

Office of the President
of the Philippines
Malacañang

NOTICE TO PROCEED

ROSS C. SCHIRMER

General Manager

HAWKER PACIFIC ASIA PTE LTD.

HP Asia Hangar, General Aviation Area,
Domestic Airport Compound, Pasay City, Metro Manila
Tel. No.: 8-424-5382

Dear Mr. Schirmer:

The attached contract having been approved, notice is hereby given to **HAWKER PACIFIC ASIA PTE LTD.** that delivery may commence, effective after the receipt of this notice, on the Contract for the Project: **Procurement of Spares and Supplies for the Preventive Maintenance of B412 Aircraft** under **PR No. 20-10-0739** in the amount of **Eighteen Million Seven Hundred Seventy Seven Thousand Three Hundred Forty Pesos and Ninety Six Centavos (P18,777,340.96).**

Thus, you shall be responsible in performing the delivery under the terms and conditions of the Contract and in accordance with its provisions.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided for below. Keep one copy and return the other to the Office of the President Bids and Awards Committee.

Very Truly Yours,
By Authority of the Executive Secretary:


USEC MARAH VICTORIA S. QUEROL
Chief of Staff, Office of the Executive Secretary

I acknowledge receipt of this Notice on

:

July 5 2021

Name of Representative of the Bidder

:

Ross Schirmer

Authorized Signature

:



**Office of the President
of the Philippines
Malacañang**

**CONTRACT FOR THE PROCUREMENT OF SPARES AND
SUPPLIES FOR THE PREVENTIVE MAINTENANCE OF B412
AIRCRAFT**

KNOW ALL MEN BY THESE PRESENTS:

This Contract for the Procurement of Spares and Supplies for the Preventive Maintenance of B412 Aircraft (hereinafter referred to as the **Contract**), made and entered by and between:

The **OFFICE OF THE PRESIDENT**, with office address at Malacañan Palace, J.P. Laurel Street, San Miguel, Manila, represented in this act by **UNDERSECRETARY MARAH VICTORIA S. QUEROL**, Chief-of-Staff, Office of the Executive Secretary, and hereinafter referred to as the **OP**;

-and-

HAWKER PACIFIC ASIA PTE LTD, a duly-registered entity under the laws of the Republic of the Philippines, with office address at HP Asia Hangar, General Aviation Area, Domestic Airport Compound, Pasay City, Metro Manila, represented in this act by its General Manager, **MR. ROSS C. SCHIRMER**, and hereinafter referred to as the **SUPPLIER** (A copy of the Secretary's Certificate evidencing such authority is attached herewith as **ANNEX "A"**);

and hereinafter collectively referred to as the **PARTIES**;

WITNESSETH, that:

WHEREAS, the OP, through its Bids and Awards Committee (BAC), caused the Procurement of Spares and Supplies for the Preventive Maintenance of B412 Aircraft (hereinafter referred to as the **Project**), pursuant to OP Purchase Request (PR) No. 20-10-0739 dated 08 September 2020, with an Approved Budget for the Contract (ABC) amounting to **Twenty-Four Million Pesos (P24,000,000.00)**;

WHEREAS, the BAC has approved BAC Resolution No. 2020-11-225 dated 19 November 2020, recommending to the Head of the Procuring Entity (HoPE) the use of Public Bidding as the mode of procurement, pursuant to Section 10, Rule IV, of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184;

WHEREAS, the first (1st) public bidding was declared a failure of bidding pursuant to BAC Resolution No. 2021-06-184 dated 10 January 2021, due to the absence of bidders;

WHEREAS, after the conduct of a second (2nd) public bidding on 18 March 2021 with two (2) bid proposals, the BAC has approved BAC Resolution No. 2021-05-149 dated 06 May 2021, recommending to the Head of the Procuring Entity

(HoPE) the award of the Contract of the Project to the SUPPLIER as the lowest calculated and responsive bid for the completion of the Project in the amount of **Eighteen Million Seven Hundred Seventy-Seven Thousand Three Hundred Forty Pesos and Ninety-Six Centavos (P18,777,340.96)**;

WHEREAS, the HoPE has approved the recommendation of the BAC and consequently, a Notice of Award (NOA) dated 21 May 2021 was issued to the SUPPLIER and was accepted on 18 June 2021;

WHEREAS, the SUPPLIER has posted the required performance security in cash in the amount of **Nine Hundred Thirty-Eight Thousand Eight Hundred Sixty-Seven Pesos and Five Centavos (P938,867.05)** on 25 June 2021 (A copy of the Official Receipt issued by the OP Cashier is attached herewith as **ANNEX "B"**);

NOW, THEREFORE, for and in consideration of the foregoing, the SUPPLIER hereby and by these presents, binds itself to undertake the Project, and the OP in turn binds itself to compensate the SUPPLIER subject to the following terms and conditions:

1. **Obligations of the SUPPLIER.** The SUPPLIER commits to execute and complete the Project under OP PR No. 20-10-0739 dated 08 September 2020 respectively, in accordance with, and as specified in this Contract and the documents attached thereto, subject to other requirements imposed by applicable laws, rules, and regulations, which are deemed written into this Contract.

1.1 The SUPPLIER shall, within seven (7) calendar days from the signing of this Contract, appear before the Procurement Management Service (PMaS) for purposes of receiving the Notice to Proceed (NTP).

1.2 In case of failure of the SUPPLIER to appear before the PMaS within the period herein stipulated, the OP shall send a copy of the NTP to the known address of the SUPPLIER, as reflected in the bid documents, by registered mail. If the SUPPLIER, within fifteen (15) calendar days from the date the NTP was sent by registered mail, still fails to deliver the Project within the period specified in the NTP, the SUPPLIER shall be deemed to have abandoned the Contract, and the OP may unilaterally rescind the Contract, subject to the terms and conditions of this Contract and existing applicable laws, rules and regulations.

1.3 The SUPPLIER shall deliver the Project within one hundred twenty (120) calendar days upon receipt of the NTP issued by the OP.

1.4 All supplies and deliveries shall be subject to inspection and examination by the Assets Management Office (AMO) and the 250th Presidential Airlift Wing (PAW), who may reject the supply and delivery of the SUPPLIER. Rejected deliveries shall be satisfactorily corrected immediately, while rejected materials and/or parts shall be immediately replaced by the SUPPLIER, at no cost to the OP.

1.5 The SUPPLIER shall not directly or indirectly, in whole or in part, by operation of law or otherwise, sub-contract, entrust, assign or transfer this Contract or delegate any of the obligations without the written consent of the OP, otherwise the OP shall have the right to unilaterally rescind the Contract without notice to the SUPPLIER and recover liquidated damages immediately.


RUDEN G. GUZMAN


ALIZA MARIE A. GUIJOT


ROSS C. SCHIRMER


MARA VICTORIA S. QUEROL

1.6 The SUPPLIER shall observe and comply with all laws, ordinances, rules and regulations of both the national and local government applicable to or binding upon the PARTIES hereto, the delivery of goods covered by the Contract, or the persons engaged in the performance and accomplishment of the delivery of the goods covered by this Contract, and shall protect and indemnify the OP against any claim or liability arising from the violation thereof, whether by himself, his employees, or his subcontractors, trustees, assignees should the SUPPLIER, in violation of Sub-Clause 1.5 hereof, subcontract, entrust or allow any person to undertake the Project at any given time.

2. **Obligations of the OP.** As provided for by the provisions and terms of the Contract and its attachments and as consideration for the full and faithful performance and accomplishment of all the obligations of the SUPPLIER, the OP shall pay the SUPPLIER the full amount of **Eighteen Million Seven Hundred Seventy-Seven Thousand Three Hundred Forty Pesos and Ninety-Six Centavos (P18,777,340.96)**, provided that payment shall be made only upon certification from the AMO and the 250th PAW that the Project is 100% delivered, accomplished or complete, subject to existing laws, rules and regulations.

2.1 Retention Money. Payment is subject to the five percent (5%) "retention money" based on the total amount due to the SUPPLIER. The said amount shall only be released after the lapse of the warranty period as specified in the Contract.

3. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the attached General and Special Conditions of Contract (A copy of said Contract is attached herein as **ANNEX "C"**).

4. The following documents are deemed integral parts hereto and shall be read and construed as part of this Contract, *to wit*:

- ANNEX D - Invitation to Bid;
- E - Eligibility Requirements of the Winning Bidder;
- F - Instructions to Bidders;
- G - Bid Data Sheet;
- H - Addenda and/or Supplemental/Bid Bulletin, if any;
- I - Bid Forms; and
- J - Other contract or documents that may be required by existing laws and/or the OP.

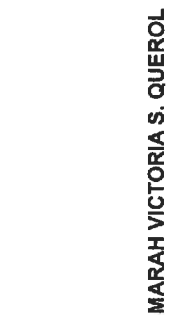
5. **Warranty.** All Goods supplied under this Contract shall be new, unused, of the most recent or current models, and with all recent improvements in design and materials, except when the technical specifications required by the OP provides otherwise. Further, the SUPPLIER warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, workmanship, or from any act or omission of the SUPPLIER that may develop under normal use as specified in the General Condition of Contract (GCC) Sub-Clause 5.1 reckoned from the date of issuance of the Certificate of Final Acceptance by the OP. The warranties against defects, except those occasioned on force majeure, shall cover the period as described under the GCC Sub-Clause 5.2, reckoned from the date of issuance of the Certificate of Final Acceptance by the OP.

6. **Liquidated Damages.** It is understood and agreed that time is of the essence in this Contract. In any event the SUPPLIER refuses or fails to complete the


RUDGEN G. GUZMAN


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Project within the specified time, or within any period of extension that may be granted, the OP is hereby authorized to deduct actual damages, without need of proof, and liquidated damages from the retention money, as herein defined, or the securities posted, or whatever amount due to the SUPPLIER under this Contract, whichever may be appropriate and convenient to the OP.

The amount of liquidated damages shall be one tenth of one percent (1/10 of 1%) of the cost of the unperformed portion for every day of delay until the delivery is completed. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract price, the Contract shall be rescinded, without prejudice to other courses of action and remedies available to the OP.

7. **Notices.** Notices required to be served under this Contract shall be made in writing and sent to the address of the PARTIES indicated above or to such other addresses subsequently designated by the PARTIES in writing.
8. **Breach.** A material breach by the SUPPLIER of any warranty, representation or covenant entitles the OP, upon due notice, to rescind the Contract with damages.
9. **Arbitration.** If any dispute or difference of any kind whatsoever shall arise between the PARTIES in connection with the implementation of the Contract, the PARTIES shall make every effort to resolve amicably such dispute or difference by mutual consultation. Any and all disputes arising from the implementation of this Contract shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law" and Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004"; provided that by mutual agreement, the PARTIES may agree in writing to resort to alternative modes of dispute resolution.
10. **Separability Clause.** If any of the provisions of this Contract shall expire or cease to be feasible, it shall be without prejudice to the validity of the remaining provisions of this Contract. The invalid or non-feasible provisions will be replaced by the PARTIES with a provision which shall be faithful to the original provision. The same applies in the case of any incomplete portion of this Contract.
11. **Entire Agreement.** This Contract contains the entire understanding between the PARTIES and supersedes all prior or contemporaneous agreements, representations, and promises, whether written or oral. Any amendment or modification of this Contract shall be in writing and signed by both PARTIES or by their duly authorized representatives.
12. **Binding Effect.** All terms, covenants, conditions, and provisions of this Contract shall be binding and enforceable upon the PARTIES and their successors-in-interest and assigns.
13. **Governing Law.** This Contract shall be made and governed by the laws of the Republic of the Philippines.
14. **Venue.** The PARTIES agree to submit themselves exclusively to the jurisdiction of the courts of the City of Manila, Philippines on any action, dispute, or special proceedings arising out of this Contract.



RUDGEN G. GUZMAN



ALIZA MARIE A. GUILLOT



ROSS C. SCHIRMER

MARAH VICTORIA S. QUEROL

IN WITNESS WHEREOF, the PARTIES have hereunto affixed their signatures, on the day above-cited, in the City of Manila, Philippines.

OFFICE OF THE PRESIDENT
By Authority of the Executive Secretary:


HAWKER PACIFIC ASIA PTE LTD
By:


MARAH VICTORIA S. QUEROL
Undersecretary
Office of the Executive Secretary


ROSS C. SCHIRMER
General Manager

SIGNED IN THE PRESENCE OF:


ALIZA MARIE A. GUILOT
Head, Finance Office


RUDGEN G. GUZMAN
Senior Manager – Operations and
Special Projects

ACKNOWLEDGEMENT

Republic of the Philippines)
CITY OF MAKATI) S.S.

BEFORE ME, a Notary Public for and in the City of CITY OF MAKATI this
day of JUN 28 2021 personally appeared the following:

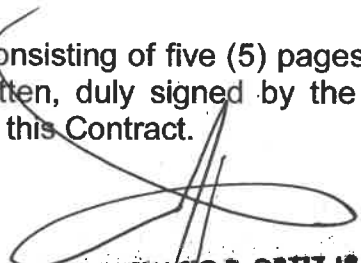
NAME	COMPETENT EVIDENCE OF IDENTITY	EXPIRATION DATE
MARAH VICTORIA S. QUEROL	IBP ID No. 58794	No expiration
ROSS C. SCHIRMER	Driver's License No. N14-93-045508	16 February 2022

Known to me and to me known to be the same persons who executed the forgoing instruments and who acknowledged to me that the same is their own free act and deed and of the entities they represented.

This instrument refers to a Contract consisting of five (5) pages, including the page on which this Acknowledgment is written, duly signed by the above-named PARTIES and their instrumental witnesses to this Contract.

WITNESS MY HAND AND SEAL.

Doc. No. 371;
Page No. 11
Book No. AA
Series of 2021.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2022
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-82-(2021-2022)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City