



HEADQUARTERS  
PHILIPPINE ARMY PROCUREMENT CENTER  
ARMED FORCES OF THE PHILIPPINES PROCUREMENT SERVICE  
Fort Andres Bonifacio, Metro Manila

APR 21 2021

**NOTICE TO PROCEED**

**Miss MARILOU M. CHUA**  
Business Owner  
**Stronghold Busy Option Inc.**  
Block 9, McArthur Hi-way  
Barangay San Nicolas, Tarlac City

Dear Miss Chua:

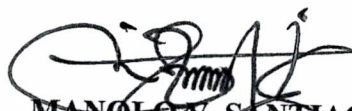
Please be informed of the approval of Contract Agreement Nr. (ENG19) 005-11-20 for the procurement of **supply and delivery of Fast Moving Items, 200 pcs Water Meter and 150 pcs Electric Meter** for the Contract Price in the amount of **FOUR MILLION TWO HUNDRED FORTY-SIX THOUSAND THREE HUNDRED FIFTEEN PESOS (PhP4,246,315.00) ONLY.**

Be reminded that you are responsible for performing the obligations under the terms and conditions of the Agreement and in accordance with the implementing schedule.

Please acknowledge receipt and acceptance of this notice by signing in the space provided below.

Thank you for your utmost cooperation on this matter.

Very truly yours,

  
**MANOLO V. SANTIAGO**  
Colonel CE (GSC) PA  
Commanding Officer

I acknowledge receipt of this Notice on 4-27-2021  
Name of Authorized representative MariLou Chua  
Authorized Signature: \_\_\_\_\_

  
**DAVID J. TORRES**  
NOTARIAL PUBLIC  
UNITED STATES OF AMERICA  
NOTARIAL PUBLIC NO. N-324-20  
FOR THE COUNTY OF TARLAC  
TARLAC CITY

PAGE NO. 415  
BOOK NO. 95  
SERIES OF 201

AFP Core Values: Honor, Service, Patriotism

PTB NO. 0272/09-06-21 NOLL NO. 36706  
TSP NO. 154039/09-25-21 TARLAC CHAPTER  
MCLE COMPLIANCE NO. VI-002886

# PURCHASE ORDER

## PHILIPPINE ARMY PROCUREMENT CENTER

Agency

<b>Supplier:</b> STRONGHOLD BUSY OPTION INC.	<b>P.O. Nr. (ENG)</b> 006-12-20
<b>Address:</b> Block 9, McArthur Hi-Way, Barangay San Nicolas, Tarlac City	<b>Date:</b> 13 January 2021
<b>TIN:</b> 404-101-707-000	<b>Mode of Procurement:</b> Public Bidding

Gentlemen:

Please furnish this Office the following articles subject to the terms and conditions contained herein:

Item No	Unit	Description	Qty	Unit Cost in PhP	Amount in PhP
1		Supply and Delivery of Fast Moving Items, 200 pcs Water Meter and 150 pcs Electric Meter			4,246,315.00
<b>(TOTAL AMOUNT IN WORDS) FOUR MILLION TWO HUNDRED FORTY-SIX THOUSAND THREE HUNDRED FIFTEEN PESOS ONLY</b>					<b>4,246,315.00</b>

**BASIS:** For use of HHSO, PA  
**Attachments:**

A	Notice to Proceed	I	Minutes of Conference
B	Bidding Documents	J	Invitation to Bid
C	Notice of Award	K	Bidding Directive
D	Performance Bond	L	UPR/ASA/CFC/APP
E	Technical Specifications	M	Obligation Request & Status
F	BAC Resolution	N	Financial Proposal
G	Post Qualification Report	O	Eligibility/Technical Documents
H	Abstract of Bids	P	Supplemental Bid Bulletin

### SPECIAL CONDITIONS

**Clause 1.1 (g)** The Procuring Entity is **Philippine Army**.

**Clause 1.1 (i)** The Manufacturer/ Supplier is **STRONGHOLD BUSY OPTION INC.**

**Clause 1.1 (j) The Funding Source is:**  
 The Philippine Army through **Advice of Allotment**, with AA Number: 2020-03-09 dated 14 July 2020 with an Approved Budget for the Contract (ABC) of **Four Million Two Hundred Fifty Thousand Only (PhP4,250,000.00)**.

The name of the Project is: **Supply and Delivery of Fast Moving Items, 200 pcs Water Meter and 150 pcs Electric Meter**

**Clause 1.1 (k) The delivery place:**  
 15FPA0 Supply Room

**Clause 5.1** The Procuring Entity's Address for Notices is:  
**MAJ JOHN KENNETH D BABICA (INF) PA**  
 Executive Officer, PAPC, AFPPS.

**MS AYLENE P GARCIA, CPA**  
 Army Chief Accountant  
 BLRS No. 2-308009 - 2021-04-000001  
 Chd 15 Apr 2021

**MS MARILOU M. CHUA**  
 Business Owner

**JOHN KENNETH D BABICA**  
 (INF) PA  
 Executive Officer, PAPC, AFPPS  
 Major

**Approved By:**

  
**MANOLO V SANTIAGO**  
 Colonel CE (GSC) PA  
 Commanding Officer

Fort Andres Bonifacio, Metro Manila  
Email Add: [philarmyproccenter@gmail.com](mailto:philarmyproccenter@gmail.com)  
PLDT Nr: 8332-8250  
Landline: 8459555 local 6894

**The Supplier's Address for Notices is:**

**MS MARILOU M. CHUA**  
Business Owner, Stronghold Busy Option Inc.  
Block 9, Mc Arthur Hi-way  
Barangay San Nicolas, Tarlac City

**Clause 6.2 Delivery and Documents –**

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:

**Delivered at Place (DAP) at 15FPAO Supply Room** in accordance with INCOTERMS. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination."

Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in **Section VI. Schedule of Requirements**. The details of shipping and/or other documents to be furnished by the Supplier are as follows:

**For Goods supplied from within the Philippines:**

Upon delivery of the Goods to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents to the Procuring Entity:

- (i) Original and four copies delivery receipt/note, railway receipt, or truck receipt;
- (ii) Original Supplier's factory inspection report;
- (iii) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
- (iv) Original and four copies of the certificate of origin (for imported Goods);
- (v) Delivery receipt detailing number and description of items received signed by the authorized receiving personnel;
- (vi) Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site

**For Goods supplied from abroad:**

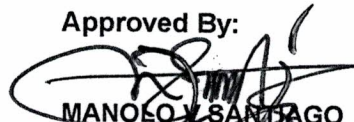
Upon shipment, the Supplier shall notify the Procuring Entity and the insurance company by cable the full details of the shipment, including Contract Number, description of the Goods, quantity, vessel, bill of lading number and date, port of loading, date of shipment, port of discharge etc. Upon delivery to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents as applicable with the documentary requirements of any letter of credit issued taking precedence:

- (i) Original and four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount;
- (ii) Original and four copies of the negotiable, clean shipped on-board bill of lading marked "freight pre-paid" and five copies of the non-negotiable bill of lading;
- (iii) Original Supplier's factory inspection report;
- (iv) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
- (v) Original and four copies of the certificate of origin (for imported Goods);
- (vi) Delivery receipt detailing number and description of items received signed by the Procuring Entity's representative at the Project Site;
- (vii) Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site

**For purposes of this Clause the Procuring Entity's Representative at the delivery place is: Commander HHSO, PA or his duly Authorized Representative.**

**Incidental Services –**

Approved By:

  
**MANOLO V. SANTIAGO**  
Colonel CE (GSC) PA  
Commanding Officer

MS AYLENE P GARCIA, CPA  
Army Chief Accountant

MS MARILOU M. CHUA  
Business Owner

JOHN KENNETH D BABICA  
Major (NPA) PA  
Executive Officer, PAFPC, AFPPS

BUKS No. 2-308603-2021-04-00000

The Supplier is required to provide all the following services as specified in Section VI Schedule of Requirements, including additional services, if any, to wit:

- Copy of a detailed installation manual for Water Meter and Electric Meter;
- 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.

**Insurance –**

The Goods supplied under this Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The Goods remain at the risk and title of the Supplier until their final acceptance by the Procuring Entity.

**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.

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* in accordance with GCC Clause 22.

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.

**Patent Rights –**

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.

**Clause 9.** For the given project in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A 9184 and its 2016 Revised IRR.

**Clause 16 INSPECTION & TESTING:**

- Delivered items must comply with the required Technical Specification of the item.
- The Procuring Entity or its designated representative shall be entitled to attend the test/inspection on the premises of the supplier, at point of delivery and or at the goods' final destination.
  - All cost related to the testing, including the samples for random testing shall be for the account of the supplier.
- Visual Inspection, Random Sampling and Functional Test shall be conducted.

**Clause 16.1 The inspections and tests that will be conducted are:**

- Post-Qualification** involving documents validation and manufacturer's plant visit shall be conducted by the Procuring Entity or its designated representatives (PQ Team) to determine the compliance to the requirements of the end-user as required in the bidding documents. Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

MS AYLENE P. GARCIA, CPA  
Army Chief Accountant  
BURS NO. 2-308603-2021-04-000001

MS MARLOU M. CHUA  
Business Owner

JOHN KENNETH D. BABICA  
Major Executive Officer, RAFC, AFPPS

Approved By:  
  
MANOLO V. SANTAGO  
Colonel CE (GSC) PA  
Commanding Officer

**Final Inspection and Acceptance at the Delivery Site.** Completeness and appropriateness of the delivered goods shall be inspected by the Procuring Entity's representative, **Project Administrator-Technical Inspection and Acceptance Committee (PRAD-TIAC) which shall submit a report to Philippine Army Technical Inspection and Acceptance Committee for Infrastructure/Engineer Items (PATIAC).**

**Clause 16.4 Non-Acceptance of Items**

In case items are rejected by PRAD-TIAC, it shall issue a Certificate of Non-Acceptance on the cause on non-compliant of the item and shall submit a written report to **Philippine Army Procurement Center, AFPPS**. A corresponding Notice of Non-Acceptance shall then be issued by **Philippine Army Procurement Center, AFPPS** to the supplier further advising that the period for replacement of defective item is within seven (7) calendar days from receipt thereof. Supplier shall be allowed to replace rejected items up to two (2) times only.

Once the allowable period of replacement exceeds, the contract shall be terminated.

Supplier shall be subject to blacklisting due to termination for default.

**Clause 17.3**

The warranty shall be covered by, at the Supplier's option, either retention money in an amount to at least **five percent (5%)** of the Contract Price, or a special bank guarantee equivalent to at least **five percent (5%)** of the Contract Price in favor of the Armed Forces of the Philippines.

The warranty period shall be **six (6) months** after acceptance by the Procuring Entity of the Delivered Goods. The manufacturer shall issue a Warranty Certificate that shall cover a minimum of **six (6) months** after the acceptance by the Procuring Entity of the Delivered Goods.

The Obligation for the warranty shall only be released after the lapse of the warranty period.

The PROCURING ENTITY through the TIAC may invoke for warranty claims for the GOODS or any part thereof that fail to conform to the specifications within the warranty period. The Supplier shall either rectify or replace such defective GOODS or parts thereof or make alterations necessary to meet the specifications at no cost to the PROCURING ENTITY, and shall inspect the rectified/replaced goods, at no cost to the PROCURING ENTITY, upon giving a notice pursuant to Clause 5.

**Clause 17.5**

The period for correction of defective items in the warranty period is within seven (7) calendar days upon receipt of notice from the PROCURING ENTITY of any claim arising from the warranty obligation of the supplier.

**Clause 18.1**

Delivery of the Goods shall be made by the Supplier in accordance with the Material Schedule prescribed by the PRAD/Procuring Entity.

**Clause 19**

The applicable rate is One Tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay


The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.

**Clause 20**

**MS AYLENE P GARCIA, CPA**  
 Army Chief Accountant (6)  
 Purs No. 2-308 003-2001 - C4 - 000001  
 dtd 15 April 2002

**MS MARILOU M. CHUA**  
 Business Owner

**JOHN KENNETH D BABICA**  
 Major  
 Executive Officer, PAPC, AFPPS

Approved By:  
  
**MANOLO V. SANTIAGO**  
 Colonel CE (GSC) PA  
 Commanding Officer

In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285, otherwise known as "Alternative Dispute Resolution Act of 2004".

**Clause 21.1**

No additional provision, however, all partners to the Joint Venture shall be jointly and severally liable to the Procuring Entity.

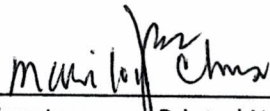
**Schedule of Requirements:**

The delivery schedule expressed as days/weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Description	Qty/Unit	Full Delivery within	Delivery Place
Supply and Delivery of Fast Moving Items, 200 pcs Water Meter and 150 pcs Electric Meter	1 Lot	Thirty (30) calendar days upon receipt of Notice to Proceed	15FPAO Supply Room

Very truly yours,

**Conforme:**

  
 \_\_\_\_\_  
 (Signature over Printed Name of Supplier)  
 \_\_\_\_\_  
 (Date)


**JOHN KENNETH D BABICA**  
 Major (INF) PA  
 Executive Officer

Funds Available:

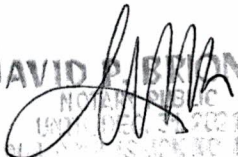
  
**MS AYLENE P GARCIA, CPA**  
 Army Chief Accountant

ORS No: 2-308603-2021-04-000001  
 Amount: dtd 15 Apr 2021  
 4,240,315.00

APPROVED:

  
**MANOLO V SANTIAGO**  
 Colonel CE (GSC) PA  
 Commanding Officer  
 Date: APR 21 2021

DOC. NO. 414  
 PAGE NO. 96  
 BOOK NO. 800  
 SERIES OF 20

  
**DAVID P. BAÑES**  
 NOTARIAL PUBLIC  
 NOTARIAL OFFICE NO. 1-321-20  
 FOR THE PROVINCE OF TARLAC  
 CITY  
 PTR NO. 001/00/01-00-21 ROLL NO. 36708  
 IBP NO. 454805/01-23-21 TARLAC CHAPTER  
 MCLE COMPLIANCE NO. VI-0028896