

**CONTRACT AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract of Agreement made and entered into this **SEP 11 2024** day of \_\_\_\_\_ 2024 at Quezon City, Philippines by and between:

The **PHILIPPINE COUNCIL FOR AGRICULTURE AND FISHERIES (PCAF)**, a government agency attached to the Department of Agriculture (DA), created pursuant to Executive Order No. 366, Series of 2004, with office address at Apacible Hall, Department of Agriculture Compound, Elliptical Road, Diliman, Quezon City, represented in this Act by its **OIC-EXECUTIVE DIRECTOR, JULIETA E. OPULENCIA**, hereinafter referred to as the **PCAF**;

-and-

**SMART COMMUNICATIONS, INC**, a registered corporation duly organized under Philippine laws and licensed to operate business in the Philippines, with principal office address at 4<sup>TH</sup> Floor, Smart Tower 1 6799, Ayala Avenue, Makati City, represented in this Act by its duly Authorized Representative, **VICTOR Y. TRIA, FIRST VICE PRESIDENT AND SECTOR HEAD OF ENTERPRISE REVENUE GROUP 1**, hereinafter referred to as the **SUPPLIER**;

**WITNESSETH**

**WHEREAS**, the **PCAF** prepared a market study on the effective and efficient distribution of cellphone loads to its farmer leaders across the country to equip them with the necessary resources for active participation in policymaking in the agriculture and fishery sector;

**WHEREAS**, in the market study, it was determined that most farmer leaders subscribe to either **SMART or GLOBE**, which are two of the largest and farthest-reaching communication networks in the country;

**WHEREAS**, the **SUPPLIER** submitted a certification of no sub-dealership for **Smart BizLoad**, a top-up service for bulk delivery of prepaid load distribution in the Philippines;

**WHEREAS**, **SMART** issued a certificate of exclusive distributorship;

**WHEREAS**, **PCAF** approved Purchase Request No. 24-04-160, indicating the need to deliver one (1) year load service subscription for 129 Smart mobile phone users with allocation of three hundred pesos (Php300) per month and a total Approved Budget for the Contract (ABC) of **FOUR HUNDRED SIXTY-FOUR THOUSAND FOUR HUNDRED PESOS (Php464,400.00)**, together with approved Annual Procurement Plan (APP), market study, and certification of exclusive distributorship;

**WHEREAS**, the Bids and Awards Committee (BAC), upon determining the requirements and evaluating the pertinent documents, recommended to the HOPE the use of an Alternative Mode of Procurement through Direct Contracting (BAC Resolution No. 036, s. 2024), given that mobile phone users should receive appropriate prepaid credits;

**WHEREAS**, Section 50 of 2016 Revised Implementing Rules and Regulations of the RA 9184 Annex H – Consolidated Guidelines for Alternative Methods of Procurement indicates the process of the sale, to wit:

*"The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations;"*

**WHEREAS**, the **SUPPLIER** offered a 5.5% discount of the total gross value, resulting to a total net contract value amounting to **FOUR HUNDRED THIRTY-EIGHT THOUSAND EIGHT HUNDRED FIFTY-EIGHT PESOS (Php438,858.00)** to cover the One Year Load Services Subscription for 129 smart Mobile Phone Users;

**NOW THEREFORE**, for and in consideration of the foregoing premises and or the mutual covenants hereinafter stipulated, the parties hereto do hereby agree as follows:

#### Section 1

### **SCOPE OF SERVICES**

The **SUPPLIER** shall provide exclusive access to the **Smart BizLoad** web-based platform for direct and real-time distribution of load to intended recipients. This platform should offer functionalities including importing and storing contact details of load recipients, sending cellphone loads in bulk simultaneously, and generating reports and receipts of transactions. Additionally, the platform must feature a database to track transactions, which should only be accessible to designated employee-administrators. It is also imperative that the platform protects **PCAF's** data from hacking, mining, or any similar illegal activities.

#### Section 2

### **CONTRACT PRICE**

For and consideration of the **SERVICES** to be undertaken by the **SUPPLIER**, the **PCAF** shall pay the **SUPPLIER** in Philippine Currency the total amount of **FOUR HUNDRED THIRTY-EIGHT THOUSAND EIGHT HUNDRED FIFTY-EIGHT PESOS (Php438,858.00) inclusive of all applicable government taxes and fees** for the entire contract.

#### Section 3

### **RESPONSIBILITIES OF THE SUPPLIER**

The **SUPPLIER** shall:

1. Provide exclusive access to the **Smart BizLoad** web-based platform for the direct and real-time distribution of load to intended recipients, with the following functionalities:
  - Import and store the contact details of load recipients;
  - Send cellphone loads in bulk simultaneously on a quarterly basis;
  - Generate reports and receipts of transactions;
  - Database to track transactions that only designated employee-administrators can access;
  - Protect **PCAF's** data from hacking, mining, or any similar illegal means;
2. Provide a designated account handler to assist and support **PCAF** in using the platform;
3. Orient designated employee-administrators on the use of the web-based platform;
4. Provide customer support throughout the entire customer lifecycle;

5. Bill the **PCAF** for the quarterly allocation and provide the necessary payment details;
6. Acknowledge the receipt of payment by issuing an Official Receipt in the name of the **PCAF**.

#### Section 4

### **RESPONSIBILITIES OF PCAF**

The **PCAF** shall:

1. Ensure that the **SUPPLIER** meets the required platform specifications;
2. Allocate and disburse funds in the total amount of **FOUR HUNDRED THIRTY-EIGHT THOUSAND EIGHT HUNDRED FIFTY-EIGHT PESOS (Php438, 858.00)** for this contract and pay the **SUPPLIER** based on quarterly allocation for 2024;
3. Coordinate with the **SUPPLIER** in all load distribution processes, from inputting details on the web database to printing transaction receipts;
4. Pay the **SUPPLIER** after receipt of the billing statement.

#### Section 5

### **TERMS OF PAYMENT**

**PCAF** is obligated to pay the **SUPPLIER** within thirty (30) days after the execution of the contract and upon receipt of the billing statement.

#### Section 6

### **TERMINATION OF CONTRACT**

**PCAF** reserves the right to terminate this Contract for any substantial breach committed by the **SUPPLIER** and such breach is not corrected within a reasonable time upon demand, as warranted by the circumstances.

#### Section 7

### **VENUE OF ACTION**

The parties shall make every effort to resolve amicably and by mutual consultation any or all disputes or differences arising between the Parties in connection with the implementation of this Contract. In case of litigation arising from or in connection with this contract, the parties agree that the venue of action shall be at the proper court in Quezon City only to the exclusion of other courts.

#### Section 8

### **CAPACITY AND AUTHORIZATION**

Each party in this contract assures and warrants that it has the authority to sign and fulfill the agreement without violating any laws or existing agreements. Additionally, it confirms that the contract is legally binding and enforceable.

Section 9

**LIQUIDATED DAMAGES**

As provided in Section 68 of the revised IRR of RA 9184, the winning bidder shall pay liquidated damages in case of breach of contract. The amount of liquidated damages shall be at least equal to one-tenth of one percent (0.001) of the cost of the unperformed portion for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the Procuring Entity may rescind or terminate the contract without prejudice to other courses of action and remedies available under the circumstances.

Section 10

**AMENDMENT**


All stipulations set forth in this Contract shall apply unconditionally, subject to amendments that may be mutually agreed upon by both parties in writing.

**IN WITNESS WHEREOF** the parties have hereunto affixed their signatures this \_\_\_\_ day of \_\_\_\_\_ 2024 at Quezon City, Philippines.

SEP 11 2024

**PHILIPPINE COUNCIL FOR  
AGRICULTURE AND FISHERIES**

**SMART COMMUNICATIONS, INC.**

  
**JULIETA E. OPULENCIA**  
OIC Executive Director

  
**VICTOR Y. TRIANG**  
First Vice President and Sector Head  
of Enterprise Revenue Group 1

**SIGNED IN THE PRESENCE OF:**


  
**CYRIL I. SOLIABAN**  
OIC Deputy Executive Director

**ALLOTMENT AVAILABLE:** ₱ 438,858.-

**FUNDS AVAILABLE:** 438,858

**BS No.** 02-101101-2024-09-000976

**Control No.** 10124-09-217

  
**JOSE REDENTOR H. BESENIO**  
OIC-Assistant Division Chief for Financial  
Matters, AFMD and Chief, Budget Section

  
**MARIA DIVINA P. GONZALES**  
Chief, Accounting Section

**ACKNOWLEDGEMENT**

Before me, Notary Public, for and in QUEZON CITY this SEP 11 2024 day of \_\_\_\_\_ 2024 appeared the following persons presenting to me their respective identifications, to wit:

Affiant	Passport No./CTC No./ COMPANY ID No	Issued at	Issued on
<b>JULIETA E. OPULENCIA</b>	SC # 20-30902	Cainta, Rizal	October 2, 2020
<b>VICTOR Y. TRIA</b>	Passport Nos. P8794830A	DFA, NRC South	September 18, 2018

**WITNESS MY HAND AND SEAL**, on the date and place above written.

\_\_\_\_\_  
**Notary Public**

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Book No. X411  
Series of 2024

*Concepcion P. Villareña*  
**ATTY. CONCEPCION P. VILLAREÑA**  
Notary Public for Quezon City  
Until December 31, 2025  
PTR No. 5568795 / January 4, 2024 Q.C.  
IBF No. 396880 / Jan. 04, 2024 / Q.C.  
Roll No. 82-57 / 05-09-1980  
MCLE VII-0306594 / 09/21/2021  
Adm. Matter No. NP-021 (2024-2025)