

**CONTRACT FOR THE SUPPLY, DELIVERY AND INSTALLATION
OF ONE (1) LOT AIR CONDITIONING UNITS**

KNOW ALL MEN BY THESE PRESENTS:

This Contract is made and entered into by and between the:

TRADEMASTER RESOURCES COPORATION, a business entity existing under the laws of the Republic of the Philippines with postal address at Lot E, Impex Compound, Alabang-Zapote Road, Las Piñas City represented herein by its President, **CRIS GIOVANNI CHIONG**, hereinafter referred to as "**TRADEMASTER RESOURCES CORPORATION**";

-and-

PHILIPPINE HEALTH INSURANCE CORPORATION, with postal address at Citystate Center Bldg., 709 Shaw Blvd., Pasig City, a government owned and controlled corporation organized and existing under and by virtue of the laws of the Republic of the Philippines, represented in this act by Area Vice President for Northern and Central Luzon and Concurrent Regional Vice President for PhilHealth Regional Office I, **DANIEL F. DE LEON**, hereinafter referred to as "**PHILHEALTH**";

-Witnesseth-

WHEREAS, PHILHEALTH posted the Invitation to Bid for the Procurement of One (1) Lot Air Conditioning Units with an Approved Budget for the Contract in the amount of Eight Hundred Thirty Nine Thousand Eight Hundred Fourteen Pesos (Php839,814.00) in the PhilGEPS and in conspicuous places at the premises of the PhilHealth Regional Office 1 continuously from April 19-25, 2012;

WHEREAS, a public bidding was held last May 9, 2012 for the Procurement of One (1) Lot Air Conditioning Units for PhilHealth Regional Office No. I, Dagupan City, per ITB No. 2012-001;

WHEREAS, the PRO 1 Bids and Awards Committee (PRO1-BAC) through BAC Resolution No. 12, series 2012 dated May 17, 2012, resolved and declared **TRADEMASTER RESOURCES CORPORATION** as the bidder with the Lowest Calculated and Responsive Bid for the bidding on the Procurement of One (1) Lot Air Conditioning Units in accordance with the Implementing Rules and Regulations of Republic Act No 9184, otherwise known as the Government Procurement Reform Act;

WHEREAS, PHILHEALTH issued a Notice of Award dated May 17, 2012 to **TRADEMASTER RESOURCES CORPORATION** and was received on May 28, 2012 in relation to said public bidding;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto agreed and do hereby mutually agreed on the following terms and conditions, to wit:

ARTICLE I

OBLIGATIONS OF TRADEMASTER RESOURCES CORPORATION

TRADEMASTER RESOURCES CORPORATION shall deliver the following Air Conditioning Units with a total cost of Six Hundred Seventy Eight Thousand Eight Hundred Eighty Eight Pesos (P 678,888.00), inclusive of all taxes, broken down as follows:

Item No.	Qty	Unit	Item	Item Specification	Amount
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MELVIN ZABALA
Sales Manager

CRIS GIOVANNI CHIONG
President

DEXTER L. MEJIA
Special Investigator II

JANE C. RAGOS
Fiscal Controller IV

DANIEL F. DE LEON
Area VP-Northern & Central Luzon
Concurrent RVP, PRO 1

MELVIN ZABALA
Sales Manager

CRIS GIOVANNI
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2	1	unit	AIRCON SPLIT TYPE	3.0 TR, WALLMOUNTED, SUPPLY AND INSTALLATION, MATERIALS AND LABOR	67,468.80
3	1	unit	AIRCON SPLIT TYPE	5.0 TR, FLOORMOUNTED, SUPPLY AND INSTALLATION, MATERIALS AND LABOR	92,308.80
4	6	units	AIR-CON PACKAGE TYPE	3.0 TR, FLOOR STANDING SUPPLY AND INSTALLATION, MATERIALS AND LABOR	381,712.80
5	1	unit	AIRCON-WINDOW TYPE	1.5. W/O TIMER SUPPLY AND INSTALLATION, MATERIALS AND LABOR	19,728.80
6	1	unit	AIRCON-WINDOW TYPE	2.0 HP, W/O TIMER SUPPLY AND INSTALLATION, MATERIALS AND LABOR	25,828.80
TOTAL					P678,888.00

TRADEMASTER RESOURCES CORPORATION shall supply and deliver the above items within forty five (45) calendar days from receipt of Purchase Order, in accordance with the date, place, quantity and all agreements as provided in the Technical Specifications for Air Conditioning Units, a copy of which is hereto attached as Annex "A", and made an integral part of this contract.

ARTICLE II WARRANTY

In order to assure that defects shall be corrected during the one (1) year warranty period, a warranty security shall be required from TRADEMASTER RESOURCES CORPORATION. The obligation for the warranty shall be covered by either a retention money or a special bank guarantee in an amount equivalent to at least ten percent (10%) of the contract price. The said amount shall only be released after one (1) year as stipulated in the bidding documents.

ARTICLE III PERFORMANCE SECURITY

To guarantee the faithful performance by TRADEMASTER RESOURCES CORPORATION of its obligations under the contract in accordance with the Bidding Documents, it shall post a performance security prior to signing of this contract. The performance security shall be in the amount equal to a percentage of the total contract price in accordance with the following schedule:

Forms of Security	Minimum Amount in % of Total Contract Price
Cash or cashier's/manager's check, bank guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank.	Five Percent (5%) = [P33,944.44]
Surety Bond callable upon demand	Thirty Percent (30%) = [P203,666.40]
Any combination of the foregoing	Proportionate to share of form with respect to total amount of security

The Performance Security serves as a guarantee for the payment of any claim made by PHILHEALTH for losses, liability, injury or damage arising from or growing out of TRADEMASTER RESOURCES CORPORATION obligations and undertaking assumed and agreed to by the parties hereunder, such bond be and to remain in force until the period of prescription provided by law for filing such claim(s) or loss, liability, injury or damage shall

MEIVIN LABALA
Sales Manager

lapsed. Provided however, that if any claim for any of the foregoing has been filed within the said period, then in any case, said bond shall continue.

In the execution of the Performance Security, it shall at least be co-terminus with the final completion of the contract and shall be released by PHILHEALTH after the complete delivery, installation and functionality of the furniture and fixtures are established.

ARTICLE IV OBLIGATIONS OF PHILHEALTH

PHILHEALTH shall pay TRADEMASTER RESOURCES CORPORATION the sum of SIX HUNDRED SEVENTY EIGHT THOUSAND EIGHT HUNDRED EIGHTY EIGHT PESOS (Php678,888.00), after complete delivery to and acceptance as to quantity and technical specifications by PHILHEALTH of all items enumerated in Article I, provided that withholding and other applicable taxes shall be deducted there from and remitted directly to the Bureau of Internal Revenue.

ARTICLE V BREACH OF CONTRACT

Breach of any of the terms and conditions stipulated herein shall cause the cancellation of this contract and the guilty party shall be liable for damages, attorney's fees and cost of suit. Additionally, if the guilty party is TRADEMASTER RESOURCES CORPORATION, it shall also cause the forfeiture of its performance security in favor of the government, without prejudice to the availment of other legal remedies available under the premises.

Breach of Article I, paragraph 1, shall give PHILHEALTH the option to rescind this contract and both parties shall be obliged to return what has been received pursuant to this contract. PHILHEALTH shall exercise its option within thirty (30) days from occurrence of the breach otherwise it shall be deemed as waived.

ARTICLE VI LIQUIDATED DAMAGES

In case/s when TRADEMASTER RESOURCES CORPORATION fails to satisfactorily deliver the items in Article I within specified delivery schedule which is forty five (45) calendar days from receipt of Contract, inclusive of duly granted time extensions, if any, TRADEMASTER RESOURCES CORPORATION shall be liable for damages for the delay and shall pay the procuring entity liquidated damages, or by way of penalty, an amount equal to one tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the procuring entity concerned.

PHILHEALTH need not prove that it has incurred damages to be entitled to liquidated damages. Such amount shall be deducted from any money due or which may become due to TRADEMASTER RESOURCES CORPORATION or collected from any securities or warranties posted by TRADEMASTER RESOURCES CORPORATION, whichever is convenient to PHILHEALTH. In no case shall the total sum of liquidated damages exceed fifteen percent (15%) of the total contract price, in which event the procuring entity concerned shall automatically terminate the contract and impose appropriate sanctions over and above the liquidated damages to be paid.

DEXTER L. MEJIA
Special Investigator II

JANEC. RAGOS
Fiscal Controller IV

DANIEL F. DE LEON
Area VP-Northern and Central Luzon
Concurrent Regional Vice President, PRO 1

**ARTICLE VII
MISCELLANEOUS PROVISIONS**

The Technical Specifications, Bid Documents, Bid Bulletin, Abstract of Bid and other related issuances and the Bid Proposals shall form an integral part of this contract.

Amendment or revision of any provision herein found shall be given effect upon mutual agreement in writing and approval of both parties.

**ARTICLE VIII
SEPARABILITY CLAUSE**

If any paragraph, sub-paragraph or part of this contract is declared contrary to law, public policy or otherwise declared invalid, such shall not affect the other paragraphs, sub paragraphs or parts of said contract.

**ARTICLE IX
EFFECTIVITY**

This contract shall take effect immediately upon signing hereof.


IN WITNESS WHEREOF, the parties hereto have signed on this JUN 11 2012 2012 at Dagupan City, Pangasinan, Philippines.

TRADEMASTER RESOURCES CORPORATION

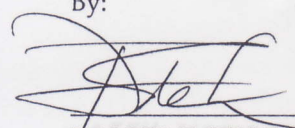
**PHILIPPINE HEALTH INSURANCE
CORPORATION**

By:

By:

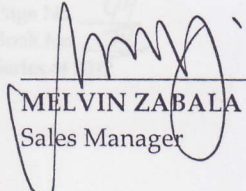


CRIS GIOVANNI CHIONG
President




DANIEL F. DE LEON
Regional Vice President


Signed in the presence of:



MELVIN ZABALA
Sales Manager



JANE C. RAGOS
Fiscal Controller IV



DEXTER L. MEJIA
Special Investigator II

ACKNOWLEDGMENT

Republic of the Philippines)
Province of Pangasinan)
City of Dagupan) S.S.

BEFORE ME, a Notary Public for and in the CITY OF DAGUPAN, this JUN 11 2012 day of _____, 2012 personally appeared:

Name	ID No.	Date of Issue/Type
<u>CRIS GIOVANNI CHIONG</u>	_____	_____
<u>DANIEL F. DE LEON</u>	<u>10002397</u>	<u>PhilHealth Company ID</u>

Who are known to me and to me known to be the same parties who executed foregoing Contract for the Supply, Delivery and Installation of Air Conditioning Units and acknowledged that the same is their free act and deed and that of the enterprise and corporation being represented. This instrument consisting of five (5) pages including this page on which this acknowledgement is written has been signed on the left margin of each and every page hereof by the parties and their instrumental witnesses and sealed with my notarial seal.

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

Notary Public

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PTC No. 1290381 01-03-12
MCLE No. 11-000989 10-30-08
631 GUILIG ST., CITY OF DAGUPAN

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JANE C. RAGOS
Fiscal Controller IV

DANIEL F. DE LEON
Area VP-Northern & Central Luzon/
Concurrent RVP, PRO 1

CRIS GIOVANNI CHIONG
President

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