



- 4 Subject to the provisions of the preceding paragraph, where AWARDEE has accepted a purchase order but fails to deliver the required product(s) within the time called for in the same order, he shall be extended a maximum of fifteen (15) calendar days under liquidated damages to make good his delivery. Thereafter if AWARDEE has not completed delivery within the extended period, the subject purchase order shall be cancelled and the award for the undelivered balance withdrawn from that AWARDEE. The Procurement Service shall then purchase the required item(s) from such other source(s) as it may determine, with the difference in price to be charged against the DEFAULTING AWARDEE. Refusal by the DEFAULTING AWARDEE to shoulder the price difference shall be ground for his disqualification from future bids of the same or all items, without prejudice to the imposition of other sanctions as prescribed under RA 9184 and its IRR-A.
- 5 All deliveries by suppliers shall be subject to inspection and acceptance by the OFFICE OF CIVIL DEFENSE. All necessary laboratory tests undertaken by the OFFICE OF CIVIL DEFENSE on the item(s) shall be for the account of the supplier.
- 6 Rejected deliveries shall be construed as non-delivery of product(s)/Item(s) so ordered and shall be subject to liquidated damages, subject to the terms and conditions prescribed under paragraph 4 hereof.
- 7 Supplier shall guarantee his deliveries to be free from patent and latent defects. Any defective item(s) / product(s), therefore that may be discovered by the OFFICE OF CIVIL DEFENSE within three (3) months after acceptance of the same, shall be replaced by the supplier within seven (7) calendar days upon receipt of a written notice to that effect.
- 8 A penalty of one-tenth of one percent (0.001) of the total value of the product(s)/goods purchased shall be deducted for each day of delay in the delivery of the product(s)/goods ordered.
- 9 All duties, excise and other taxes and revenue charges, if any, shall be for the supplier's account.
- 10 As a pre-condition to payment, IMPORTATION DOCUMENTS specifically showing the condition and serial numbers of the imported equipment purchased should be submitted by the supplier to the OFFICE OF CIVIL DEFENSE.
- 11 All transactions are subject to withholding of creditable Value Added Tax (VAT) per Revenue Regulation No. 10-93.