



Republic of the Philippines
Supreme Court
Manila

SC-BAC-GS CONTRACT NO. 2019-05

**CONTRACT FOR THE
SUPPLY AND DELIVERY OF SERVICE VEHICLES FOR THE
OFFICIAL USE OF THE JUSTICES OF THE SUPREME COURT
LOT 1: THREE (3) UNITS OF SEDAN**

KNOW ALL MEN BY THESE PRESENTS:

This agreement entered into and executed this 11th day of July 2019 in the City of Manila by and between:

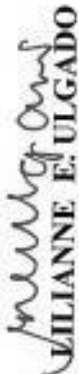
The **SUPREME COURT OF THE PHILIPPINES**, a government agency of the Republic of the Philippines, with principal office at Padre Faura Street, Ermita, Manila represented herein by **ATTY. EDGAR O. ARICHETA**, in his capacity as the Clerk of Court of the Supreme Court of the Philippines, hereinafter referred to as the "**COURT**";

-and-

TOYOTA MAKATI, INC., a business firm organized and existing in accordance with Philippine laws, with principal business address at Ayala corner Metropolitan Avenues, Makati City and represented by **MR. RICARDO R. CAMBUSA** in his capacity as the Group Sales Manager of **TOYOTA MAKATI, INC.**, hereinafter referred to as the "**SUPPLIER**."

WHEREAS, the Supreme Court Bids and Awards Committee for Goods and Services (SC-BAC-GS) published on March 18, 2019 an Invitation to Bid for the *Procurement of Service Vehicles for the Official Use of the Justices of the Supreme Court - Lot 1: Three (3) Units of Sedan*. The Invitation to Bid was posted on the PhilGEPS, the Supreme Court Website, and the Supreme Court Bulletin Boards located in conspicuous places within the **COURT'S** premises;

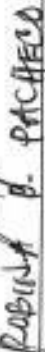
WHEREAS, the **SUPPLIER** won in the public bidding conducted by the **COURT** on April 10, 2019 and was recommended by the SC-BAC-GS, in its Memorandum dated April 30, 2019, to be awarded the contract for the


JULIANNE E. ULGADO

Witness (Supreme Court)


EDGAR O. ARICHETA

Supreme Court


RICARDO R. CAMBUSA

Witness (Toyota Makati, Inc.)


RICARDO R. CAMBUSA

Toyota Makati, Inc.



Supply and Delivery of Service Vehicles for the Official Use of the Justices of the Supreme Court - Lot 1: Three (3) Units of Sedan, which recommendation was approved by Court en banc through its Resolution dated June 4, 2019 in A.M. No. 17-12-03-SC (Re: Purchase of Service Vehicles for the Official Use of Associate Justices of the Supreme Court);

NOW THEREFORE, for and in consideration of the foregoing premises and the stipulations set forth, the **COURT** and the **SUPPLIER** hereby agree on the following:

**ARTICLE I
CONTRACT DOCUMENTS**

1.1 OFFICIAL BID DOCUMENTS. The **SUPPLIER** shall perform its contractual obligation in accordance with the following Official Bid Documents which are made integral parts of this Contract:

- 1.1.1 Proposal and Price Schedule submitted by the **SUPPLIER**;
- 1.1.2 Schedule of Requirements;
- 1.1.3 Technical Specifications;
- 1.1.4 General and Special Conditions of the Contract;
- 1.1.5 Supplemental Bid Bulletins, if any;
- 1.1.6 Notification of Award.

1.2 COMPLEMENTARY NATURE. This Contract and the Official Bid Documents shall be complementary with each other, and what one prescribes shall be prescribed by all. In case of discrepancy between this Contract and the Official Bid Documents, the Official Bid Documents shall prevail.

1.3 INCIDENTAL ITEMS. 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.

**ARTICLE II
EFFECTIVITY AND TERM OF SERVICE**

2.1 EFFECTIVITY DATE. This Contract shall take effect upon receipt by the **SUPPLIER** of the Notice to Proceed or the effectivity date stated therein, whichever comes later. Performance of all obligations shall be reckoned from the effectivity date of the Contract.

2.2 DELIVERY DATE. The goods (service vehicles consisting of three (3) units of sedan) must be delivered within ninety (90) calendar days from receipt of the Purchase Order.

Lillanne E. Ulgado
LILLANNE E. ULGADO

Witness (Supreme Court)

Edgar O. Aricheta
EDGAR O. ARICHETA

Supreme Court

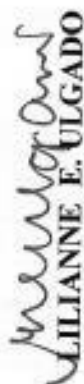
Rafael B. Pacheco
RAFAEL B. PACHECO

Witness (Toyota Makati, Inc.)

Ricardo R. Cambusa
RICARDO R. CAMBUSA

Toyota Makati, Inc.




LILLIANNE E. ULGADO

Witness (Supreme Court)

2.3 **CONTRACT PRICE.** For and in consideration of the full and satisfactory delivery of the goods by the **SUPPLIER** and the acceptance thereof by the **COURT**, the **COURT** shall pay the agreed contract price of *Five Million Seven Hundred Thirty-Three Thousand Six Hundred Pesos (P5,733,600.00)*, inclusive of Value Added Tax (VAT).

The **SUPPLIER** shall grant the **COURT** credit accommodation for the service vehicles under the contract.

**ARTICLE III
REPRESENTATIONS/WARRANTIES**

3.1 **PERFORMANCE WARRANTY.** The **SUPPLIER** represents and warrants that it has the capacity to perform its obligations and undertakings according to the terms and conditions of this Contract and the Official Bid Documents and hereby agrees and warrants that it shall faithfully observe and comply therewith.

3.2 **PRODUCT AND SERVICE WARRANTY.** The **SUPPLIER** agrees to guarantee the goods against manufacturing defects for a period of three (3) years or 100,000 kms. whichever comes first from the date of issuance of the Certificate of Final Acceptance. In case of any defect discovered or found within this period, the **SUPPLIER** shall make the necessary replacement or repairs at no expense to the **COURT**.

3.3 **WARRANTY SECURITY.** After acceptance by the **COURT** of the goods, a warranty security shall be required from the **SUPPLIER** in the form of (1) retention money in the amount equivalent to one percent (1%) of every progress payment; or (2) a special bank guarantee equivalent to one percent (1%) of the total contract price which shall be valid for the entire period of the warranty from the date of acceptance. The warranty security shall answer for any loss, damage, injury or expense which may be incurred as a result of any defect in the goods. The said amount shall only be released after the lapse of the warranty period.

**ARTICLE IV
PERFORMANCE SECURITY**

4.1 **AMOUNT AND FORM.** The **SUPPLIER** shall, within ten (10) calendar days from receipt of Notice of Award, post a performance security as a condition precedent to the signing of this Contract to guarantee and secure the timely and complete performance of its commitment under this Contract and the Official Bid Documents. The performance security shall either be (1) in cash or cashier's/manager's check issued by a Universal or Commercial Bank equivalent to five percent (5%) of the total contract price; or (2) bank draft/ guarantee or


EDGAR O. ARICHETA

Supreme Court


RUBINA B. PACHECO

Witness (Toyota Makati, Inc.)


RICARDO R. CAMBUSA

Toyota Makati, Inc.



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, equivalent to five percent (5%) of the total contract price; or (3) a surety bond equivalent to thirty percent (30%) of the total contract price, callable on demand and issued by the GSIS or any of the bonding companies duly accredited by the Supreme Court.

Witness (Supreme Court)


LILLIANNE E. ULGADO

Supreme Court


EDGAR O. ARICHETA

Witness (Toyota Makati, Inc.)


LEGINA B. PACHECO

Toyota Makati, Inc.


RICARDO R. CAMBUSA

- 4.2 **DISCHARGE OF THE SECURITY.** The performance security shall be released to the **SUPPLIER** upon the issuance of the Certificate of Final Acceptance by the **COURT**; Provided, however, that the performance security was not forfeited as a result of the delay or default in the performance of the obligations of the **SUPPLIER**.
- 4.3 **FORFEITURE.** The failure of the **SUPPLIER** to comply with any of the requirements or undertakings hereof shall constitute sufficient ground for the forfeiture of its performance security.

**ARTICLE V
TERMINATION OF CONTRACT**

- 5.1 **TERMINATION FOR DEFAULT.** The **COURT** shall have the right to pre-terminate this Contract in whole or in part for default of the **SUPPLIER** or breach or violation of the terms and conditions of this Contract for just cause to determined by the **COURT**, which determination shall be final and binding to the **SUPPLIER**.
- 5.2 **TERMINATION FOR UNLAWFUL ACTS.** The **COURT** shall have the right to terminate this Contract, which termination shall take effect immediately upon receipt of the Notice of Termination, in case it is determined *prima facie* that the **SUPPLIER** has engaged, before or during the implementation of this Contract, in unlawful deeds and behavior relative to the acquisition and implementation thereof.
- 5.3 **COMPLETED DELIVERY.** In the event of pre-termination or termination of this Contract by the **COURT**, the **COURT** shall pay the **SUPPLIER** for the Project delivered up to the date of pre-termination or termination unless such pre-termination was due to the acts or omissions of the **SUPPLIER** or breach of this Contract and the Official Bid Documents by the **SUPPLIER**.
- 5.4 **REMEDIAL RIGHTS.** Any pre-termination or termination of this Contract shall be without prejudice to any other rights or remedies a party may be entitled to under this Contract and the Official Bid Documents, or under any law, and shall neither affect any accrual of rights or liabilities of either party nor the coming into or continuance in force of any provision hereof which is expressly or by implication intended to come into or continue in force on or after pre-termination or termination.



**ARTICLE VI
VENUE OF ACTIONS**

6.1 Any dispute arising from this Contract which cannot be resolved amicably by the contracting parties *shall be tried* in the proper court of the **City of Manila only**, to the exclusion of all other venues.

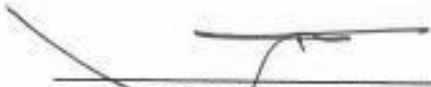
IN WITNESS WHEREOF, the parties have signed this agreement on the date and place first above-stated.

**SUPREME COURT OF THE
PHILIPPINES
(COURT)**


**TOYOTA MAKATI, INC.
(SUPPLIER)**

Represented by:

Represented by:



EDGAR O. ARICHETA




RICARDO R. CAMBUSA

SIGNED IN THE PRESENCE OF:



LILIANNE E. ULGADO



ROSINA B. PACHECO
(Witness of Supplier)





ACKNOWLEDGMENT

Republic of the Philippines)
City of Manila) S.S.


BEFORE ME personally appeared:

- 1) **ATTY. EDGAR O. ARICHETA** with Supreme Court Identification Card No. 08246000; and
- 2) **MR. RICARDO R. CAMBUSA** with ID No.

known to me to be the same persons who executed the foregoing Contract for the *Supply and Delivery of Service Vehicles for the Official Use of the Justices of the Supreme Court - Lot 1: Three (3) Units of Sedan* and they acknowledged to me that the same is their free and voluntary act and deed.

I certify that the foregoing instrument, consisting of six (6) pages, including this page where the acknowledgment is written, was duly signed by the parties and their instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this 11th day of July, 2019 at the City of Manila, Philippines.


MARIA CARINA M. CUNANAN
 Deputy Clerk of Court
 and Chief Administrative Officer
 Office of Administrative Services
 Supreme Court





LILLIANNE E. ULGADO

Witness (Supreme Court)


EDGAR O. ARICHETA

Supreme Court


EDWARD B. PACHECO

Witness (Toyota Makati, Inc.)


RICARDO R. CAMBUSA

Toyota Makati, Inc.