CONTRACT OF SERVICES

KNOW ALL MEN BY THESE PRESENTS:

The **PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation, existing by virtue of Republic Act 7875 as amended by RA 9241 and RA 10606, otherwise known as the "National Health Insurance Act of 1995", with Regional Office Address at the Builders Place, Del Rosario St., Tuguegarao City, represented by its Regional Vice President, MR. OSCAR B. ABADU, JR., hereinafter referred to as **"PHILHEALTH",**

-AND-

CAGAYAN APPLIANCE CENTER, a private enterprise, organized and existing under pertinent laws of the Republic of the Philippines, with business address at 35 Mabini St. corner Gonzaga St., Centro 4, Tuguegarao City, represented by its Proprietor, **MR. RONNEL P. FORONDA,** hereinafter referred to as the **"SUPPLIER",**

-WITNESSETH THAT-

WHEREAS, PHILHEALTH invited Bids for the procurement of Air-conditioning Units;

WHEREAS, the **SUPPLIER** has accepted a Bid and binds itself to provide brand new Air-conditioning Units;

WHEREAS, PHILHEALTH, desires to avail the previously mentioned supplies at reasonable cost;

NOW THEREFORE, for and in consideration of the foregoing premises, the parties hereby agree to undertake the following conditions;

1. **PHILHEALTH** obligates itself to pay the **SUPPLIER** the contract price of **SIX HUNDRED FORTY EIGHT THOUSAND AND FIVE HUNDRED ELEVEN PESOS (Php 648,511.00)** upon completion/delivery, to remedy defects therein in conformity in all respects with the provision of the contract and subject to government accounting rules and procedures;

2. For and in consideration of the above-stated contract price, the **SUPPLIER** binds herself to undertake the following Technical Specifications;

I. ITEM / DESCRIPTION

Item	Description		Unit Cost (in PhP)	Qty.	Total Cost (in PhP)
AIRCON - 3.0TR Floor Mounted, Brand/Model: ET-36FS/M EVEREST 3-Toner	**Indoor Unit**				487,900.00
	Unit Model	Standard			
	Unit Type	Floor Mounted			
	Nominal Cooling Capacity	3.0TR			
	Type of Blower	Centrifugal			
	Electrical Characteristics:		69,700.00	7	
	a. Voltage	220 V			
	b. Phase	1 ph			
	c. Frequency	60 Hz			
	Type of Control	Digital with Built-in Timer, Temperature			

		Temperature Control and Operation Mode			
	Air Filter	Washable			
	Warranty	Three(3) years			
	Outdoor Unit				
	Type of Compressor	Scroll/Rotary			
	Refrigerant	R 22			
	Condenser Air Discharge	Horizontal or vertical			
	ACCU Fan Type	Propeller			
	ACCU Fan Motor	Totally enclosed			
	Service Valves	Suction & Liquid Lines			
	Safety Controls	High & Low Pressure Controls			
	Electrical Characteristics:				
	a. Voltage	220 V			
	b. Phase	1 ph			
	c. Frequency	60 Hz			
	Warranty:	Three(3) years			
AIRCON - Split Type 2.5Hp Inverter Type, Brand/Model : Panasonic-CS/U-PS 24NKQ	**Indoor Unit**				**160,611.00**
	Unit Model	Inverter Type			
	Unit Type	Wall Mounted			
	Nominal Cooling Capacity	2.5Hp			
	Type of Blower	Centrifugal			
	Electrical Characteristics:				
	d. Voltage	220 V			
	e. Phase	1 ph			
	f. Frequency	60 Hz			
	Type of Control	Wireless Remote			
	Air Filter	Washable			
	Warranty	Three(3) years			
	Outdoor Unit		53,537.00	3	
	Type of Compressor	Scroll/Rotary			
	Refrigerant	R 410A			
	Condenser Air Discharge	Horizontal			
	ACCU Fan Type	Propeller			
	ACCU Fan Motor	Totally enclosed			
	Service Valves	Suction & Liquid Lines			
	Safety Controls	High & Low Pressure Controls			
	Electrical Characteristics:				
	d. Voltage	220 V			
	e. Phase	1 ph			
	f. Frequency	60 Hz			
	Warranty	Three(3) years			

II. INSTALLATION

A. Refrigerant Piping:
1. Copper Pipes – Soft drawn copper pipes, 0.028" wall thickness for ¾" dia. and below. Hard drawn type M or L for 7/8" dia. and above.
2. Insulation – Closed cell elastomeric rubber with thickness of 1" for Gas Line and ¾" for Liquid Line.
3. Copper Elbow – Long Radius
4. Wrap refrigerant pipings with polyethylene tape.
B. Electrical Control Lines:
1. Conduit
a. PVC Electrical conduit from FCU to ACCU.
b. Liquid Tight Flexible Conduit from ACCU to Service Circuit Breaker. Use Liquid tight fitting connections.
c. ACCU Service Circuit Breaker must be Common Trip Bolt-on type for three phase power supply with NEMA 3R enclosure.
d. Wires – Stranded THWN or THHN.
C. Drain Lines:
1. 1" diameter Sch. 40 PVC pipes for 3.0TR & 5.0TR air-conditioning units and for ceiling mounted and cassette type of air-conditioning units regardless of cooling capacity.
2. ¾" diameter Sch. 40 PVC pipes for split wall mounted air-conditioning units not to exceed 20FT. total length of drain line. Exceeding 20FT. use 1" thickness Sch. 40 PVC pipes.
3. Provide pipe insulations at a minimum of 3/4" thickness for drain line passing inside ceiling and unconditioned space. Provide proper slope on every drain lines.
D. Steel Brackets or Mounting:
1. If applicable, provide steel mounting for FCU at minimum height of 4 inches.
2. Provide L-type or base steel mounting support for ACCU, whichever is necessary.
3. Material – 1 ½" x 1 ½" x 3/16"(5mm) thick Angle Steel Bar welded on joints.
4. For multiple ACCUs, provide steel platform of suitable thickness and wide. Submit shop drawing of steel platform for approval.
5. Fasten steel supports and platforms on walls using suitable grip anchors.
6. Apply epoxy primer paint on all steel supports and platforms.
E. Testing & Commissioning:
1. Refrigerant pipes should be leak tested using nitrogen gas for a minimum of 24hrs at 50% more than the operating pressure (1.5 times the operating pressure) but not to exceed 600psig prior to opening of service valves.
2. Dehydration of system using suitable vacuum pump should be done at a minimum of 2hrs.
3. During the start-up of unit, conduct readings on voltage, amperage and system pressures. Readings should be within the norms prescribed by the manufacturer as indicated in the start-up form.
4. During the testing and commissioning set the unit thermostat temperature at 22 or 23 degrees C and conduct readings on FCU & ACCU air discharge temperature, ambient temperature, system pressure readings, unit amperage and line voltage for a minimum of 6hrs.
5. Fill up properly the start-up form of every unit by showing all the readings taken during the testing and commissioning.
6. Testing and commissioning should be done in the presence of PHIC representative.
F. Conditions:
1. Equipment should contain Specification Plate showing the model, cooling capacity, electrical characteristics and other pertinent data for proper verification and checking.
2. Submit sample of materials to be used in the installation for approval.
3. Provide pipe supports with equal distances and in orderly manner.
4. Provide air deflectors made of plain G.I. sheet for proper discharging of condensed air if necessary.
5. All installation works shall be done in accordance with the standard engineering practices.
6. Provide adequate power supply from source or MDP should there be no available or existing power supply for the unit to be installed. Materials to be used should be the same with that of the Electrical control lines.

Remarks	Failure to provide service unit after forty eight(48) hours-cut off period shall be imposed a corresponding penalty of one-tenth(1/10) of one percent(1%) of the unit price which shall be deducted from the performance security of the winning bidder.

3.3 The winning bidder shall provide a **Local Service Center** (LSC) (from Tuguegarao City or any LSC from the Region) which will be responsible in trouble shooting equipment problems ranging from simple to complex.

3.4 A strict implementation of one-tenth (1/10) of one (1) percent (%) penalty of the unit price of the defective item shall be imposed for every day of delay on service response time / issuance of service unit. To properly monitor or validate the performance of the service engineer, he/she is required to provide a service/ job order form indicating the current date, time and the transaction transpired in the Philhealth Regional Office 2 (where the support service from the supplier is conducted.) As soon as the engineer had checked and declared that the defective unit/s cannot be repaired within the service response time or on-site cut-off period, the units should be made available within the next 48 hours. Any movement of the service unit/s and malfunctioned/repaired unit/s shall be charged against the account of winning supplier. The assigned service engineer should be able to determine on-site if defective equipments/s is/are under warranty or not. But, once the defective unit/s has/have been pulled-out by the service engineer or the supplier's representative, the said unit/s will be declared as repaired and all cost shall be charged to the winning supplier. If the malfunctioned unit cannot be repaired after 15 working days from the time the said unit had been pulled-out for repair the said unit shall be replaced with a new unit (should be equal or higher specification).

IV. TRAININGS

The Supplier must provide technical trainings free of charge. The training must be provided twenty five (25) calendar days after the delivery period. The Supplier must provide in-depth technical trainings at manufacturers' authorized training centers / laboratory and to be conducted by manufacturers' certified trainers/instructors for PhilHealth Regional Office 2 technical support personnel. The trainings shall focus on the technology used by the equipment and its applications and must include hands-on exercises.

V. DELIVERY ADDRESSES & DATE

The winning bidder must deliver the ten (10) airconditioning units not more than twenty five (25) calendar days after the issuance of Purchase Order.

IV. RECISSION

In case any of the party violates any provision of this contract or for any justifiable or lawful cause, the aggrieved party may cause the rescission of this contract in accordance with existing laws.

IN WITNESS WHEREOF, we have hereunto affixed our signatures this 24th day of December 2014 in Tuguegarao City, Cagayan.

CAGAYAN APPLIANCE CENTER

BY:

MR. RONNEL P. FORONDA
Proprietor

PHILIPPINE HEALTH INSURANCE CORPORATION

BY:

MR. OSCAR B. ABADU, JR.
Regional Vice President

Signed in the presence of:

MS. KELLY MAE D. CALIMAG
Head – Fund Management Section

MR. JOSUE M. ANOG
Official Canvasser, PRO 2

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
TUGUEGARAO CITY, CAGAYAN) **S.S.**

BEFORE ME, personally appeared this 31st day of Jan 2015, at Tug. City, Cag Philippines.

NAME	**Proper Identification**	**DATE/PLACE OF ISSUE**
MR. OSCAR B. ABADU, JR.	N02-95-270119 (Drivers License)	Tuguegarao City
MR. RONNEL P. FORONDA	Drivers license	8-22-12-LTO Tuguegarao City

known to me to be the same persons who executed the foregoing Contract of Services consisting of Six (6) pages including the page on which this acknowledgment is written and acknowledged that the same is their voluntary act and deed.

IN TESTIMONY WHEREOF, I have hereunto signed and affixed my notarial seal on the date and place first above-written.

ATTY. JOSEPH ANDREW L. CUNANAN
NOTARY PUBLIC

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