

Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

Contract No.: BAC-CON25-014

CP20

CONTRACT AGREEMENT

THIS AGREEMENT made this NOV 03 2025 day 2025, 2025 MANILA between:

The **CULTURAL CENTER OF THE PHILIPPINES (CCP)**, a government-owned and controlled corporation established by virtue of Executive Order No. 30, series of 1966, located at CCP Complex, Roxas Boulevard, Pasay City, duly represented herein by its Chairman, **JAIME C. LAYA** (hereinafter called “the **CCP**”);

and

CWC INTERNATIONAL CORPORATION, a private corporation created under and by virtue of the laws of the Republic of the Philippines, with principal office address at 814A Arnaiz Avenue, Brgy. San Lorenzo Village, Makati City, represented herein by its VP, CELESTINE B. BONARES (hereinafter called “the **SUPPLIER**”):

CCP and SUPPLIER shall individually be referred to as “**Party**” and collectively as “**Parties**”.

ANTECEDENTS:

WHEREAS, the CCP requires the **Supply, Importation, Delivery, Installation, Testing, and Commissioning of Theater Audience Seating for the CCP Tanghalang Aurelio Tolentino (TAT) and Tanghalang Nicanor Abelardo (TNA)** as part of the restoration and rehabilitation efforts for the Cultural Center of the Philippine (CCP) Main Building;

WHEREAS, the CCP, as the premier institution for promoting and preserving Philippine arts and culture, is mandated under its Charter (Presidential Decree No. 15, s. 1972, as amended) and the National Cultural Heritage Act of 2009 (R.A. 11961) to ensure the protection, conservation, and rehabilitation of its cultural properties, including the CCP Main Building;

WHEREAS, the CCP Main Building, designed by National Artist for Architecture Leandro V. Locsin, is a recognized cultural and architectural landmark, requiring specialized expertise in heritage conservation, structural retrofitting, and restorative methodologies to ensure the preservation of its historical and artistic integrity;

WHEREAS, the Philippines is set to host the ASEAN Summit in 2026, a significant international event that will bring together heads of state, dignitaries, and global leaders, highlighting the country's cultural heritage and artistic excellence, and the CCP Main Building is a key venue for the cultural and diplomatic events related to the ASEAN Summit, requiring its timely fit-out, restoration, and rehabilitation to ensure readiness for hosting high-profile activities in 2026;

WHEREAS, pursuant to Section 35.6 of Republic Act No. 12009 (Government Procurement Reform Act) and its Implementing Rules and Regulations (IRR), Negotiated Procurement may be undertaken for scientific, scholarly, or artistic work, exclusive technology, and media services, which include specialized conservation and restoration efforts for culturally significant structures;



WHEREAS, the SUPPLIER has represented itself as a duly qualified and specialized in the supply and installation of theater seating systems, having the technical expertise, experience, personnel, and equipment necessary to perform the required works in accordance with heritage conservation principles and project specifications;

WHEREAS, the required services involve highly technical and specialized knowledge in theater seating systems, including conservation-sensitive methodologies, materials integration, cost control, risk mitigation, and coordination with various stakeholders, making them unsuitable for competitive public bidding;

WHEREAS, the engagement of a specialized SUPPLIER is essential to carry out the proper implementation of the project, ensuring adherence to project specifications, conservation guidelines, and international best practices;

WHEREAS, the SUPPLIER possesses the requisite qualifications and technical expertise, making them highly suitable for the scope of work in time for the ASEAN Summit;

WHEREAS, the selection of the SUPPLIER has been conducted through a transparent and justifiable process in accordance with the provisions of R.A. 12009, including the necessary market study, cost analysis, and justification of the negotiated contract, ensuring compliance with procurement regulations and the best interests of the government;

WHEREAS, after the SUPPLIER's compliance with the Terms of Reference, and the conduct of verification and evaluation, including review of submitted documents, the **CCP Bids and Awards Committee** finds the SUPPLIER to be legally, technically, and financially capable of undertaking "**CP20: Supply, Importation, Delivery, Installation, Testing, and Commissioning of Theater Audience Seating for the CCP Tangahalang Aurelio Tolentino (TAT) and Tanghalang Nicanor Abelardo (TNA)**" and has commenced negotiations and subsequently recommended the award of the contract;

NOW, THEREFORE, in consideration of the foregoing premises, the parties hereby agree as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - (a) SUPPLIER's Financial Proposal,
 - (b) Negotiation Sheet,
 - (c) Terms of Reference (TOR),
 - (d) Eligibility requirements, documents and/or statements,
 - (e) Notice of Award and the SUPPLIER's conformed thereto,
 - (f) Performance Security,
 - (g) Gantt Chart with installation methodology;
 - (h) Theater Audience Seating drawings, plans, sightline studies, and 3D modelling; and
 - (i) Other contract documents that may be required by existing laws and/or the CCP or any other regulatory body concerned, whether required before or after the execution of this agreement.
3. **SCOPE OF WORK** (As per TOR and accepted negotiation sheet):

The project scope includes the provision of labor, materials, tools, equipment, and general requirements, along with supervision to ensure completion in accordance with the approved Project Timeline, Design Plans, Technical Specifications, and Heritage Conservation Plan. These documents shall govern the construction methods and materials to be used for the proposed project.

4. CONTRACT PRICE:

In consideration of the payments to be made by the CCP to the SUPPLIER for the sum of **NINETY-FOUR MILLION PESOS (PHP94,000,000.00)**, inclusive of Value Added Tax (VAT) and other applicable government taxes, the SUPPLIER hereby covenants with the CCP to execute and complete the Works and remedy any defects therein in conformity with the provisions of this CONTRACT in all respects.

5. OBLIGATION OF THE PARTIES:

The CCP hereby covenants to pay the SUPPLIER in consideration of the execution and completion of the project, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

The SUPPLIER hereby covenants to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects, including the submission of official receipts and documents in support of claims for reimbursable items, if any. In the absence of official receipts/documents when claiming for reimbursable costs, the SUPPLIER shall submit a certification of actual expenditures made under oath.

6. DURATION OF THE CONTRACT

The project is to be completed by **July 2026**. The SUPPLIER shall complete all works, including supply, delivery, installation, testing, and commissioning of audience seating, within the stipulated time frame.

Any delays in completion beyond the required contract duration, unless caused by force majeure or events beyond the SUPPLIER's control, shall be subject to penalties as outlined in the contract agreement. The days that may be considered unworkable due to inclement weather conditions, natural calamities, pandemics, port congestion, delayed delivery from source/manufacturer (with written notice) and other acts of God/force majeure are excluded in the duration of work .

7. ADVANCE PAYMENT:

Advance Payment of 15% for mobilization shall only be made upon the submission of an irrevocable standby Letter of Credit of equivalent value from a bank as confirmed by the CCP. The advance payment shall be repaid by deducting from progress payments until fully liquidated within the duration of the contract.

8. TERMS OF PAYMENT:

The SUPPLIER shall be compensated based on milestone payments:

Milestone Accomplishment	Percentage of Payment
Complete delivery of Supply, Delivery, Installation, Testing, and Commissioning of Theater Audience Seating for the CCP Tanghalang Aurelio Tolentino (TAT) and Tanghalang Nicanor Abelardo (TNA) and submission of delivery documents	50% less advance payment
Full completion and acceptance of the project to be issued in writing and by the CCP and upon submission by the SUPPLIER of its own statement certifying that all taxes due from it and all obligations for materials used and labor employed in connection with this agreement have been fully paid.	50% less advance payment

***Note:** In case the SUPPLIER requested and was granted a 15% advance payment, this shall be deducted from the succeeding milestone accomplishment percentage.

The progress payments to the SUPPLIER by the CCP shall be made based on the milestone accomplishments stated above, as certified by the CCP President. The SUPPLIER shall submit a Progress Billing or a request for payment for the work accomplished. Such a request, including the Statement of Work Accomplished (SWA) by the SUPPLIER, must be verified and approved by the CCP Project Manager and the in-house Project Engineer concerned. Materials and equipment delivered to the site but not yet installed shall not be included in the payment.

The CCP has the right to deduct from the SUPPLIER's progress billing such amount as may be necessary to cover third-party liabilities. It must not process any progress payment unless the discovered defects are corrected.

9. LIQUIDATED DAMAGES:

9.1 Consist with the IRR of RA 12009 and GPPB Resolution No. 02-2020, the following will form part of the agreement:

- (a) The SUPPLIER shall pay liquidated damages to CCP for each day that the Completion Date is later than the Intended Completion Date or Duration of the Project. The applicable liquidated damage is at least equal to one-tenth of one percent (0.001) of the cost of the unperformed portion for every day of delay,
- (b) If the Intended Completion Date or Duration of the Project is extended after liquidated damages have been paid, the Project Engineer/s of the CCP shall correct any overpayment of liquidated damages by the SUPPLIER by adjusting the next payment certificate. This should not mean that extension of time will automatically mean overpayment nor adjustment of liquidated damages computation, as date when project timeline is extended is material to computation of liquidated damages, and
- (c) It is understood that the damages herein provided are fixed and agreed liquidated damages and that to be entitled to such liquidated damages, the CCP does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the SUPPLIER under the contract or collect such liquidated damages from the performance bond, retention money or other securities posted by the SUPPLIER, or a combination thereof, whichever is convenient to the CCP.

9.2 In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, the CCP has the following options:

- (a) Terminate the contract pursuant to the Guidelines on Termination of Contract and forfeit the erring SUPPLIER's performance security. After termination, the CCP may either (i) take over the contract, (ii) allow another entity to take over the work and charge to the SUPPLIER such takeover, or (iii) resort to any of other alternative methods of procurement provided under R.A. No. 12009 and its Implementing Rules and Regulations, or
- (b) Allow the SUPPLIER to continue the works without prejudice to the continued imposition of liquidated damages until the works have been completed. This does not, however, preclude the CCP in resorting to Termination of Contract under IRR of RA No. 12009.

9.3 The SUPPLIER should meet the following service performance standards:

- (a) The SUPPLIER shall submit to the CCP a list of personnel involved in the project. Only authorized personnel are allowed to work and enter the CCP premises during the entire course of work.
- (b) Any CCP property which may be damaged as a result of the implementation of the project must be restored to its original condition or replaced by the SUPPLIER at no cost to the CCP. If the property could not be restored or replaced, the SUPPLIER shall pay for the value of the property damaged. The value of the property shall be determined by the CCP.
- (c) Delivery schedule of the THEATER AUDIENCE SEATING AND ITS ACCESSORIES must be properly coordinated by the SUPPLIER to the Property and Supply Office and CCP to prepare the area and required documents pertaining to processing of payment.
- (d) All works and requirements not expressly included in the scope of work but are absolutely necessary or are standard practices or requirements in similar project, shall be considered an integral part of the scope of work at no cost to the CCP.
- (e) SUPPLIER shall hold the CCP and its personnel free from any liability, suit whatsoever arising from any claim by any personnel employed by the SUPPLIER to perform the duties therein.
- (f) The BIDDER, on its own account, shall facilitate and assist the CCP in the processing for the application of importation tax exemption of items listed in ITEM II of the TOR with the Department of Finance. That the corresponding exemptions will be deducted from the total contract amount.

10. RETENTION:

- 10.1 Progress payments are subject to retention of ten percent (10%), referred to as the "retention money." Such retention shall be based on the total amount due to the SUPPLIER prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of the works, as determined by CCP, are completed. If, after fifty percent (50%) completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed.
- 10.2 The total "retention money" shall be due for release upon final acceptance of the works and issuance of the warranty bond. The SUPPLIER may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit of from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to Government, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the Government shall be valid for a duration to be determined by CCP and will answer for the purpose for which the ten percent (10%) retention is intended, i.e., to cover uncorrected discovered defects and third-party liabilities.

11. NO EMPLOYER – EMPLOYEE RELATIONSHIP:

This Agreement shall not create an employer-employee relationship between the CCP and the SUPPLIER nor its workers/employees, nor shall the services rendered herein be considered as government service. The SUPPLIER shall not be entitled to any and all benefits enjoyed by the regular personnel of the government.

12. AMENDMENTS:

Any amendment to this Agreement shall be made in writing and signed by the CCP and the SUPPLIER.

13. SETTLEMENT OF DISPUTES:

All actions, disputes, and controversies that may arise from, or in relation to, this Contract involving but not limited to demands for the specific performance of the obligations as specified herein and/or in the interpretation of any provisions or clauses contained herein, shall, in the first instance, be settled within thirty (30) calendar days through amicable means, such as, but not limited to mutual discussion.

Should the dispute remain unresolved by the end of the aforementioned period, the dispute shall be submitted to arbitration in the Philippines according to the provisions of R.A. No. 876, otherwise known as the “Arbitration Law” and R.A. No. 9285, otherwise known as the “Alternative Dispute Resolution Act of 2001.” Whenever necessary to promote Arbitration or to seek judicial relief, the Parties agree that any legal action, suit or proceeding arising out of or relating to the Contract shall be instituted in any competent court of Pasay City, to the exclusion of other courts of equal jurisdiction.

14. SEPARABILITY CLAUSE:

If any provision of this Contract is declared invalid, all other provisions not affected thereby shall remain valid. To overturn the invalidity, the parties may amend or modify said provision/s in conformity with the objective of this Contract.

15. ENTIRE AGREEMENT:

This contract represents the entire agreement and the attached documents shall constitute an integral part of the agreement, except as otherwise modified or amended by the mutual agreement of the parties, subject to compliance with the R.A. No. 12009 and contract review of the Office of the Government Corporate Counsel (OGCC).


16. COUNTERPARTS:

This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute the same instrument or be deemed as one agreement.

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

SIGNED by the PARTIES on NOV 03 2025, at Pasay City, Philippines.

For the CCP
By:


JAIME C. TINGA
Chairman

For the SUPPLIER
By:

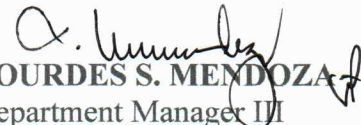

CELESTINE B. BONARES
Vice President – Products & Technical

Signed in the presence of:


KAYE C. TINGA
President


SHAUN FELIPPE Y. YUSON
AVP-Products

WITHIN BUDGET:


LOURDES S. MENDOZA
Department Manager III
Finance Services Development

1060401000 (08) 94,000,000 (08)
(972M / CI-2025)

25-10-2894

ACKNOWLEDGEMENT

Republic of the Philippines **MANILA**
City of _____) s.s.

MANILA

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared the following:

NAME	IDENTIFICATION DOCUMENT	EXPIRY DATE
JAIME C. LAYA	Passport No. P2436933b	03 July 2029
CELESTINE B. BONARES	Passport No. P9838229B	28 April 2032

Known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their own free will and voluntary act and deed.

This instrument consists of ten (10) pages including this page wherein this Acknowledgement is written, and is signed by the parties and their instrumental witnesses on each of every page thereof.

SIGNED AND SEALED on **NOV 03 2025** 2025 in _____

MANILA

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Page No. 05 ;
Book No. 11 ;
Series of 2025

Cly
ATTY. MARIELLE JENELLE L. LAGUERTA
Notary Public
for City of Manila until Dec. 31, 2025
Notarial Commission No. 2024-179
Tower 3, 3k, No. 181 N. Lopez St. Ermita, Manila
IBP No. 488207 - Dec.... 27, 2024 for year 2025
PTR No. 2041441 - Jan. 2, 2025 at Manila
MCLE No. VIII-0010660 Valid until 4-14-2028 Roll No. 88316

