

CONTRACT
FOR THE SUPPLY AND DELIVERY OF PRC PRE-PRINTED ID CARDS AND
CONSUMMABLES WITH FREE USE OF BRAND NEW ID CARD PRINTING
EQUIPMENT FOR CALENDAR YEAR 2019

CS-05-2019-12(A) dated May 3, 2019

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into by and between:

PROFESSIONAL REGULATION COMMISSION (PRC), an agency of the national government, with principal office address at P. Paredes St., Sampaloc, Manila, represented by its Chairman, **HON. TEOFILO S. PILANDO, JR.**;

- and -

ALLCARD INC., a domestic corporation created and existing under and by virtue of the laws of the Republic of the Philippines, hereinafter referred to as **ALLCARD**, with business office address at Lot 3, Block 17, E. Rodriguez Jr. Avenue corner Titan St., Acropolis Subdivision, Bagumbayan, Quezon City, represented by its Key Account Manager, **MR. DUSTIN U. TAGUDIN**;

WITNESSETH THAT:

WHEREAS, PRC invited bids for the Supply and Delivery of PRC Pre-printed ID Cards and Consumables with free use of Brand New ID Card Printing Equipment for Calendar Year (CY) 2019, and has accepted the bid of **ALL CARD, INC.** for the supply and delivery of goods with a bid amount of **SEVENTEEN MILLION ONE HUNDRED THIRTY FOUR THOUSAND PESOS (PHP17,134,000.00)**. (Hereinafter called "the Contract Price").

WHEREAS, upon evaluation and recommendation of the Bids and Awards Committee (BAC), and approval of the Commission, **PRC** awarded to **ALLCARD, INC.** the supply and delivery of PRC pre-printed ID cards and consumables with free use of brand new ID card printing equipment for CY 2019.

1. **ALLCARD** shall supply to the **PRC**, **ONE MILLION THREE HUNDRED THOUSAND (1,300,000) PIECES** of PRC pre-printed ID cards and which shall conform to the following specifications and requirements:

A. Technical Specifications:

A.1. Pre-Printed Card



100% PVC (Polyvinylchloride)



International Credit Card Standard (CR-80)

- ☐ Thickness: 0.76 mm
- ☐ Finishing : Laminated
- ☐ No. of Litho/PMS colors on front : 4
- ☐ No. of Litho PMS color on back : 1

A.2. Finished Card: (format to be provided by the PRC)

- ☐ Must be of good quality
- ☐ The ID card must not easily break.
- ☐ The print and color of the ID card must not fade easily.
- ☐ The ID card plastic lamination must not easily disintegrate.

A.3. Overt Security Features:

- ☐ Pre-printed Serial card number (with tactile effect)
- ☐ Pre-printed Security Super Microprinting
- ☐ Pre-printed Name & Signature of Issuing Official
- ☐ Cardholder's Photo
- ☐ Ghost Image of Photo
- ☐ Color-coding by Profession

A.3. Covert Security Features:

- ☐ Invisible ink (UV) security printing across the card surface and over the cardholder's details

A.4. Additional Features:

- ☐ Space for Signature of Professional
- ☐ Black Psuedo-Magnetic Stripe with the PRC mailing address and Website address in white letters.

2. **ALLCARD** shall provide **PRC** free use of IT Equipment as follows:

Equipment	Number of Units
Brand New ID Card Printers	80
Brand New Scanners	80
Brand New Personal Computers with Operating System	80
Brand New Cables and Connectors	80

3. **ALLCARD** shall provide all the essential and necessary consumables sufficient to print One Million Three Hundred Thousand (1,300,000) pieces of PRC pre-printed ID cards. The consumables shall include Rolls of Ribbon (Five Panel Color Ribbon) and Cleaning Kit which must be sufficient to cover the printing of 1,300,000 pieces of PRC pre-printed ID cards and must be compatible with the card printing equipment.

4. **ALLCARD** shall supply the design of the pre-printed cards to be approved by the Chairman, and shall ensure that the finished PRC ID Cards conform to the following specifications and requirements:

- ☐ 100% PVC (Polyvinylchloride)
- ☐ International Credit Card Standard (CR-80)
- ☐ Thickness 0.76 mm
- ☐ Finishing: Laminated
- ☐ Number of Litho/PMS colors in front : 4
- ☐ Number of Litho/PMS colors at the back:1



5. **ALLCARD** shall provide the necessary parts, maintenance, calibration and repair services, on all the pieces of equipment included in this Contract "free of charge" during the term of this Agreement.
6. **ALLCARD** shall submit all the necessary production reports that may be required by the **PRC**.
7. **ALLCARD** shall assure **PRC** that the PVC card materials to be used are genuine and of good quality. The PRC pre-printed ID cards shall be made of PVC materials in accordance with the design and color specified by **PRC**. **ALLCARD** shall ensure the quality and consistency of the prescribed security features of the PRC pre-printed cards.
8. **ALLCARD** shall issue a Certification to **PRC** that it shall manufacture/purchase PRC designed pre-printed PVC Card for PRC ID cards exclusive for PRC's use. **ALLCARD** shall likewise provide **PRC** with a Certification as a supplier that they shall supply the PRC designed ID cards in accordance with the quantity and specifications and that no extra PRC ID cards have been printed for **ALLCARD's** use.
9. **ALLCARD** shall provide the sufficient equipment and consumables without additional cost on the part of **PRC** in the printing of PRC pre-printed ID cards.
10. **ALLCARD** shall deliver the PRC pre-printed ID cards and its consumables within thirty (30) days upon receipt of letter request for delivery from PRC after receipt of the Notice to Proceed. Deliveries for the succeeding quarters shall be based but not limited to the scheduled dates stated in item No. 2, Section VI of the bidding documents or the Schedule of Requirements. The Procurement and Supply Division shall make the proper coordination with **ALLCARD** regarding the delivery schedule, based on the requirements of the Commission.

B. OBLIGATIONS OF PRC :

1. **PRC** shall countercheck the number of cards delivered and inspect them for quality control.
2. **PRC** shall provide a production site or designated area within PRC Central Office and Regional/Offsite Offices complete with electric power to house and operate the PRC ID production equipment mentioned.
3. **PRC** shall assign a project coordinator who will coordinate all activities in the printing and supply of PRC pre-printed ID cards in the Central Office and Regional/Offsite Offices.

ARTICLE II. SECURITY AND CONFIDENTIALITY

1. **PRC** shall be the owner of the design and security features of the PRC Professional ID Cards. The digital copy of the design used by **ALLCARD** in the printing of PRC pre-printed ID cards shall be immediately returned to PRC on the expiration of the Contract.
2. Any information gained by **ALLCARD** or any of its employees is confidential in nature, and shall be absolutely treated as such by **ALLCARD** and all of its employees.
3. The pre-printed PVC cards manufactured/purchased by **ALLCARD** as consumable materials for printing shall not exceed the number ordered and required by PRC.



4. **ALLCARD** shall not disclose the security features of the PRC pre-printed ID cards to anyone except to the **PRC** Chairman and authorized personnel by the **PRC**.
5. In cases where the cards delivered includes double serial numbers, the twin card shall be returned to **ALLCARD** and shall be disposed of properly by the latter; and in such case, **ALLCARD** shall provide a replacement of the disposed card in accordance with the serial numbers of the succeeding deliveries with no additional cost to **PRC**.

ARTICLE III. PAYMENT

1. **PRC** shall pay **ALLCARD** the amount of **SEVENTEEN MILLION ONE HUNDRED THIRTY FOUR THOUSAND PESOS (Php17,134,000.00)** for **ONE MILLION THREE HUNDRED THOUSAND (1,300,000) PIECES** of **CARDS**, *inclusive of all taxes*.
2. Acceptance of delivery of the PRC pre-printed ID cards shall be evidenced by appropriate delivery receipts/invoices duly signed by the Officers-in-Charge/Chief of Section/Division of the **PRC** concerned offices after proper inspection of the delivered pre-printed PRC ID cards.
3. The cost of spoiled/rejected PRC pre-printed ID cards due to errors attributable to **ALLCARD** shall be borne by it in the amount equivalent to the cost of the pre-printed PRC ID Cards.
4. Unless prevented by fortuitous event, the failure of **ALLCARD** to comply with the terms and conditions of this contract, particularly the complete delivery of the number of PRC pre-printed ID Cards shall authorize the PRC to deduct/retain, as liquidated damages, from any money due to **ALLCARD** or collect from the performance security an amount equal to one-tenth (1/10) of one percent (1%) of the contract price of the undelivered PRC pre-printed ID cards for every calendar day of delay in the delivery of the PRC pre-printed ID Cards, but not to exceed ten percent (10%) of the contract price of the delivered items.

ARTICLE IV. TERMINATION OF CONTRACT AND PERFORMANCE SECURITY

1. **PRC** has the right to forfeit in its favor the performance security posted by **ALLCARD**, without need of judicial action, should it fail to perform any of its obligations/undertakings stipulated under this contract. Furthermore, any change in this contract, except the contract price, shall not require prior approval of the surety and shall in no way annul, release or affect the liability of **ALLCARD**.

ARTICLE V. WARRANTY

1. **ALLCARD** warrants that it shall remain an entity existing under and by virtue of Philippine laws, duly licensed, empowered or authorized thereunder to import, furnish, supply and produce the equipment, materials and supplies mentioned in this contract and that their delivery and use do not violate any provision of law, regulation or any indenture, contract or other undertaking to which **ALLCARD** is a party.
2. **ALLCARD** warrants the quality and genuineness of all supplies, materials and equipment used for the printing and supply of PRC Pre-printed ID Cards under this contract. It shall replace or make good any defect or deficiency found in the finished PRC pre-printed ID cards.




3. **ALLCARD** warrants that all the rules on bidding have been complied with; that all representations in the proposals and the documents submitted are complied with; that all deliveries shall be subject to testing; that all technical issues are resolved; that all representations are true and accurate; and that any information that may come to the knowledge of **PRC** that any of the provisions is not complied with shall be a basis for the termination of this contract by **PRC** without need of judicial action.

ARTICLE VI. TAXES, DUTIES AND OTHER IMPORT COSTS

1. **ALLCARD** shall be fully responsible for procuring and furnishing to the Bureau of Customs all permits, licenses and any other documents necessary for the importation to the Philippines of the equipment, supplies and materials furnished under this Contract.

ARTICLE VII. PATENTS AND/OR COPYRIGHTS

1. **ALLCARD** shall hold and save **PRC** free from liability of any nature for, or on account of, any copyrighted compositions, secret process, patented inventions, articles or appliances manufactured or used in the performance of this Contract.

ARTICLE VIII. WARRANTY AGAINST RECEIPT OF BENEFITS

1. **ALLCARD** warrants that its owner, or any of its officials, has not offered and will not offer any sum of money or non-financial favor to any member of the Bids and Awards Committee (BAC), or any official or employee of the Commission, in return for a favorable consideration of the subject bid; and acknowledge and admit that such act constitutes bribery and shall result to automatic disqualification of the company from future bidding.

ARTICLE IX. EFFECTIVE DATE AND VALIDITY OF CONTRACT

1. This Contract shall take effect upon the due execution and signing by the parties. All stipulations, agreements, provisions and covenants hereto contained shall remain valid, binding, and enforceable until the consumption of the ONE MILLION THREE HUNDRED THOUSAND (1,300,000) Pieces of PRC pre-printed ID cards, and thereafter, as regards to the classified information gained by **ALLCARD** in accordance with Article II of this Contract.
2. **PRC** shall have the right to terminate this Contract at any time, without need of judicial action. The termination shall be effective after Thirty (30) days from receipt of notice by **ALLCARD** on any, but not limited to the following grounds:
 - 2.1 Violation of any of the terms and conditions of the Contract;
 - 2.2 Any act of fixing, follow-up, facilitation, representation, or other similar activities, or any other illegal act relating to the conduct of examinations, issuance of professional license/ID, certification, and other similar activities by **ALLCARD** and/or its employees;
 - 2.3 Violation by the **ALLCARD** and/or its employees of PRC policies, rules and regulations; and
 - 2.4 Violation by **ALLCARD** of labor and society security laws and regulation.



ARTICLE X. RETURN OF IT EQUIPMENT

Within Thirty (30) calendar days from the project completion, **ALLCARD** shall have the right to remove, at no cost to **PRC**, and without causing any kind of injury or damage within PRC premises, the IT equipment supplied under this Contract. The **PRC** warrants that the IT equipment will be returned in good condition, reasonable wear and tear expected. The term "reasonable wear and tear" embodies not only the idea of deterioration from wear in use but also the idea of accidental injury incident to the reasonable use of a thing for the purpose for which it was designed.

The title or ownership of the IT EQUIPMENT, with all the rights consequent thereof, will be retained by the **ALLCARD**, and the risk of loss or damage of the IT EQUIPMENT from any fortuitous event is hereby assumed by **ALLCARD**. However, loss or damage of the IT equipment arising from the negligent act/s of PRC, its agents/employees, shall be borne by the PRC.

Failure on the part of **PRC** to return the IT equipment to **ALLCARD** on due date will give rise to **ALLCARD's** right to demand its return. **ALLCARD** shall make its demand in writing stating reasons thereof.

ARTICLE XI. SETTLEMENT OF DISPUTES

1. Any dispute or controversy, arising out of this Contract, shall be settled by such mode of settlement mutually acceptable to both parties.
2. Any dispute arising out of this Contract which cannot be settled amicably between the parties shall be submitted for arbitration in accordance with existing laws. The venue of any such action shall exclusively be in the City of Manila.

ARTICLE XII. MISCELLANEOUS PROVISIONS

1. The following documents, herein attached as Annexes shall be deemed to form and be read and construed as part of this Agreement. Viz.:
 - A. The Bid Form and the Price Schedule submitted by **ALLCARD**;
 - B. The Schedule of Requirements acknowledged by **ALLCARD**;
 - C. The Technical Specifications acknowledged by **ALLCARD**;
 - D. The General Conditions of Contract acknowledged by **ALLCARD**;
 - E. The Special Conditions of Contract acknowledged by **ALLCARD**;
 - F. Performance Security; and
 - G. PRC's Notice of Award.

IN WITNESS WHEREOF, the parties have signed this Contract, this May 3, 2019 in the City of Manila, Philippines.




**PROFESSIONAL REGULATION
COMMISSION**

ALLCARD INC.

By:

By:



TEOFILO S. PILANDO, JR.
Chairman


DUSTIN U. TAGUDIN
Key Account Manager

SIGNED IN THE PRESENCE OF:


EMMA T. FRANCISCO
OIC, Procurement and Supply Division

CERTIFIED AS TO THE AVAILABILITY OF FUNDS:


RASETES E. RAZONABE
OIC, Accounting Division

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in the City of Manila, this 16 MAY 2019
day of _____, personally appeared:

<u>Name</u>	<u>Proof of Identity</u>	<u>Date & Place Issued Or Type of Identity</u>
HON. TEOFILO S. PILANDO, JR.	PRC Employee ID	P000569
MR. DUSTIN U. TAGUDIN	DRIVER'S LICENSE	D04-93-068226

known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed - individually and likewise that of the agency/company they represent.

This instrument refers to a Contract for the Supply and Delivery of PRC Pre-printed ID Cards and Consumables with Free Use of Brand New ID Card Printing Equipment for CY 2019 consisting of eight (8) pages including the page on which this Acknowledgment is written, and is signed by the parties and their instrumental witnesses on each and every page hereof.

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

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Series of 2019

ATTY. LYRA CARISSA M. PROFUGO
NOTARY PUBLIC
COMMISSION NO. 2013-024
VALID UNTIL DECEMBER 31, 2019
ROLL NO. 68159
IBP NO. 097021/01/08/2019
PTR NO. 8039275/01/08/2019 MANILA
MCLE COMPLIANCE NO. VI-0003528
VALID UNTIL APRIL 14, 2022
TIN: 311-173-442