

# SERVICE AGREEMENT

24-04-22

## KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into by and between:

**THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X**, a regional government agency established and existing under the laws of the Republic of the Philippines with principal office address at Masterson Ave., Upper Carmen, Cagayan de Oro City, herein represented by its Regional Director, **RAMEL F. JAMEN**, hereinafter referred to as "**DSWD FO X**";

- and -

**ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION**, an entity duly established and existing under the laws of the Republic of the Philippines, with principal office address at Libertad, Butuan City, Agusan del Norte, herein represented by its Proprietor, **MAURIEF LABAY MINANDANG** hereinafter referred to as the "**CONTRACTOR**".

## WITNESSETH THAT:

**WHEREAS**, DSWD FO X, through the Bids and Awards Committee, published through the PhilGEPS website an invitation to bid for "**SUPPLY AND DELIVERY OF FOOD AND NON FOOD ITEMS FOR BANGUN 2024 Lot 1 OF DSWD FO X**;

**WHEREAS**, the CONTRACTOR, in response to said publication, has presented and warranted that it has the facility, equipment, and personnel, while being capable, competent, and duly licensed to service the DSWD FO X in accordance with the requirements and specifications of the latter;

**WHEREAS**, in accordance with rules and regulations, the required bidding process was undertaken by the Bids and Awards Committee and the CONTRACTOR has participated therein and has been adjudged as the lowest calculated/rated and Responsive Bidder that passed the post-qualification process;

**WHEREAS**, on the basis of the foregoing representations and warranties by the CONTRACTOR, DSWD FO X has awarded the aforementioned contract to herein CONTRACTOR;

**NOW THEREFORE**, for and in consideration of the foregoing premises and of the terms, conditions, covenants, and undertakings hereafter set forth, the parties hereto agree as follows:

## SCOPE OF THE AGREEMENT

1. This Agreement shall govern the terms and conditions for the aforementioned contract of DSWD FO-X herein awarded to CONTRACTOR.
2. The CONTRACTOR shall supply of food items for the implementation of the BANGSAMORO UMPUNGAN SA NUTRISYON PROJECT enumerated herein as well as deliver the said items to the area specified by DSWD FO X.
3. The total contract price as provided herein represents the maximum aggregate amount the Contractor may collect as payable, inclusive of taxes and other applicable fees.
4. The following documents as required and mandated during the bidding process shall be deemed to form and be read and construed as part of this Agreement, to wit:
  - a. Technical Specifications;
  - b. Request for Price Quotation;
  - c. Instructions to Bidders;
  - d. Supplemental Bid Bulletins, if there is any;

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X:

HANILYN T. CIMAFRANCA, CPA  
Accountant III

RAMEL F. JAMEN  
Regional Director

ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION

MAURIEF LABAY MINANDANG  
Proprietor

- e. Canvass form, including all documents/statements attached to the quotation or submitted by the Bidder;
- f. Eligibility requirements, documents, and/or statements;
- g. Performance Security, if required;
- h. Notice of Award of Contract and the Bidder's conforme thereto;
- i. Notice to Proceed; and
- j. The provisions of R.A. 9184 and its Implementing Rules and Regulations together with all issuances of the Government Procurement Policy Board shall be adopted and formed as integral part hereof.

**CONTRACT PRICE**

- 5. The DSWD FO X has allotted to pay to the CONTRACTOR, the total contract price of **TWENTY TWO MILLION FIVE HUNDRED FORTY FOUR THOUSAND EIGHT HUNDRED TWENTY FOUR PESOS AND 10/100 ONLY (Php22,544,824.10)** in Philippine Currency, inclusive of taxes, delivery and packaging costs, for all services agreed and rendered and for the full, faithful and complete performance of all the work/services under this Contract.
- 6. The total contract price is subject to the actual usage or availment of DSWD FO X and should the total contract price not be fully consumed or expended by DSWD FO X upon the expiration of this Agreement, then DSWD FO X shall be liable and obligated only to pay the corresponding amount consumed or expended.
- 7. All payments made by DSWD FO X to the CONTRACTOR shall form part of the contract price and represents full payment for services rendered and items supplied.
- 8. The provisions on Contract Prices as specified on Rule XIX, Section 61 of the Implementing Rules and Regulations of RA 9184 shall apply.
- 9. The CONTRACTOR hereby undertakes to supply the following items and within the delivery schedule as provided herein, thus:

**Lot 1-SUPPLY AND DELIVERY OF FOOD AND NON FOOD ITEMS FOR BANGUN 2024 Madamba LDS and Bacolod-Kalawi, LDS**

ITEM NO.	ITEM DESCRIPTION	QTY	UNIT	PRICE	TOTAL
1	Rice (Long Grain/Class A, 80% Whole Grain, free from insect infestations and other impurities and foul smell, 25kg per sack)	90,000	kg	60.5	5,445,000.00
2	Baguio Beans (not less than 4-5 inches in length, green in color)	8,400	kg	48.8	409,920.00
3	Table Banana Lakatan or Tundan (not less than 10 pcs per kilo, not less than 5 inches long and 70%-80% Ripe upon Delivery)	18,000	kg	36.6	658,800.00
4	Cabbage (Medium-sized, between 7-10cm radius)	2,100	kg	48.8	102,480.00
5	Canned Tuna Flakes 175g	60,000	can	35.32	2,119,200.00
6	Carrots (Medium-sized, not less than 5 inches long)	15,600	kg	54.9	856,440.00
7	Dry Bihon 250g	3,250	pack	14.64	47,580.00
8	Egg (Medium-sized, not less than 30g per piece)	195,000	piece	7.56	1,474,200.00
9	Fish (Medium-sized, not less than 7	15,600	kg	183	2,854,800.00

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X:

HANILYN T. CIMAFRANCA, CPA  
Accountant III - R-8

RAMEL F. LAWIEN  
Regional Director

ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION

MAURIEF LABAY MINANDANG  
Proprietor

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT/FIELD OFFICE X:

HANILYN T. CIMAFRANCA, CPA  
Accountant III

RAMEL F. JAMEN  
Regional Director

	inches per piece, the variety should be lesser bones, whole not steak)				
10	Garlic (Medium-sized, 1 ¼ to 1 ¾ inches in diameter)	4,225	kg	109.8	463,905.00
11	Green Monggo (Not Shiny)	2,600	kg	75.64	196,664.00
12	Onion (Medium-sized, 2-3 inches in diameter)	4,225	kg	122	515,450.00
13	Pineapple (70%-80% Ripe upon delivery, not less than 8 inches in height excluding the crown)	8,398	kg	42.7	358,594.60
14	Potatoes (Medium-sized, between 3-4 inches)	6,300	kg	73.2	461,160.00
15	Salt (Iodized 250g)	975	pack	9.76	9,516.00
16	Sayote (Medium-sized, not less than 6 to 7 inches in length)	6,300	kg	9.76	61,488.00
17	Soy Sauce 200ml Tetra Pack (should have a Halal Seal)	16,380	pack	9.7	158,886.00
18	Squash (not less than 1 kg per piece)	2,100	kg	24.4	51,240.00
19	Stringbeans (not less than 1 kg per bundle)	8,400	kg	73.2	614,880.00
20	Vegetable Oil 500ml Tetra Pack (should have a Halal Seal)	12,675	pack	76.86	974,200.50
21	Watermelon (Medium-sized, not less than 1 kg per piece, 70%-80% Ripe upon delivery)	11,700	kg	36.6	428,220.00
22	Whole Dressed Chicken without neck (not less than 1 kg, frozen, stored in ice chest with ice upon delivery)	26,000	kg	164.7	4,282,200.00
<b>TOTAL</b>					<b>22,544,824.10</b>

ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION

MAURIEF LABAY MINANDANG  
Proprietor

**DELIVERY SCHEDULE**

LOT	LGU	Approved Budget of the Contract	Place of Delivery	Frequency of Delivery (6 months)	Reference
1	-Mun of. Madamba, LDS  -Mun. of Bacolod Kalawi-LDS	22,544,824.10	Mun. of Madamba & Mun. of Bacolod-Kalawi, LDS	25 Deliveries for 180 feeding days Every <b>MONDAY</b> From <b>May 7, 2024 to Oct 21, 2024</b>	Attachments A: FOOD REQUIREMENT PER DELIVERY WITH DATE SCHEDULE
<b>GRAND TOTAL</b>		<b>22,544,824.10</b>			



Service Agreement



ITEM NO.	ITEM DESCRIPTION	UNIT	13TH DELIVERY	14TH DELIVERY	15TH DELIVERY	16TH DELIVERY	17TH DELIVERY	18TH DELIVERY	19TH DELIVERY	20TH DELIVERY	21ST DELIVERY	22ND DELIVERY	23RD DELIVERY	24TH DELIVERY	25TH DELIVERY
			JULY 28, 2024	AUG 5, 2024	AUG 12, 2024	AUG 19, 2024	AUG 27, 2024	SEP 2, 2024	SEP 9, 2024	SEP 16, 2024	SEP 23, 2024	SEP 30, 2024	OCT 7, 2024	OCT 14, 2024	OCT 21, 2024
			QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY
1	Rice	kg	3,500	3,708	3,500	3,708	3,500	3,708	3,500	3,708	3,500	3,708	3,500	3,712	3,500
2	Bagnio Beans	kg	495	165	495	165	495	165	495	165	495	165	495	165	480
3	Banana	kg	945	475	945	475	945	475	945	475	945	475	945	475	960
4	Cabbage	kg	160		160		160		160		160		160		180
5	Canned Tuna Flakes	can	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
6	Carrots	kg	624	624	624	624	624	624	624	624	624	624	624	624	624
7	Dry Bihon	pack	250		250		250		250		250		250		250
8	Egg	piece	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	15,000
9	Fish	kg	318	954	318	954	318	954	318	954	318	954	318	954	336
10	Garlic	kg	156	182	156	182	156	182	156	182	156	182	156	195	156
11	Monggo	kg		217.5		217.5		217.5		217.5		217.5		207.5	
12	Onion	kg	156	182	156	182	156	182	156	182	156	182	156	195	156
13	Pineapple	kg	335	335	335	335	335	335	335	335	335	335	335	358	335
14	Potatoes	kg	170	340	170	340	170	340	170	340	170	340	170	350	170
15	Salt	pack		80											
16	Sayote	kg	330	165	330	165	330	165	330	165	330	165	330	195	330
17	Soy Sauce	pack	1,080	194	1,080	194	1,080	194	1,080	194	1,080	194	1,080	206	1,080
18	Squash	kg		175		175		175		175		175		175	
19	Stringbeans	kg	495	165	495	165	495	165	495	165	495	165	495	165	480
20	Vegetable Oil	pack	532	480	532	480	532	480	532	480	532	480	532	480	531
21	Watermelon	kg	318	630	318	630	318	630	318	630	318	630	318	630	324
22	Whole Dressed Chicken without neck	kg	1,239	826	1,239	826	1,239	826	1,239	826	1,239	826	1,239	826	1,220

10. The CONTRACTOR further undertakes that it shall provide services in the following manner and conditions, to wit:

- a. Ensure that delivery of the above-enumerated food items at the DSWD FO X be made at the desired delivery day as prescribed by the schedule to be provided by DSWD FO X. Delivery time must be within 08:00 AM – 10:00 AM only;
- b. Provide 3-5 staff including Point Person/Quality Controller to manage the assembly of food supplies/goods in the drop off areas.
- c. Provide warehouse which shall be located within the covered LGUs per Lot;
- d. Provide CLEAN TRAPAL for every drop off site and STACKABLE MULTI-PURPOSE PLASTIC CRATES (59.5cm Length, 39.5cm Width, 31cm Height) according to the number of barangays covered per Lot during deliveries for assembly of items with label and quantity of items per barangay. Packaging (in sets based on the attached schedule and quantity) shall be done in the Supplier's Warehouse.
- e. Ensure that the packaging used for the said items be durable to avoid or prevent damage and/or deterioration from point of origin up to their final destination;
- f. Frozen Goods shall have a good amount of insulation to maintain the cold temperature. These goods are to be procured locally and Freezer Van that maintains -25°C to -20°C temperature with complete permit and certification specifically for Animal Quarantine Checkpoint.
- g. Provide a chest freezer that has a storage of not less than 200L to be used in the target area for 120 days;
- h. Provide buffer items which consist of 20% of each item as immediate replacement in the event of existence of damaged and/or deteriorated food items during inspection;
- i. Replace any damaged items should it be found to be deteriorated or damaged as soon as it is discovered and within four (4) hours from discovery thereof;
- j. Ensure that the number of items, as provided by DSWD FO 10 be strictly adhered to in order to provide as much items to as much beneficiaries as possible;
- k. In instances of any unlawful and non-compliant acts or events, the CONTRACTOR shall be enforced with corresponding penalties of 10% of the total bid contract price;
- l. In case of suspensions and delays on the delivery of goods and supplies, the CONTRACTOR shall give a prior notice and should be duly approved by the Head of the Procuring Entity (HOPE) to prevent the hampering of the project implementation. Notice should be done at least 1 week prior the delivery schedules and must be based on valid reasons like force majeure and/or fortuitous events.

#### PAYMENT

11. The CONTRACTOR hereby undertakes to submit the corresponding collection billings monthly for services rendered as basis for payment.
12. The total amount to be paid shall be net of taxes due.
13. Payment by DSWD FO X to the CONTRACTOR shall be made within sixty (60) working days upon submission by the latter of the complete and correct supporting documents evidencing the total monthly deliveries made.
14. No payment made hereto shall be construed as a waiver of any claims by DSWD FO X for any omissions or ineffective performance of the work/service completed and that payments made from time to time shall not be construed as final acceptance of work/service.

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X:

HANILYN L. CHAMERANCA, CPA  
Accountant III

RAMEL F. JAMEN  
Regional Director

ZARA'S MARKET GROCERY PRODUCT DISTRIBUTION

MAURIEF LARAY MINANDANG  
Proprietor

15. All payments including any down-payment made, should it be required under this Agreement, shall be paid in the office of DSWD FO X. All billings received by DSWD FO X are subject to evaluation and accounting processing.

**PERIOD OF THE CONTRACT & EFFECTIVITY**

16. The term of this Agreement shall commence upon the signing thereof and shall end on 31 December 2024 or until the total contract price be fully consumed or expended by DSWD FO X, whichever comes first.

17. In the event that the aforementioned contract price be unconsumed after the period stated in the immediately preceding item, this Agreement shall remain in full force and effect three (3) months after its effectivity or until 31 March 2025 in order to fully consume or expend the remaining funds.

**INDEPENDENT CONTRACTOR**

18. It is expressly understood that the employees of the CONTRACTOR are in no way employees of the DSWD FO X, and as such, DSWD FO X shall not be responsible for any claim for personal injury or damages, including death caused either to any said employees or to any third person, and for claims of any nature arising of their duties as employees of the CONTRACTOR, and this contract shall not be construed to constitute contract of employment by and between DSWD FO X and any of the men hired or taken by the CONTRACTOR, it being clearly understood that this contract is solely between DSWD FO X and the CONTRACTOR.

19. The CONTRACTOR shall be held responsible for all works, materials and properties of DSWD FO X in this Agreement and shall be required to make good at his/her/its (CONTRACTOR) own expense for any damage or loss sustained upon such works, materials and/or properties due to any cause whatsoever.

**VIOLATION OF CONTRACT**

20. The provisions of Republic Act 9184 and its implementing rules and regulations shall apply.

**SPECIAL WARRANTIES AND UNDERTAKING FOR NON-INVOLVEMENT WITH TOBACCO INDUSTRY**

21. The CONTRACTOR hereby warrants and ensures that no private firm/company and/or individual connected with and/or belonging to the Tobacco Industry shall take active participation in the preparation, organization, promotion, and conduct of the activity as herein provided.

22. The CONTRACTOR further warrants that it is not part of the Tobacco Industry, nor is it engaged in business or practice, either in whole or in part, as a manufacturer, producer, distributor, wholesaler, or retailer of any Tobacco product or any component therein.

23. The CONTRACTOR further manifests that it is not engaged in any business dealings with any players of the Tobacco Industry.

**TERMINATION AND VENUE OF ACTION**

24. The CONTRACTOR hereby undertakes and agrees that any violation of the foregoing warranties and representations shall immediately grant DSWD FO X the option, without need of notice, the pre-termination of this Agreement and all payments due to the Contractor shall immediately be deemed waived without need of any subsequent formalities.

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X:

HANILYN T. CIMAFRANCA, CPA  
Accountant III *KS*

RAMEL F. JAMEY  
Regional Director

ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION

MAURIEF LABAY MINANDING  
Proprietor

25. DSWD FO 10 and the Contractor hereto agree that all disputes, legal actions, suits and proceedings arising out of or relating to this agreement must be brought exclusively in courts located within the 10<sup>th</sup> judicial region (collectively known as the "exclusive courts"). Both parties hereby consent and submit to the exclusive jurisdiction of the exclusive courts. No legal action, suit or proceeding with respect to this agreement may be brought in any other forum.

**ANTI-GRAFT AND CORRUPTION CLAUSE**

26. Each party hereby undertakes that, at any time before and during the preparation, finalization and signing of this Agreement, itself, its directors, officers, or employees have not offered, promised, given, authorized, solicited or accepted any undue pecuniary or other advantage of any kind (or implied that they will or might do any such thing at any time in the future) in any way connected with the Agreement and that it has taken reasonable measures to prevent subcontractors, agents, or any other third parties, subject to its control or determining influence, from doing so.

End of terms and conditions.

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT FIELD OFFICE X:

  
RAMIL M. T. GIMAFRANCA, CPA  
Accountant III **K8**

  
RAMEL F. JAMEN  
Regional Director


ZARA'S MARKET GROCERY PRODUCT DISTRIBUTION

  
MAURIEF LABAY MINANDANG  
Proprietor



IN WITNESS WHEREOF, the parties of this Agreement have hereunto set their hands at the bottom of this page and on left hand margin of all other pages of this agreement.

FIRST PARTY:  
THE DEPARTMENT OF SOCIAL WELFARE  
AND DEVELOPMENT FIELD OFFICE X  
(DSWD FO X):

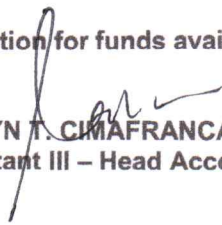
  
RAMEL F. JAMEN  
Regional Director

SECOND PARTY:  
ZARAH'S MARKET GROCERY PRODUCT DISTRIBUTION  
(CONTRACTOR):

  
MAURIEF LABAY MINANDANG  
AUTHORIZED REPRESENTATIVE

SIGNED IN THE PRESENCE OF:

Certification for funds availability:

  
HANILYN T. CIMAFRANCA, CPA  
Accountant III – Head Accounting

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES )  
CITY OF CAGAYAN DE ORO ) S. S.

MARAWI CITY, MARAWI, CAGAYAN DE ORO

BEFORE ME, a Notary Public, this \_\_\_\_\_, in City of Cagayan de Oro, Philippines, personally appeared the following:

Name: ID Date/Place of Issuance:

Ramel F. Jamen  
Maurief Labay Minandang

Not-4-021278

Manila

Known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same are their free act and voluntary deed.

WITH MY HAND AND SEAL.

Doc. No. 71 :  
Page No. 15 :  
Book No. 05 :  
Series of 2024.

  
ATTY. ANDRAN M. BATARA  
NOTARY PUBLIC  
Until December 31, 2025  
Reg. No. B-4693  
IEP No. 424043 1 16 24  
PTR No. 0362966Q 1 15 24 MARAWI CITY  
MCLE EXEMPTED  
NOT. COM No. 523-24