



BIDS AND AWARDS COMMITTEE

FRAMEWORK AGREEMENT

KNOWN ALL MEN BY THESE PRESENTS:

This Agreement made and entered into by and between **Provincial Government of La Union (PGLU)** of the Philippines with the office address at Aguila Road, Barangay II, City of San Fernando, La Union, represented by **HON. RAPHAELLE VERONICA ORTEGA-DAVID**, Provincial Governor and hereinafter referred to as the "PROCURING ENTITY"

and

CARR BRAKE AUTO SUPPLY, duly registered entity existing under the laws of the Philippines, with postal address at Barangay Sevilla, City of San Fernando, La Union, represented by **MS. AGNES A. VALETE**, Authorized Representative, hereinafter referred to as the "SUPPLIER".

WITNESSETH, that:

WHEREAS, the service vehicles utilized by the different departments, offices and hospitals under the Provincial Government of La Union (PGLU) regularly requires repair and periodic maintenance thereby calling for the procurement of goods and services under the applicable provisions of Republic Act (RA) 9184, otherwise known as the "Government Procurement Reform Act";

WHEREAS, such procurement necessitates entering into ordering agreements for necessary and desirable goods which are (1) by its nature, use and characteristic, the quantity and/or exact time of need cannot be accurately pre-determined, as well as (2) inadvisable for the procuring entity to carry the same in stock or commit to purchase a certain quantity within a given period;

WHEREAS, under the item 2.2 of the Government Procurement Policy Board (GPPB) Resolution 12-2017 dated April 10, 2017, a Framework Agreement, as a contractual arrangement, may be used for expendable or non-expendable goods that are repeatedly required by the procuring entity in the regular course of business; and, for services, such as, hotel accommodation, air travel, including simple and non-complex services, such as, but not limited to, janitorial, security, catering, **maintenance and repair services**.

WHEREAS, the Procuring Entity decided to use Framework Agreement on its procurement project for the Supply and Delivery of Tires and Batteries – Framework Agreement of the Provincial Government of La Union; and

WHEREAS, the use of the Framework Agreement is advantageous to the PGLU.

NOW, THEREFORE, the parties hereby agree as follows:

Article I GENERAL CONSIDERATIONS

1. This Framework Agreement is an option contract. The PROCURING ENTITY is given the option to either purchase the identified items in the Framework Agreement or not to purchase at all. The discretion to exercise the option falls solely with the PROCURING ENTITY. The SUPPLIER may not require or demand for the latter to purchase the items in the Framework Agreement List.



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2. In this Framework Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract which is attached thereto and made an integral part thereof.
3. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - (a) the Supplier's Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidder's response to clarifications on the bid) including corrections to the bid resulting from the Procuring Entity's bid evaluation;
 - (b) the Framework Agreement List and Technical Specifications;
 - (c) the General Conditions of Contract;
 - (d) the Special Conditions of Contract;
 - (e) the Performance Security or Performance Securing Declaration;
 - (f) the Procuring Entity's Notice to Execute Framework Agreement;
 - (g) Mini Competition, when necessary; and
 - (h) Call-Offs.

Article II DURATION

The term of this Agreement shall be from April 1, 2025 – December 31, 2025 unless sooner revoked by both parties.

Article III CONSIDERATION

For the consideration of one peso (Php 1.00), The PROCURING ENTITY have the option to purchase any or all of the items in the Framework Agreement List through the issuances of Call-off and the SUPPLIER commits to deliver the goods and perform the services subject to the conditions of the Call-off.

Article IV PERFECTION OF PROCUREMENT CONTRACT

The Framework Agreement being an option contract, a procurement contract is perfected only when the PROCURING ENTITY exercises the option to procure any item from the Framework Agreement List through the issuance of a Call-off.

Article V OBLIGATION TO ANSWER A CALL-OFF

Once the PROCURING ENTITY issues a Call-off, the SUPPLIER is bound to deliver the goods or perform the services identified at the time and date specified on the Call-off.

Failure on the part of the SUPPLIER to deliver goods or perform the services shall warrant forfeiture of performance security or performance securing declaration and imposition of liquidated damages as provided for in the Guidelines on use of Framework Agreement by all Procuring Entities without prejudice to all other applicable sanctions.



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Article VI TERMS AND CONDITIONS

The terms and conditions of this Framework Agreement shall be governed by Guidelines on the Use of Framework Agreement by all Procuring Entity and all relevant issuance of the GPPB

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.

PROVINCIAL GOVERNMENT OF LA UNION

RAPHAELLE VERONICA ORTEGA-DAVID

Provincial Governor

RESSIE A. ESTRELLA

Provincial Engineer

WITNESSES

CARR BRAKE AUTO SUPPLY

AGNES A. VALETE

Authorized Representative

DOMINIQUE JOSE S. PUZON

Provincial Legal Officer

ACKNOWLEDGMENT

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

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 ID# 97314 issued at San Fernando City, La Union as the Entity and CARR BRAKE AUTO SUPPLY, represented by MS. AGNES A. VALETE exhibiting her SSS with No. CAR-0113-019834-4 and her Community Tax Certificate with No. CTC-1984533 issued on 1-31-25 and issued at City of San Fernando, La Union 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 and that of the agency/entity they respectfully represent.

This Contract Agreement for the **Supply and Delivery of Tires and Batteries - Framework Agreement** consisting of three (3) 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 31st day of March 2025 at

Doc No. 459
Page No. 92
Book No. 24
Series of 2025

SAN FERNANDO CITY, LA UNION

ATTY. AILEEN MARIEL PAGANZA, CPA
AGS LEGAL AND BUSINESS SOLUTIONS

821 Quezon Avenue, Sevilla, San Fernando City, La Union
Notary Public for and in the City of San Fernando, La Union
Commission No. 152-2823, Valid Until 12/31/2025
Roll of Attorneys No. 72769

Integrated Bar of the Philippines Official Receipt - CY 2025 No. 498819, 01/06/2025
Professional Tax Receipt - CY 2025 No. LU 2694616, 01/06/2025
MCLE Compliance No. VIII 0023377, Valid Until 04/14/2028

BAC- 25-05-08