



PROJECT: PROCUREMENT OF PASTEURIZED CARABAO'S MILK FOR
THE IMPLEMENTATION OF SBFP FOR THE SY 2025-2026
(SUPPLEMENTAL FEEDING) (REBID)
CONTRACT NO.: 2025-030

PROCUREMENT CONTRACT

THIS CONTRACT made and entered into this 22nd day of DECEMBER 2025 by and between the **DEPARTMENT OF EDUCATION**, located at DOÑA EVA MACAPAGAL COMPLEX, ROXAS BOULEVARD, SAN CARLOS CITY, PANGASINAN represented herein by its Schools Division Superintendent, **DR. DIOSDADO I. CAYABYAB, CESO VI**, (hereinafter referred to as "**SDO-SAN CARLOS CITY**"); and **ELYU FARMERS MULTI-PURPOSE COOPERATIVE**, (hereinafter called **ELYU**) represented by **ANNALYN L TADE**, with office address at Poblacion East, Rosario, La Union, ELYU FARMERS MULTI-PURPOSE COOPERATIVE as per the Affidavit (hereto attached as Annex "A").

DEPED and **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** are collectively called **PARTIES**.

WHEREAS, SDO-SAN CARLOS CITY, through its Bids and Awards Committee (BAC), posted the Request for Quotations and sent the same to Organized Community or Social Groups of known qualifications within the locality for the pasteurized and/or sterilized milk;

WHEREAS, SDO-SAN CARLOS CITY received (1) quotation from an Organized Community or Social Group, ELYU FARMERS MULTI-PURPOSE COOPERATIVE;

WHEREAS, SDO-SAN CARLOS CITY opened, read, and evaluated the submitted quotations and declared ELYU FARMERS MULTI-PURPOSE COOPERATIVE as having the Lowest Calculated Quotation (LCQ) or Single Calculated Quotations (SCQ);

WHEREAS, after evaluation, **SDO-SAN CARLOS CITY** post-qualified and declared the quotation of ELYU FARMERS MULTI-PURPOSE COOPERATIVE as the Single Calculated and Responsive Quotation in the sum of **PHILIPPINE PESOS ONE FOUR HUNDRED SEVENTY-ONE THOUSAND, THREE HUNDRED AND SEVENTY-FIVE PESOS (Php471,375.00) ONLY**, (hereinafter called the "Contract Price"), detailed as follows: (check annexed specification)

Lot No.	Description of Goods	Quantity	Amount (PhP)
1	Pasteurized Cow's Milk	__ packs (__ mL) __ bottles (__ mL)	_____.00
2	Pasteurized Carabao's Milk	22,500 packs (200 mL)	Php471,375.00
3	Sterilized Cow's Milk	__ packs (__ mL) __ bottles (__ mL)	_____.00
4	Sterilized Carabao's Milk	__ packs (__ mL) __ bottles (__ mL)	_____.00

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:

1. Words and expressions used in this Procurement Contract shall have the same meaning as are respectively assigned to them in the hereto attached Terms and Conditions, Mother Memorandum of Agreement (Mother MOA), Operating Memorandum of Agreement (Op-MOA), and relevant DepEd issuances and guidelines.
2. The following documents as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 and the Government Policy Procurement Board Resolution (GPPB) No. 18-2021, hereto attached as "Annex A-series," shall be deemed to form and be read and construed as part of this Contract, *viz:*
 - a. Notice of Award No. _____ dated _____ ("Annex B");
 - b. Philippine Request for Quotations ("Annex C");
 - i. General and Special Conditions of the Contract;
 - ii. Schedule of Requirements; and
 - iii. Technical Specifications;
 - iv. Certification from the National Dairy Authority (NDA) or the Philippine Carabao Center (PCC) that ELYU FARMERS MULTI-PURPOSE COOPERATIVE is a registered Organized Community or Social Group under them;
 - c. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE's** quotation, including the eligibility requirements, technical and financial proposals, and all other documents or statements submitted ("Annex D");
 - d. Performance Security ("Annex E");
 - e. Notice of Award (NOA) of Contract and **ELYU FARMERS MULTI-PURPOSE COOPERATIVE's** *conforme* thereto ("Annex F"); and
 - f. Other contract documents required by existing laws and/or SDO-SCC in the Request for Quotation. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** agrees that additional contract documents of information prescribed by the Government Procurement Policy Board (GPPB) that are subsequently required for submission after the contract execution such as, but not limited to, Notice to Proceed, Variation Order, and Warranty Security, shall form part of the Contract ("Annex G").
3. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall post a Performance Security within 10 calendar days from receipt of the NOA in the form and amount prescribed therein. The Performance Security shall be posted in favor of **SDO-SCC**, and shall be forfeited in the event that it is established that **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** is in default of any of its obligations under this Contract. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall be responsible for the extension of its performance security and/or undertake to renew its Performance Security whenever necessary, and without the need for prior notice of instruction from **SDO-SCC**, to ensure that it is in force and effect for the whole duration of the Contract and until a Certificate of Final Acceptance is duly issued.
4. Consistent with the **Terms & Conditions (attached hereto as Annex "H")**, the goods referred to in this Contract shall be delivered by **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** at the **Designated Drop-**

off Points within **Four (4) days** from the receipt of the Notice to Proceed (NTP) (kindly check delivery dates). **ELYU** shall also ensure that the goods will be delivered in accordance with the Schedule of Requirements, which is hereto attached as **Annex "C"** and made an integral part hereof.

Goods delivered to sites other than the designated delivery site without **SDO-SCC's** written authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents and reports submitted and validated by the authorized receiving personnel may be a cause for the termination of the Contract.

5. Pre-Delivery and Pre-Implementation Conferences shall be conducted by the SDO focal person/s for the milk component of the School-Based Feeding Program (SBFP) prior to the inspection and acceptance of goods. These conferences shall be attended by the inspectors and acceptors designated by the SDO.
6. **SDO-SCC** shall have the right to visit and inspect **ELYU FARMERS MULTI-PURPOSE COOPERATIVE's** premises covered by the Contract at any time or stage of the contract implementation to monitor and assess **ELYU FARMERS MULTI-PURPOSE COOPERATIVE's** capacity to discharge its contractual obligations.
7. **SDO-SCC** shall have the right to inspect and test or cause the testing of the goods covered by the Contract, at any time or stage of contract implementation. Prior to and for purposes of inspection, **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall ensure convenient access to the goods for inspection. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall assign personnel to undertake the handling, unpacking, assembly, commissioning, disassembly, repacking, resealing, and sorting of the goods prior to, during, and after inspection.
8. The goods shall be inspected by the designated SDO or School Inspectorate Team. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall coordinate with **SDO-SCC**, through the Administrative Division, on the conduct of the inspection. Any request for inspection shall be done in writing.
9. The goods must conform to and comply with the standards mentioned in Terms and Conditions, and must be in accordance with the final technical specifications as approved by the Bids and Awards Committee.

Any proposal by **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** to deliver goods of different technical specifications, in lieu of those approved bids or samples, shall not be allowed. However, under justifiable circumstances, i.e. fortuitous events, force majeure, acts of God, public state emergency, or those defined under the Civil Code and other similar circumstances, delivery of goods of equivalent, higher, or superior technical specifications may be permitted, subject to the evaluation and favorable recommendation of the **SDO-SCC's** end-user or implementing unit, and the approval of the herein authorized signatory. In any such case, the proposal by **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** for substitution shall be in writing and shall not result in any additional cost or undue burden to **SDO-SCC**.
10. Goods with defects or non-compliant with the required technical specifications upon delivery shall be rejected, orally or in writing, by **SDO-SCC** and replaced by **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** in accordance with the Terms and Conditions.

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11. In case **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** encounters condition(s) impeding timely delivery of the goods, **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall promptly notify **SDO-SCC** in writing within five (5) calendar days from notice of such condition(s). Any request for work suspension and/or contract period extension shall be promptly done in writing as soon as circumstances for such request have become apparent. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** must provide sufficient proof to support any request for work suspension and/or contract period extension.

SDO-SCC accepts no liability for the damage, spoilage, or loss of goods until the risk and title thereon have been transferred to **SDO-SCC**. Risk and title to the goods will not be deemed to have passed to **SDO-SCC** until its receipt, inspection, and acceptance at the final destination or designated drop-off points through its authorized inspector, acceptor or receiving personnel.

12. The Contract Price shall be paid to **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** in accordance with the following disbursement procedures:

- a. An advance payment not to exceed fifteen percent (15%) of the contract amount shall be allowed and paid within sixty (60) calendar days from signing and notarization of the Contract. An irrevocable Letter of Credit or Bank Guarantee of an equivalent amount may be submitted, and shall remain valid until the goods are delivered, and accompanied by a claim for advance payment;
- b. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** may submit a request for payment based on the following:
 - i. Cumulative quantities of items delivered based on the schedule of deliveries and terms and conditions;
 - ii. Supplier's invoice showing goods' description, quantity, unit price, and total amount;
 - iii. Duly signed Delivery Receipt/s; and
 - iv. Duly signed Inspection and Acceptance Report/s (IAR/s), including certification by _____, duly signed and dated by the authorized representative of **SDO-SCC** indicating that the goods have been delivered and properly installed and commissioned in accordance with the Contract.

Other documents in support of a request for payment may be required by **SDO-SCC** pursuant to existing disbursement, accounting, and auditing rules and procedures.

- c. Payment shall be made to **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** within seven (7) days from submission of the documents as may be prescribed by **SDO-SCC** in the following manner:
 - i. Subject to the recoupment of the advance payment contemplated in 10(a), for the progress payment, deliveries made good for one (1) or two (2) weeks shall be paid to **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** upon delivery of the goods and acceptance of the same by the duly authorized DepEd representative;


Supplier's Witness


Supplier


SDO's Witness


Schools Division Superintendent

- ii. Final payment shall consist of the full and final payment of the unpaid inspected and accepted goods, subject to the submission of the required documents under the Request for Quotations.

13. Each party, in the performance of their respective duties and responsibilities under this Contract and in the implementation thereof shall adhere to Republic Act No. 10173, otherwise known as the "Data Privacy Act of 2012" and its Implementing Rules and Regulations and applicable National Privacy Commission issuances.

Any confidential data or information gathered by virtue of the implementation of this Contract shall not be shared with any third party without the written express consent of the other party.

Any gathered data and information should be protected and respected during the term and even after the termination of this Contract. The processing of any gathered data and information should be in compliance with the confidentiality and privacy requirements under the said law and applicable regulations.

14. **ELYU FARMERS MULTI-PURPOSE COOPERATIVE** shall be liable for liquidated damages in an amount equal to 0.1% of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by **SDO-SCC**. The cut-off of delivery for each day shall be at 4:00 PM. **SDO-SCC** shall deduct the liquidated damages from any money due or which may become due, or collect from any security or warranty posted by **ELYU FARMERS MULTI-PURPOSE COOPERATIVE**, whichever is convenient to **SDO-SCC**. Once the accumulated amount of liquidated damages reaches 10% of the Contract Price, **SDO-SCC** may rescind or terminate the Contract, without prejudice to other courses of action and remedies available under the circumstances.

15. The **PARTIES** shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the **PARTIES** in connection with the implementation of the Contract. Should such dispute not be resolved amicably, it shall be submitted to Early Neutral Evaluation pursuant to RA 9285 or the "Alternative Dispute Resolution Act of 2004", and its Implementing Rules and Regulations.

16. The **PARTIES**, in the implementation of this Agreement, shall comply with Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines," as amended.

The use of the service marks of DepEd, if any, shall be in accordance with its Service Marks and Visual Identity Manual (DepEd Order No. 031, s. 2019), as may be further revised by DepEd from time to time.

17. This Contract is the entire, final, complete and fully integrated agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior agreements or communications between the Parties, whether written, oral, electronic, or otherwise.

Both **PARTIES** may recommend in writing any revision, amendment, or addition of any provision under this Contract with written notice to the other Party, and shall be approved when confirmed in writing. Such amendments or revisions shall have the same effect as the original Contract and will form an integral part hereof. Any revision, amendment or addition shall not prejudice the rights and obligations arising from or

based on this contract before or up to the date of such revision, amendment, or addition.


If any provision of this Contract or any amendment or document executed in connect herewith is declared invalid, illegal, or unenforceable, in any respect by a court of competent jurisdiction, the remaining provisions in of this Contract shall remain in full force and effect, and are hereby ratified by the **PARTIES**.


18. This Contract shall not be construed to create any agency, employee-employer relationship, or such other relationship not otherwise contemplated under this Contract.
19. The **PARTIES** warrant that they are compliant with the laws on business, manpower, permits, and licenses under Philippine laws and that their capacity to enter into this Contract is not restricted by any other agreement and does not require the consent of any third party.

The **PARTIES** and their representatives herein represent and warrant to each other that each has all the requisite power, authority, and legal capacity to enter into this Contract, and to perform each of their respective obligations and of the organizations that they represent in accordance with the terms and conditions hereof.

IN WITNESS WHEREOF, the **PARTIES** hereto have caused this Contract to be executed in accordance with governing laws on the day and year first above written.

SIGNED


DIOSDADO L. CAYABYAB, CESO VI
Schools Division Superintendent
SDO-_____


ANNALYN L. TADE
Authorized Representative
ELYU FARMERS MULTI-PURPOSE
COOPERATIVE

SIGNED IN THE PRESENCE OF:



SDO's Witness



ELYU FARMERS MULTI-PURPOSE
COOPERATIVE's Witness

CERTIFIED FUNDS AVAILABLE:


~~BENEDICTA~~ P. PANINGBATAN

Chief Accountant



REPUBLIC OF THE PHILIPPINES)

) S.S

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in MANILA CITY, PHILIPPINES, Philippines,
this ____ day of 22 DEC 2025 2025 personally appeared:

Name	Government Issued ID (Number, Issued on, Issued By)	Date of Issuance / Valid Until
Diosdado I. Cayabyab		
Annalyn L Tade		

Known to me and to me known to be the same persons who executed the foregoing CONTRACT consisting of seven (7) pages including this page whereon this Acknowledgment is written, and the annexed Terms and Conditions, and acknowledged to me that the same is their free and voluntary act and deed, and that they are duly authorized by the entities they represent.

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

Doc. No. 10/;
Page No. 22;
Book No. X;
Series of 2025.

NOTARY PUBLIC
NOTARY PUBLIC
VALID UNTIL DECEMBER 31, 2025
ROLL NO. 54719
IBP NO. 478554/II-22-24
PTR NO. 0193356/01-02-25
NEW COMMERCIAL COMPLEX
MANILA CITY, PHILIPPINES