tax (DST), if any, shall be borne by the **SUPPLIER**. For this purpose, the **SUPPLIER** acknowledges that the **GSIS** is not a withholding agent for DST and hereby undertakes and commits itself to make direct payments to the BIR of any DST that may be imposed in the execution and/or performance of this Contract. The **SUPPLIER** shall furnish the **GSIS** with proof of such payment.

5. Any damage to the systems, facilities and equipment of the **GSIS** due to the negligence, theft or pilferage, directly or indirectly, caused by the **SUPPLIER's** personnel, agent, or representative shall be immediately repaired, restored or replaced by the **SUPPLIER** for its own account. If the **SUPPLIER** fails to carry out such repair, restoration or replacement within ten (10) days from the request of the **GSIS**, the latter may initiate and complete such repair, restoration or replacement. Expenses therefor shall be for the account of the **SUPPLIER** and shall be deducted from the Contract Price.
6. During the effectivity of this Contract, the **SUPPLIER** shall not assign or transfer its obligations hereunder without the prior written consent of the **GSIS**. Any act in violation of this provision shall be sufficient ground for the termination of this Contract.
7. The parties are independent entities and no agency, partnership, joint venture, employment or formal business arrangement of any kind is created by this Contract. Neither shall the personnel or employees of the **SUPPLIER** be deemed employees of the **GSIS**. The **SUPPLIER** agrees that the **GSIS** shall not in any way be liable or responsible for any personal injuries or damages, including death, sustained or caused by any of the employees of the **SUPPLIER** and undertakes to indemnify and hold the **GSIS** free and harmless from any liability that may be imposed upon the **GSIS** therefor.
8. In the event that the **SUPPLIER** fails to perform its contractual obligations within the agreed period as specified in this Contract, the **GSIS** shall deduct from the Contract Price, as liquidated damages, a sum equivalent to at least one-tenth of one percent (0.001%) of the cost of unperformed portion of the Contract per day of delay but not to exceed ten percent (10%) of the Contract Price. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, the **GSIS** may rescind the Contract, without necessity of judicial intervention or confirmation and without prejudice to other courses of action and remedies available to it under the law and equity. The damages herein provided are fixed and the **GSIS** shall not be required to adduce proof thereof.
9. Should the **GSIS** be constrained to file a suit to obtain relief against the **SUPPLIER** the latter shall be liable to pay an amount equivalent to twenty percent (20%) of that amount claimed in the complaint as attorney's fees, aside from the costs of litigation and other expenses which the **GSIS** is entitled to recover from the **SUPPLIER**; provided, however, that in an action brought by the **SUPPLIER** for whatever cause arising under this Contract, should it be adjudged not to be entitled to the relief sought, the **GSIS** as the prevailing party shall be entitled to such reasonable attorney's fees, costs of litigation and other costs it may have incurred by reason of such action.
10. The **SUPPLIER** shall defend, indemnify and hold harmless the **GSIS**, the members of its Board of Trustees, its officials, agents and employees, against all claims, losses, liabilities and damages, and to pay all claims, judgments, awards, costs and expenses arising out of or in connection with the **SUPPLIER's** acts or omissions, unless such claims are due solely to the negligence of the **GSIS**. Costs inclusive of expert witness fees and other legal expenses shall be charged against the account of the **SUPPLIER**.

11. If any term, condition or any part of the provisions of the Terms of Reference and this Contract is determined to be invalid, void or unenforceable to any extent, such term, condition or provision shall be severed from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.
12. Any action arising from arbitration or other modes of dispute settlement under the Terms of Reference and this Contract shall be brought by the aggrieved party exclusively before the proper court in the City of Pasay.
13. This Contract and the Terms of Reference shall be subject to the pertinent provisions of R.A. No. 9184, otherwise known as the Government Procurement Reform Act, its Revised Implementing Rules and Regulations, and other related laws, rules and regulations.

IN WITNESS WHEREOF, the parties have duly executed this Contract on the date and at the place above written.

**GOVERNMENT SERVICE
INSURANCE SYSTEM**

TIRE ASIA GROUP INC

By:

By:

ORIGINAL SIGNED

ORIGINAL SIGNED

PAUL G. DELA CUADRA
Acting Vice President
General Services Office

RIFELYN P. AGUSTIN
Accounts Managers, Tire Asia Group Inc.

SIGNED IN THE PRESENCE OF:

ORIGINAL SIGNED

ORIGINAL SIGNED

DIVINA D.C. APOLINAR
Officer-In-Charge
Building and Maintenance Department

EWIELYN A. SEMANERO
ACCOUNTS MANAGER - HEAD
TIRE ASIA GROUP, INC.

Certified Funds Available
Php214,860.00

Certified Included in the GSIS
2019 Annual Procurement Plan
(SMALL VALUE PROCUREMENT)

ORIGINAL SIGNED

ORIGINAL SIGNED

WINFRED V. MANLULU
SO-III, BASSAD

YVETTE C. ABAYA
Officer IV, MMD

ACKNOWLEDGMENT

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

NOV 27 2019

BEFORE ME, a Notary Public for and in the City of _____, this ___ day of _____, personally appeared:

| <u>Name</u> | <u>Government-issued ID</u> | <u>Date/Place of Issuance</u> |
|---------------------|------------------------------|-------------------------------|
| PAUL G. DELA CUADRA | GSIS ID w/ Employee No. 8300 | Pasay |
| RIFELYN P. AGUSTIN | CRN.0033-4003668-9 | |

known to me and to me known to be the same persons, PAUL G. DELA CUADRA in representation of the **GSIS** as a juridical person, and RIFELYN P. AGUSTIN, in representation of **TIRE ASIA GROUP INC.** as a juridical person, who executed the foregoing **Contract for the Supply of Brand New Tires for GSIS Motor Vehicles** consisting of four (4) pages including the page on which this Acknowledgment is written, signed by the parties and their witnesses on each and every page thereof, and acknowledged to me that the same is their free and voluntary act and deed, and of the entities they represent.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place stated above.

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Series of 2019.

ORIGINAL SIGNED
ATTY. GIOVANNAE LYN M. QUICOY-MARIN
GSIS, Financial Center, Pasay City
Notary Public until December 31, 2019
Commission No. 18-08; 1/18/18; Pasay City
I.B.P. Lifetime No. 06482; O.R. No. 710621; 2-28-07
PTR No. PC 6,74047; 1/25/2019; Pasay City
Roll of Attorneys No. 50500
MCLE Compliance No. VI-002907