

**COURIER SERVICE CONTRACT  
FOR LOCAL DESTINATION**

**KNOW ALL MEN BY THESE PRESENTS:**

This *Courier Service Contract for Local Destination* (hereinafter referred to as the "**Contract**") is made and entered into by and between:

**PHILIPPINE DEPOSIT INSURANCE CORPORATION**, a government instrumentality organized and existing under and by virtue of Republic Act No. 3591, as amended, with principal office address at SSS Bldg., 6782 Ayala Avenue cor. Rufino Street, Makati City, Metro Manila, represented in this Contract by its \_\_\_\_\_, **M** \_\_\_\_\_, and hereinafter referred to as "**PDIC**"

- and -

\_\_\_\_\_, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at \_\_\_\_\_, represented herein by its \_\_\_\_\_, **M** \_\_\_\_\_, duly authorized for the purpose, and hereinafter referred to as the "**SERVICE PROVIDER**"

**WITNESSETH: That,**

**WHEREAS, PDIC** needs to engage the services of a qualified and licensed courier service provider which would ensure a faster, efficient and timely delivery of all its official documents and other printed matter, to local destinations;

**WHEREAS,** the engagement of the services herein required is determined to be of small value procurement and thus may be procured through the negotiated mode under Section 53.9 of the Implementing Rules and Regulations (IRR) of Republic Act 9184 (The Government Procurement Reform Act);

**WHEREAS,** in line with Section 53.9.1 *supra*, **PDIC** on \_\_\_\_\_, sent out letters requesting for price quotations to \_\_\_\_\_ (\_\_\_) known service providers, namely: (i) \_\_\_\_\_, (ii) \_\_\_\_\_, (iii) \_\_\_\_\_ (iv) \_\_\_\_\_ and (v) \_\_\_\_\_;

**WHEREAS,** from among said \_\_\_\_\_ (\_\_\_) service providers, only \_\_\_\_\_ and \_\_\_\_\_ were able to submit price quotations and offered to provide the **PDIC** with the services that it requires;

**WHEREAS,** of the service providers which submitted proposals, the herein service provider submitted the lowest quotation and offered the most advantageous terms and conditions for **PDIC**;

**WHEREAS, PDIC** is willing to accept the offer of the **SERVICE PROVIDER** under the terms and conditions hereinafter set forth.

**NOW, THEREFORE,** for and in consideration of the foregoing premises and the terms and conditions herein contained, the parties hereto hereby agree as follows:

**I. OBLIGATIONS OF THE SERVICE PROVIDER**

The main objective of this Contract is to ensure a secured handling and expedited delivery of **PDIC's** sensitive and valuable documents to the addressee/s. Towards this end, the **SERVICE PROVIDER** undertakes to deliver in an efficient and timely manner **PDIC's** official documents and other printed matter to the specified geographic areas, of local destinations. Pursuant thereto, the **SERVICE PROVIDER** shall, to the satisfaction of **PDIC**, render, undertake and perform the following duties and responsibilities:

- a. Daily pick-up of documents and other printed matter from **PDIC**, or as often as the need arises.
- b. Delivery of mails to the addressee/s of **PDIC's** documents and other printed matter within the following periods, reckoned from the date of pick up, to wit:
  - Within Metro Manila – within one (1) calendar day
  - Nearby provinces (Regions 3 & 4) – within two (2) calendar days
  - Other parts of Luzon – within two (2) to three (3) calendar days
  - Any part of Visayas Region – within three (3) to four (4) calendar days
  - Any part of Mindanao Region – within three (3) to four (4) calendar days
- c. In instances where the addressee/s cannot be located, or delivery is not effected at the first attempt for reasons not due to the fault of the **SERVICE PROVIDER**, the latter shall pursue the delivery until three (3) attempts, which shall be undertaken within the following periods reckoned from the date of pick up:
  - Within Metro Manila, nearby provinces (Regions 3 & 4) and other parts of Luzon – within six (6) calendar days
  - Any part of Visayas and Mindanao Regions – within ten (10) calendar days

If delivery of the mail remains unsuccessful despite three (3) attempts mentioned above, the **SERVICE PROVIDER** shall continue to take custody of the mail until the same is pick up by the intended recipient or the lapse of the 19<sup>th</sup> calendar day from pick up from the **PDIC**, whichever comes first

- d. Release of mail containing **PDIC** document and other printed matter shall be made only to the addressee or authorized representative, and only upon presentation to and verification by the **SERVICE PROVIDER** of

the authenticity of the identification card/s presented by the addressee or authorized representative.

- e. Submit to **PDIC** within the periods specified below, reckoned from **PDIC's** dispatch the following:
- Delivery Status Report – within the 7<sup>th</sup> and 11<sup>th</sup> calendar day for Metro Manila/nearby provinces/other parts of Luzon and Visayas/Mindanao areas, respectively
  - Unclaimed/Undelivered mails containing PDIC documents and other printed matter – within 20<sup>th</sup> calendar day
  - Delivery Receipts duly acknowledged by the addressee/s or his/her authorized representatives, with signature over his/her printed name as proof that the addressee has received the document/printed matter – within the 30<sup>th</sup> calendar day
  - Other reports and relevant documents as may be required by **PDIC** – within the 30<sup>th</sup> calendar day
  - Billing/Statement of Accounts - every 15<sup>th</sup> and 30<sup>th</sup> day of the month following the reference transaction period.
- f. Provide **PDIC** with access to online document tracking system in order to facilitate real-time verification of status of the delivery.

## II. SERVICE FEE AND ALLOCATED BUDGET

**PDIC** shall pay the amount/s due to the **SERVICE PROVIDER** for the services actually rendered by the latter to the former, strictly in accordance with the fee schedule prescribed hereunder.

The price ceiling and allocated budget per geographic area shall be as follows:

<b>Geographic Area</b>	<b>Price Ceiling Per Area (in PhP)</b>	<b>Estimated Annual Number of Mails for Delivery</b>	<b>Budget Allocation (Amounts in PhP)</b>
Manila/NCR	45.00	1,300	58,500.00
Luzon	65.00	3,600	234,000.00
Visayas/Mindanao	75.00	2,200	165,000.00
<b>Sub-total</b>		<b>7,100</b>	<b>457,500.00</b>
<b>TOTAL</b>			<b>Php 457,500.00</b> =====

- a. The above-stated amounts shall be understood as inclusive of any and all taxes (including, but not limited to, the applicable Value Added Tax), fees, duties and such other imposts or levies which may be required by the government, both national and local.

### III. BILLING

**PDIC** shall effect payment in check within thirty (30) calendar days from receipt of the billing statement from the **SERVICE PROVIDER**. All payments made by **PDIC** shall be subject to the usual accounting and auditing rules currently in force.

### IV. DURATION

This Contract shall immediately take effect upon its execution and shall remain effective for a period of one (1) year.

**PDIC** reserves the right to terminate this Contract for any cause which may include failure of the **SERVICE PROVIDER** to perform in a timely and acceptable manner any of their works, duties, functions, responsibilities or obligations stipulated herein or failure to carry out the task herein required in a manner acceptable to **PDIC** or violation by the **SERVICE PROVIDER** of any of the terms and conditions of this Contract, subject to sanctions and remedies provided for herein and under the pertinent laws, rules and regulations.

### V. CONFIDENTIALITY

The **SERVICE PROVIDER** agrees that the services covered by this Contract are strictly confidential and that a breach of any of the terms and conditions thereof by the **SERVICE PROVIDER** may subject **PDIC** to financial, material and operational loss, and therefore, the **SERVICE PROVIDER** hereby agree as follows:

- g. The **SERVICE PROVIDER** and any of its personnel shall not, either during the term of this Contract or at anytime thereafter, reveal, disclose or furnish, in any manner, to any person, firm or corporation any information relating to **PDIC** which the **SERVICE PROVIDER** or other members of its staff / team, may have acquired or which came to his / their knowledge or possession during their work for **PDIC**.
- h. Only the persons expressly authorized by **PDIC** shall be allowed by the **SERVICE PROVIDER** to have access to the documents/records in the custody of the **SERVICE PROVIDER**. The authorization shall be in writing. For this purpose, **PDIC** shall inform the **SERVICE PROVIDER** in writing of the person/s authorized to have access to the documents/records;
- i. The **SERVICE PROVIDER** shall prevent any unauthorized person from gaining access to the documents/records;
- j. The **SERVICE PROVIDER** agrees to assume sole responsibility and hereby undertakes to indemnify **PDIC**, for any damage, which **PDIC** may sustain by reason of breach of the above conditions.

## VI. REPRESENTATIONS AND WARRANTIES

The **SERVICE PROVIDER** represents and warrants to **PDIC** that:

- a. It is a domestic corporation duly registered and existing under and by virtue of the laws of the Republic of the Philippines.
- b. It has full legal power, authority and right to carry on its present business. It further warrants that its representative **Ms.** \_\_\_\_\_ has full legal power to sign, execute and deliver this Contract and that it will comply, perform and observe the terms and conditions hereof.
- c. All corporate and other actions necessary to validate or authorize the execution and delivery of this Contract have been taken.
- d. This Contract, when executed and delivered, will be legal, valid and enforceable in accordance with its terms.
- e. It has a proven track record of at least three (3) years in the handling of "door-to-door and immediate delivery" of sensitive and valuable documents.
- f. It has a wide-range delivery network in the areas specified in Section II hereof.
- g. It has no claim against **PDIC**, or is not, in any way, a subsidiary, affiliate or holding company/division of any closed bank under receivership/liquidation of **PDIC**

## VII. PERFORMANCE SECURITY

- a. To guarantee the faithful performance of the obligations and services required under this Contract, the **SERVICE PROVIDER** shall, upon execution of this Contract, post in favor of **PDIC** a Performance Security in the form of Surety Bond in an amount equivalent to \_\_\_\_% of P\_\_\_\_.
- b. In the event that the Performance Security offered by the **SERVICE PROVIDER** would be deemed inadequate or otherwise rendered unacceptable, **PDIC** shall have the right to require the **SERVICE PROVIDER** to post a performance security in the form and amount determined by **PDIC** and allowed under existing laws and regulations.
- c. The Performance Security shall be released seven (7) working days from **PDIC's** issuance of the certification of the **SERVICE PROVIDER's** faithful and complete performance of its obligations under this Contract. The Performance Security shall answer for any damage **PDIC** may suffer by reason of the **SERVICE PROVIDER's** default of any of its obligations and/or breach of the terms and conditions of this Contract. It shall likewise guarantee payment for any loss, damage or injury that may be caused by the **SERVICE PROVIDER** to **PDIC**, its employees and guests.

- d. The Performance Security shall be forfeited in favor of **PDIC** in the event that the **SERVICE PROVIDER** is in default or breach of its obligation under this Contract. Any changes made in this Contract shall in no way annul, release or affect the liability of the **SERVICE PROVIDER** and the surety.
- f. Failure of the **SERVICE PROVIDER** to comply with any of the terms and conditions of this Contract shall result in the forfeiture of the Performance Security, in addition to other remedies that **PDIC** may exercise under this Contract, pertinent laws, rules and regulations.

#### **VIII. LIQUIDATED DAMAGES**

- a. In the event that the **SERVICE PROVIDER** violates any of the terms and conditions of this Contract, or neglects to perform in a timely manner any of the works, duties, functions, responsibilities or obligations stipulated herein, inclusive of the duly granted time extension, if any, or fails to carry out the tasks herein required in an acceptable manner for any reason whatsoever, the **SERVICE PROVIDER** shall be liable for damages for such failure and shall pay **PDIC** liquidated damages in an amount equivalent to one-tenth (1/10) of one (1%) percent of the total contract price for every day of delay or breach, in addition to other remedies that **PDIC** may exercise under this Contract, pertinent laws, rules and regulations, until such services are finally delivered and accepted by **PDIC**. In the event that the total sum of liquidated damages or the total cost to **PDIC** of any such delay or inability by the Service Provider to deliver its obligations exceeds 10% of the contract price, **PDIC** may terminate this Contract upon giving the **SERVICE PROVIDER** written notice at least five (5) calendar days prior to the intended date of termination and impose other appropriate sanctions over and above the liquidated damages.
- b. **PDIC** need not prove that it has incurred damages to be entitled to liquidated damages. Furthermore, **PDIC** reserves the right to deduct any and all of the liquidated damages, including all other liabilities, from any money due or payments which may become due to the **SERVICE PROVIDER** under the terms of this Contract and/or from the performance security filed by the **SERVICE PROVIDER**, as **PDIC** may deem convenient and expeditious under the prevailing circumstances.

#### **IX. SUSPENSION OF PAYMENT/TERMINATION FOR DEFAULT**

- a. **PDIC** shall have the right to suspend, in whole or in part, any payment due to the **SERVICE PROVIDER** under this Contract in the event there is delay, default, failure or refusal on the part of the **SERVICE PROVIDER** to perform its obligations under this Contract in an acceptable manner. Further, **PDIC** shall have the right to procure/engage, upon such terms and manner as **PDIC** shall deem appropriate, the services of another contractor to undertake the unperformed/undelivered service(s) of the **SERVICE PROVIDER**. Any and all expenses that may be incurred in

relation thereto shall be for the exclusive account of the **SERVICE PROVIDER**.

- b. In the event that such delay, default, failure or refusal continues for a period equivalent or corresponding to more than ten (10%) percent of the Contract price or time, whichever comes first, inclusive of the duly granted time extension, if any, **PDIC** shall have the right to terminate this Contract upon giving the **SERVICE PROVIDER** written notice at least five (5) calendar days prior to the intended date of termination. In addition, **PDIC** shall have the right to procure/engage the services of another contractor to complete the services required of the **SERVICE PROVIDER** under this Contract. Any and all expenses that **PDIC** may incur in connection thereto shall be for the sole account of the **SERVICE PROVIDER**.
- c. The **SERVICE PROVIDER** hereby agrees that the remedies mentioned above shall be understood to be without prejudice to other rights and remedies that **PDIC** may exercise under this Contract, applicable laws, rules and regulations.

#### **X. OTHER GROUNDS FOR TERMINATION**

- a. **PDIC** may immediately terminate this Contract, after giving the **SERVICE PROVIDER** written notice at least five (5) calendar days prior to the intended date of termination, whenever it is determined by **PDIC** that the **SERVICE PROVIDER** has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to Contract acquisition and implementation. Unlawful acts shall include, but not necessarily limited to, the following:
- Corrupt, fraudulent, and coercive practices as defined under R.A 9184 otherwise known as the "Government Procurement Reform Act;"
  - Drawing up or using forged document; and
  - Any other act analogous to the foregoing.
- b. The **SERVICE PROVIDER** hereby agrees that the termination referred to herein shall be understood to be without prejudice to other rights and remedies available to **PDIC** under this Contract or the applicable laws.

#### **XI. INDEMNITY**

The **SERVICE PROVIDER** shall indemnify **PDIC** against any loss, injury or damage either to person or property which **PDIC** may suffer by reason of the willful, unlawful or negligent act or omission of the **SERVICE PROVIDER** or any of its personnel or representative. The indemnity required herein shall be in addition to the forfeiture of the Performance Security.

#### **XII. RELATION OF THE PARTIES**

The **SERVICE PROVIDER** shall have no authority, express or implied, to assume or create any obligation or responsibility on behalf of or in the name of **PDIC** or bind **PDIC** in any manner whatsoever. The **SERVICE CONTRACTOR'S**

personnel, representatives or staff shall not be construed as employees of **PDIC**. The **SERVICE PROVIDER** is being engaged herein as an independent contractor. Nothing herein shall be construed as creating an employer/employee relationship between the **SERVICE PROVIDER's** employees, representatives or staffs and **PDIC**.

### **XIII. NON-WAIVER OF RIGHTS**

The failure of **PDIC** to insist upon the strict performance of any of the terms, conditions and covenants hereof shall not be deemed a relinquishment or waiver of any right or remedy that **PDIC** may have nor shall it be construed as a waiver of any subsequent breach or default of the terms, conditions and covenants hereof, which in turn, shall continue to be in full force and effect. No waiver by **PDIC** of any of its rights under this Contract shall be deemed to have been made unless expressed in writing and signed by **PDIC**.

### **XIV. MISCELLANEOUS PROVISIONS**

- a. **Severability** - If any provision of this Contract should, for any reason, be held void or unenforceable, the legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired, and shall remain in full force and effect.
- b. **Binding Effect/Assignment of Rights** – This Contract shall be binding upon the **SERVICE PROVIDER**, its partners, successors-in-interest, its legal representatives and assigns. Foregoing notwithstanding, the **SERVICE PROVIDER** shall not in any manner, directly or indirectly, assign, or transfer its rights and obligations under this Contract without the written approval of **PDIC**.
- c. **Amendment** - This Contract may be amended or modified only in writing upon mutual agreement of the parties hereto.
- d. **Governing Law and Language** – The rights and obligation of the parties hereto shall be governed and interpreted in accordance with the laws of the Republic of the Philippines, specifically, the provisions of R.A. 9184 otherwise known as the “*Government Procurement Reform Act*” and other applicable laws, rules and regulations.
- e. **Documents Incorporated** – The provisions of this Contract shall be read in harmony with the Terms of Reference and other related bid documents. In case of conflict, the provisions of this Contract shall prevail.
- f. **Venue of Action** - It is hereby agreed that any and all actions that shall arise from this Contract shall be instituted and tried before the proper court (s) of the City of Makati only.

- g. **Attorney's Fees** - In the event that **PDIC** is compelled to seek judicial relief to enforce the provisions of this Contract, it shall be entitled to attorney's fees and liquidated damages equivalent to ten percent (10%) and fifteen percent (15%), respectively, of the contract price or the amount claimed in the judicial action, whichever is higher, aside from the costs of litigation and other expenses incidental thereto.

**IN WITNESS WHEREOF**, the parties have hereunto affixed their signatures on the date and place as stated below their respective signatures.

**PHILIPPINE DEPOSITINSURANCE CORPORATION**

Client

By:

**NINA NOREEN A. JACINTO**

Vice President, Administrative Support Group

Date: \_\_\_\_

Place: \_\_\_\_

\_\_\_\_\_  
Service Provider

By:

\_\_\_\_\_  
(Position/Designation)

Date: \_\_\_\_

Place: \_\_\_\_

**CERTIFICATION**

This is to certify that pursuant to PDIC Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_, the amount of P\_\_\_\_\_ has been set aside and made available in the Corporate Operating Budget (COB) of the PDIC for the year 2014 to cover the implementation of the approved Courier Service Contract for International Destination for the year 2014. The remaining amount of the contract, if any, shall be made available in the COB of the PDIC for the succeeding year/s.

**IRENE DL ARROYO**

Vice President, Treasury Group

**SIGNED IN THE PRESENCE OF:**

\_\_\_\_\_

**A C K N O W L E D G E M E N T**

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY ) S.S

BEFORE ME, a Notary Public, for and in the City of Makati on this \_\_ day of \_\_\_\_\_, 2014, personally appeared Ms. Nina Noreen A. Jacinto with Community Tax Certificate/ I.D. No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_

Known to me and to me known to be the same person who executed the foregoing document and he acknowledged to me that the same is his own free and voluntary act and deed as well as the Corporation which he represents, and that he is duly authorized to sign the same.

This instrument refers to a *Courier Service Contract for Local Destination*, consisting of \_\_\_\_\_ (\_\_) pages, including this page where the Acknowledgment is written, signed on each and every page thereof by the party and the instrumental witness and thereafter sealed with my notarial seal.

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

NOTARY PUBLIC

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2014.

**ACKNOWLEDGEMENT**

REPUBLIC OF THE PHILIPPINES)  
\_\_\_\_\_ ) S.S.

**BEFORE ME**, a Notary Public for and in Makati City, on this \_\_\_\_\_ day of \_\_\_\_\_, 2014, personally appeared \_\_\_\_\_ with Community Tax Certificate/I.D. No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

Known to me and to me known to be the same person who executed the foregoing instrument and she acknowledged to me that the same is her free and voluntary act and deed as well as of the corporation she represents, and that she is duly authorized to sign the same.

This instrument refers to *Courier Service Contract for International Destination*, consisting of \_\_\_\_\_ (\_\_\_\_) pages, including this page where the acknowledgement is written, signed on each and every page thereof by the parties and their witness and thereafter sealed with my notarial seal.

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

Notary Public

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2014.