

PETROLEUM FUEL, OIL & LUBRICANTS SUPPLY AGREEMENT

(Negotiated Procurement – Direct Retail Purchase)

THIS AGREEMENT is entered into this 3rd day of January 2025 by and between:

PROVINCIAL GOVERNMENT OF LA UNION (PGLU), a Local Government Unit with office address at Provincial Capitol Building, Barangay II, City of San Fernando, La Union, represented herein by Provincial Governor **RAPHAELLE VERONICA ORTEGA-DAVID**, and hereinafter referred to as the **"ENTITY"**

AND,

AMRM FORWARDERS, INC. represented by **MS. OLGA M. ORMITA**, Account Manager/ Authorized Representative, 2nd Floor Nisce Building, Barangay Catbangan, City of San Fernando, La Union (hereinafter called the **"SUPPLIER"**)

WITNESSETH:

WHEREAS, various offices of the PGLU requested the purchase of Fuel (Gasoline and Diesel), Oil and Lubricant Products for the use of offices in their efficient discharge of their respective principal mandates, government functions and day-to-day operations;

WHEREAS, the Government Procurement Policy Board (GPPB) issued Resolution No. 24-2019 on October 30, 2019 approving the inclusion of Section 53.14 in the 2016 Revised Implementing Rules and Regulations (IRR) of the Republic Act (RA) 9184 on the direct retail purchase of Petroleum Fuel, Oil and Lubricant (POL) products and airline tickets and the amendments to the affected provisions of its Annex "H" entitled "Consolidated Guidelines for the Alternative Methods of Procurement";

WHEREAS, Section 53.14 of Rule XVI of the Revised IRR of RA 9184, provides that "Where Goods and Services are required by the Procuring Entity for the efficient discharge of its principal mandate, government functions or day-to-day operations, direct retail purchase of (i) petroleum fuel, oil and lubricant (POL) products; and (ii) airline tickets may be made by end-users delegated to procure the same from identified direct suppliers or service providers";

WHEREAS, in accordance with the provisions of Section 53.14 of Rule XVI of the Revised Implementing Rules and Regulations of RA 9184 as amended, the Bids and Awards Committee (BAC) through the Annual Procurement Plan, recommended the approval and adoption of Negotiated Procurement – Direct Retail Purchase of Petroleum Fuel, Oil and Lubricant (POL) Products as an alternative method of procurement in the Provincial Government of La Union for the Supply of Fuel (Gasoline and Diesel), Oil and Lubricants; and

WHEREAS, pursuant to annex "H" of the Revised IRR of RA 9184 titled "Consolidated Guidelines for the Alternative Modes of Procurement", particularly under Part V, Section D, Sub-section 10.c "The procurement of POL products and airline tickets can be contracted by the end-user to identified direct suppliers or service providers xxx" and "xxx Payment may be made through cash advance, reimbursement or other allowable modalities subject to pertinent auditing and accounting rules."



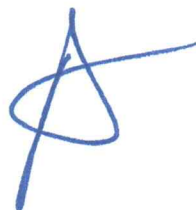
NOW, THEREFORE, the parties herein agree as follows:

1. DUTIES

During the term thereof:

- a) The Supplier agrees to sell, and the Entity agrees to purchase and pay for its requirements for Petroleum Fuel, Oil and Lubricants products at the Supplier's Gas Stations.
- b) In consideration of the purchases and the payments to be made by the Entity, the Supplier shall provide a monthly statement of account of the Petroleum Fuel, Oil and Lubricants accrued (i.e. Equal to the sum of purchases made at retail pump prices at the time the purchases were made).
- c) The Entity hereby covenants to pay promptly the total amount stated in the monthly billing statement submitted by the Supplier within a reasonable time, subject to the ff:
 1. Direct retail purchase of POL products estimated to be necessary for the operations of the Procuring Entity within the fiscal year, including provisions for foreseeable emergencies based on historical records, shall be reflected in the annual procurement plan (APP) in its entirety including any amendment thereto which shall be reflected in the supplemental APP;
 2. Direct purchase must be made from the SUPPLIER's gas station located within the Province of La Union **at retail pump price;**
 3. The requirement must be used for any official government vehicles and equipment for immediate consumption;
 4. Payment may be made through cash advance, reimbursement or other allowable payment modalities subject to pertinent auditing and accounting rules; and
 5. Taking into account the usual trade and business practices being observed in the industry and the requirements and other reasonable considerations identified by the end-user, direct retail purchase of the required POL products shall be carried out in accordance with pertinent accounting principles and practices as well as of sound management and fiscal administration provided that they do not contravene with existing laws and regulations applicable to financial transactions.

2. TERM. This Contract Agreement shall take effect upon its signing by the parties thereof and shall expire on December 31, 2025.



IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

AMRMR FORWARDERS, INC.


OLGA M. ORMITA
Authorized Representative

PROVINCIAL GOVERNMENT OF LA UNION


RAPHAELLE VERONICA ORTEGA-DAVID
Provincial Governor

WITNESSES


ARVIN C. CAMACHO
Provincial General Services Officer


DOMINIQUE JOSE S. PUZON
Provincial Legal Officer


RESSIE A. ESTRELLA
Provincial Engineer

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
PROVINCE OF LA UNION) S.S.
CITY OF SAN FERNANDO)


Before me a Notary Public; for and in the Province of La Union, personally appeared **HON. RAPHAELLE VERONICA ORTEGA-DAVID**, Provincial Governor, exhibiting her government Identification Card (ID) with No. 97314 issued at San Fernando City, La Union as the Entity and **MS. OLGA M. ORMITA**, Authorized Representative exhibiting her Passport I-D, with her photograph and signature appearing thereon, with No. P2664951B issued on July 27, 2019 at SFC, L-U as the Supplier.

Known to me and to me known to be the same persons who executed and signed the foregoing instrument and acknowledged to me that the same is their true and voluntary act and deed that of the agency/entity they respectfully represent.

This Contract Agreement for the Supply of Petroleum Fuel, Oil and Lubricants consisting of four (4) pages including this page wherein this acknowledgement is written have been signed by the Parties and their instrumental witnesses.

WITNESS MY HAND AND SEAL this 3rd day of January 2025 at City of San Fernando, La Union, Philippines.

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Series of 2025


ATTY. AILEEN GRACE L. BRAGANZA, CPA
AGB LEGAL AND BUSINESS SOLUTIONS
#21 Quezon Avenue, Sevilla, San Fernando City, La Union
Notary Public for and in the City of San Fernando, La Union
Commission No. 142-2023, Valid Until 12-31-2025
Roll of Attorneys No. 72769, Admitted June 18, 2019
Integrated Bar of the Philippines (IBP) Receipt - CY 2023 No. 492819, 01-06-2025
Professional Tax Receipt - CY 2023 No. LU 2016616, 01-06-2025
MCLE Compliance No. 94-14-2023