

TERMS AND AGREEMENT

PR No. 22-07-07-0123

This agreement is valid and binding between **CAGAYAN DE ORO CITY WATER DISTRICT (COWD)** with office address at Corrales Avenue, Cagayan de Oro City and **AVK PHILS., INC.**, with office address at #70 West Avenue, Barangay West Triangle, Quezon City with **PR No. 22-07-07-0123**.

The following are the terms and agreement that the **SUPPLIER** must comply:

1. The COWD hereby affirm and declare that the abovementioned supplier will be the one to *Supply and Deliver the 1 Pc. Check Valve 500mmØ* with a contract price equivalent to **FOUR HUNDRED NINETY-NINE THOUSAND SIX HUNDRED THIRTY-FIVE PESOS AND 80/100 ONLY (Php 499,635.80)**.
2. Upon the compliance of the Supplier on the form and substance provided by COWD, effectivity of this agreement is upon approval on this _____, 2023.
3. The supplier shall supply and deliver to COWD the *1 Pc. Check Valve 500mmØ* in **THIRTY (30) CALENDAR DAYS** upon receipt of the Notice to Proceed.
4. The items that were delivered and supplied shall be checked according to the specification and description in the Purchase Order. And if it fails to pass the standards, COWD has the option to rescind and cancel this Contract. COWD can impose other appropriate sanctions or require the Supplier to replace the entire delivery at no cost to the COWD.
5. However, to guarantee the faithful performance of the Supplier of its obligations in the *supply and delivery of the 1 Pc. Check Valve 500mmØ*, the supplier as a condition precedent for the effectivity of this Agreement and prior to issuance of Purchase Order and Notice to Proceed shall post a Performance Security in any forms and amounts provided for as follows:
 - (5% of the Total Contract Price) either in cash, managers'/cashiers' check, bank draft/guarantee confirmed by a Universal or Commercial bank, irrevocable letter of credit issued by a universal or commercial bank.
 - (30% of the Total Contract Price) Surety bond callable upon demand issued by a surety or insurance company duly certified by the insurance commission as authorized to issue such security.
 - Notarized Performance Securing Declaration
6. The Performance Security shall be forfeited in the event it is established that the SUPPLIER is in default in any of its obligations under the contract.
7. The Performance Security shall be maintained and shall remain valid until Certificate of Acceptance have been issued by the COWD. COWD shall return the Performance Security to the SUPPLIER after issuance by the COWD of an Acceptance Certificate.
8. The supplier will be liable for Liquidated Damages in case of delay. Subject to due notice by COWD to the Supplier, in the event that the Supplier fails to supply and deliver on schedule as specified. In case of failure to satisfactorily deliver the goods within the specified delivery schedule, the supplier shall pay liquidated damages, an amount equal to one-tenth (1/10) of one percent (1%) of the cost until such goods are finally delivered and accepted. In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, the Procuring Entity may rescind the contract and impose appropriate sanctions over and above the liquidated damages to be paid.
9. COWD shall have the right to charge the amounts of liquidated damages against the performance security.

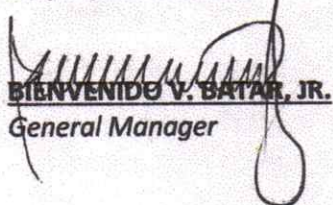


10. To assure COWD that manufacturing defects shall be corrected by the Supplier, the COWD shall withheld 5% of the payment to the Supplier as retention money. Such retention money shall be released to the Supplier after the lapsed of the warranty period.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this FEB 28 2023 of 2023 at Cagayan de Oro City, Mindanao, Philippines.

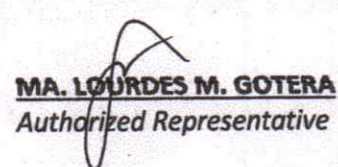
CAGAYAN DE ORO CITY
WATER DISTRICT

Duly represented by


BIENVENIDO V. BATAR, JR.
General Manager

AVK PHILIPPINES, INC.

Duly represented by


MA. LOURDES M. GOTERA
Authorized Representative

SIGNED IN THE PRESENCE OF


LADELE A. SAGRADO
COWD Witness


Supplier Witness

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
City of Cagayan de Oro) S.S.

BEFORE ME, a Notary Public, this FEB 28 2023 day of 2023, at the City of Cagayan de Oro, personally appeared:

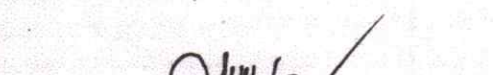
Name	CTC/Passport No.	Issued on	Issued at
BIENVENIDO V. BATAR, JR.	08667216	1/06/22	CDO
MA. LOURDES M. GOTERA	<u>07530388</u>	<u>1/12/23</u>	<u>Q.C.</u>

known to me to be the same persons who executed the foregoing instrument and who acknowledged to me that the same is their free and voluntary act and deed, as well as that of the principals that they respectively represent.

I further certify that this instrument refers to as **PR#22-07-07-0123** Agreement, consisting of two (2) pages, including the page bearing this acknowledgment, duly signed by the Parties.

WITNESS MY HAND AND SEAL.

Doc No. Am
Page No. 70
Book No. XXV/14
Series of 2023


ATTY. ELISEO S. CALMA, JR.
Notary Public for Quezon City Until Dec. 31, 2023
Roll No. 50183
PTR No. 4007172D, 01/03/2023, Q.C.
IBP No. 257225, Jan. 01, 2023
MCLE Comp. No. VII-0006924 / until April 14, 2025
ADM Matter No. NP-067 / (2022-2023)
20 Kamagong St., Sapamanai Village
East Fairview, Quezon City
TIN: 138-541-197-000