



Contract No.: BAC-CON25-004

CONTRACT AGREEMENT

THIS AGREEMENT made this MAY 05 day of 2025, 2025, by and between:

The **CULTURAL CENTER OF THE PHILIPPINES (CCP)**, a government owned and controlled corporation established by virtue of Presidential Decree No. 15, as amended, located at CCP Complex, Roxas Boulevard, Pasay City, duly represented herein by its Chairman, **JAIME C. LAYA** (hereinafter called “the CCP”);

and

AZCOR LIGHTING SYSTEMS, INC., a private corporation created under and by virtue of the laws of the Republic of the Philippines, with principal office address at 4/F, Unit 412-413 J. Vargas Bldg. B, Brgy. Wack Wack, City of Mandaluyong represented herein by its President, **ARTURO G. ZULUAGA, JR.** (hereinafter called the “**CONTRACTOR**”);

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

ANTECEDENTS:

WHEREAS, pursuant to Section 53.1 of Republic Act No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations (IRR), Negotiated Procurement may be undertaken where there has been a failure of competitive bidding for the second time as provided in section 35 of Republic Act No. 9184;

WHEREAS, the Cultural Center of the Philippines (CCP), as the premier institution for promoting and preserving Philippine arts and culture, is mandated under its Charter (Presidential Decree No. 15, s. 1972) and the National Cultural Heritage Act of 2009 (R.A. 10066) 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 complexity and scope of the refurbishment project necessitate the engagement of a Contractor with demonstrated expertise handling and moving of large-scale chandeliers, ensuring compliance with conservation principles, structural safety standards, and project timelines;

WHEREAS, the engagement of a Contractor is essential in overseeing the proper execution of refurbishment works, ensuring adherence to project specifications, conservation guidelines, and international best practices for heritage preservation;

WHEREAS, the CONTRACTOR possesses the requisite qualifications, technical expertise, and experience in the lighting industry, making them uniquely qualified for the role;

WHEREAS, the selection of the CONTRACTOR has been conducted through a transparent and justifiable process in accordance with the provisions of R.A. 9184, 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, 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;

WHEREAS, the CCP Main Building is a key venue for cultural and diplomatic events related to the ASEAN Summit, and its timely restoration and rehabilitation are critical to ensuring its readiness to host high-profile activities in 2026;

WHEREAS, any delays in the implementation of the project could affect the country's preparations for the ASEAN Summit, emphasizing the urgency of engaging a qualified contractor to ensure the efficient and on-schedule completion of the works;

WHEREAS, the engagement of the Contractor will ensure the efficient and effective implementation of the refurbishment of chandeliers at the CCP main building while ensuring that it is fully operational in time for the ASEAN Summit in 2026;

WHEREAS, after CONTRACTOR's compliance with the Terms of Reference, conduct of verification and evaluation, including that of the submitted documents, the CCP Bids and Awards Committee finds the CONTRACTOR to be legally, technically, and financially capable to provide the Refurbishment of Three (3) Chandeliers at the CCP Main Building and commenced with the negotiations and subsequently recommended award of 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) CONSULTANT's Financial Proposal;
 - (b) Terms of Reference (TOR);
 - (c) Eligibility requirements, documents and/or statements;
 - (d) CCPBAC Resolution
 - (e) Notice of Award and the Consultant's conforme thereto;
 - (f) Performance Security;
 - (g) Notice to Proceed (NTP).

3. SCOPE OF WORK (As per TOR):

1. Mobilization and Demobilization

- a. The CONTRACTOR shall be responsible for the mobilization and demobilization of equipment, tools, and personnel necessary for the successful execution of the project. This include but not limited to

transporting necessary, machinery, safety equipment, and skilled personnel to and from the project site.

- b. Mobilization shall commence upon receipt of the Notice to Proceed issued by CCP. Demobilization shall occur upon the satisfactory completion of the project and the removal of all equipment and personnel from the project site.
- c. The CONTRACTOR shall ensure that the mobilization and demobilization activities are conducted efficiently and in accordance with all relevant safety regulations and guidelines. Any delays or issues encountered during mobilization or demobilization shall be promptly communicated to the CCP Project engineer for resolution.

2. Pulldown

- a. Provide any pulley block or chain block capable of safely and securely detaching each chandelier from its mounting point in the CCP Main Building Lobby, ensuring it can carry the required weight.
- b. Employ appropriate lifting equipment and techniques to ensure the integrity of the chandeliers and the safety of personnel

3. Disassembly

- a. Evaluate the chandeliers to determine the most appropriate disassembly method, taking into account manufacturer guidelines and structural considerations.
- b. Prior to disassembly all necessary safety measures are in place, including the provision of PPE for personnel involved.
- c. Before disassembly, properly tag or label the chandelier and its components for identification and reassembly purposes.
- d. Disassemble each chandelier into its individual component systematically according to manufacture guidelines or best practices. Ensure that all components are properly tagged or labeled.
- e. Handle fragile elements with care to prevent damage during disassembly.

4. Wrapping and Boxing of Components

- a. Provide any wooden crates or boxes if needed as it is wrapping each chandelier component securely using appropriate packaging materials to prevent scratches, dents, or other damage.
- b. Place wrapped components in sturdy boxes, ensuring proper cushioning and support to withstand transportation and storage.

5. Transportation to Storage site

- a. Provide suitable transportation vehicles equipped to handle delicate cargo.
- b. Secure chandelier components during transit to prevent damage.
- c. Provide a sufficient, safety, dry, secure, fire hazard-free, flood, resistant, and well-ventilated storage facility (50-90 sq.m.) within the contractor premises in Metro Manila for a duration of twenty-two (22) months.

6. Refurbishing and Re-installation

- a. At the factory, complete teardown of chandeliers: Dismantling of arms and unstringing of all capiz tiles and crystals.
- b. Repair and restoration of brass members.
- c. Cleaning of brass arms, ceiling canopies, and chain hangers (stripping of old coating by acid washing, buffing, lacquer application and baking).
- d. Cleaning of individual capiz tiles (scouring original capiz, cleaning in acid bath, lacquer sealer)

- e. Replacement of capiz tiles (capiz cutting, brass binding, scraping raw capiz, lacquer, connectors), estimated at 15% of installed count.
- f. Replacement of damaged/missing crystals, estimated at 10% of total installed count, using high-grade Clear Strass Swarovski crystals.
- g. All strung glass prism will be disassembled, acid washed, and re-strung with brass wire.
- h. Complete rewiring of chandeliers, with wiring wrapped on a cord cover or canvas of golden color that matches the ceiling's gold paper, and replacement of all sockets.
- i. Deliver to site and reinstallation upon proper coordination with CCP Project engineer/s.
- j. Reinstall the chandeliers when the main lobby is ready and free of dust.
- k. Realignment of the chandeliers to their original positions. The final alignment must be approved by CCP before it is finalized.
- l. Testing the chandeliers using the dimming switch at CCP and checking electrical circuits.

7. Safety and Health

- a. Ensure the implementation of safety measures to prevent personnel and chandeliers from falling.
- b. Identify potential hazards and implement control measures such as on falling objects, falls from heights, electrical hazard, and ergonomic risks.
- c. Comply with all relevant local laws and building codes. This includes providing Personal Protective Equipment (PPE) such as safety harnesses, hard hats, and dusk masks, erecting scaffolding, displaying safety signs, emergency health procedures, and using caution tape in the main lobby area where the chandeliers are located. Additionally, install floor protection at the base of scaffolding to prevent damage to the floor finish.
- d. The CONTRACTOR shall be responsible for the scaffoldings design, installation, dismantling, and supervision by qualified scaffolders with TESDA NC2 certification and a supervisor.

8. Reporting and Communication

- a. Maintain regular and clear communication and coordination with CCP's stakeholders throughout the project to ensure alignment with expectations.
- b. Provide regular updates and reports as required.

9. Final Handover

- a. Ensure the chandeliers are fully functional and meet all specified requirements before final handover.
- b. Provide a detailed report of the work completed, including any recommendations for future maintenance.

4. CONTRACT PRICE:

In consideration of the payments to be made by the CCP to the CONTRACTOR for the sum of **Four Million Nine Hundred Fifty Six Thousand Pesos (Php4,956,000.00)**, inclusive of Value Added Tax (VAT), the CONSULTANT 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 CONTRACTOR in consideration of the execution and completion of the services, 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 CONTRACTOR 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 CONTRACTOR shall submit a certification of actual expenditures made under oath.

6. PERIOD OF AGREEMENT:

This Agreement shall be for a period of **Twenty Seven (27) months** commencing from the date of receipt of the NTP by the CONTRACTOR. This duration will exclude regular holidays or unworkable days due to force majeure such as but not limited to disasters, severe weather conditions, theater unavailability, and/or other similar circumstances, but with approval/confirmation of the CCP that such event is indeed a force majeure event.

7. TERMS OF PAYMENT:

The CONTRACTOR shall receive payments for the duration of the project. Payments will be made based on the following:

30% - Dismantling and Transfer to storage, cleaning/top coat capiz, rewiring, cleaning of brass, bulb replacement, and recommendation for mounting support

30% - Storage fee

40% - Final installation at the CCP

Payments shall be made only upon a Certification by the CCP President to the effect that the particular phase of the Project has been completed in accordance with the terms of this CONTRACT and have been duly accepted by CCP.

8. LIQUIDATED DAMAGES:

If the CONSULTANT fails to deliver any or all of the Services within the period(s) specified in this Contract, the CCP shall, without prejudice to its other remedies under this Contract and under the Applicable Law, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth of one percent of the price of the unperformed portion of the Services for each day of delay based on the approved contract schedule. Once the amount of liquidated damages reaches ten percent (10%) of the total amount of contract, the CCP may consider termination of this Contract. Should the CCP decide to proceed with the Contract, then the amount of liquidated damages shall also continue to accumulate until such time that the CONSULTANT is able to complete the works or reach the milestone required.

9. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

The PARTIES acknowledge and agree to maintain strict confidentiality regarding all project-related information, including but not limited to technical specifications, financial data, and proprietary or sensitive materials. No such information shall be

disclosed to any third party without the prior written consent of the CCP, except as required by law. All data and materials provided by the CCP and its consultants shall be used exclusively for the execution of the Terms of Reference (TOR) and shall not be disseminated, reproduced, or otherwise disclosed without the express written authorization of the CCP.

Furthermore, all intellectual property, including but not limited to designs, drawings, specifications, and all related documentation developed, prepared, or provided by the CONSULTANT in the course of performing its obligations under the TOR, shall be and remain the sole and exclusive property of the CCP. The CONSULTANT expressly waives any claim of ownership or proprietary rights over such materials and shall, upon request, deliver all copies thereof to the CCP.

10. NO EMPLOYER – EMPLOYEE RELATIONSHIP:

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

11. AMENDMENTS:

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

12. 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.

13. 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.

14. 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).


15. 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 MAY 05 2025, at Pasay City, Philippines.


For the CCP
By:


JAIME C. LAYA
Chairman

For the CONTRACTOR
By:

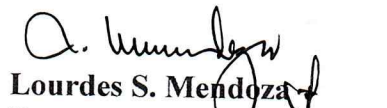

ARTURO C. ZULUAGA, JR.
President

Signed in the presence of:


JOSE VICTOR M. GAITE
Vice President for Administration


ERNESTINE A. ZULUAGA
General Manager

WITHIN BUDGET:


Lourdes S. Mendoza
Department Manager III
Finance Services Department

1069999004 (08) 74,956,000.00
(VTM Alhab)

BVA 25-04-1048

ACKNOWLEDGEMENT

Republic of the Philippines)
City of GMA. CAVITE) s.s.

BEFORE ME, personally appeared:

Name	Identification Document	Expiry Date
JAIME C. LAYA	Passport No. P2436933B	03 July 2029
ARTURO G. ZULUAGA, JR.	Passport No. P7152880B	07 July 2031

Known to me to be the same person who executed the foregoing Agreement and she acknowledged to me that the signature her affixed confirms his voluntary act and that of the CCP he represents.

SIGNED AND SEALED on MAY 05 2025 2025 in GMA. CAVITE.

Doc. No. 363 ;
Page No. 74 ;
Book No. 12 ;
Series of 2025



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