

**CONTRACT FOR SUPPLY AND DELIVERY OF OFFICE EQUIPMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This contract is made and entered into by and between:

**PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation organized and existing under and by virtue of the laws of the Republic of the Philippines, with postal address at 11<sup>th</sup>-19<sup>th</sup> Floor Citystate Center Bldg., 709 Shaw Boulevard, Brgy. Oranbo, Pasig City, represented in this act by its Regional Vice President for PhilHealth Regional Office IX, **MR. ROMEO D. ALBERTO**, hereinafter referred to as the "**PHILHEALTH**".

-and-

**EMCOR INC.**, an entity existing under the laws of the Republic of the Philippines, with office address at **Nuñez Extension, Zamboanga City**, represented herein by its **CITP Sales Coordinator, RENATO Z. EPAO**, hereinafter referred to as the "**SUPPLIER**".

**WITNESSETH:**

**WHEREAS**, a public bidding was held from **September 20, 2012 – October 10, 2012** for the **Procurement of Office Equipment** (Lot#1: Aircon Window Type, Lot#2: Aircon-Package Type, Lot#3: Aircon-Package Type) with **ITB No. PRO IX 2012-001**;

**WHEREAS**, the **EMCOR INC.** bid proposal on Office equipment was adjudged as the most advantageous and favorable to **PHILHEALTH** based on the consolidated technical and financial evaluation of the suppliers who submitted their bid. A copy of **EMCOR INC.** bid documents dated **October 10, 2012** is hereto attached as Annex "A" and made an integral part of this contract;

**WHEREAS**, **PHILHEALTH** issued a Notice of Award dated **October 17, 2012** to **EMCOR INC.** as the winning proponent in the recently concluded bidding process.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties hereto agree, on the following terms and conditions, to wit:

**ARTICLE I**  
**OBLIGATIONS OF EMCOR INC.**

**EMCOR INC.** shall:

1. Deliver the following Office equipment at a cost of **FIVE HUNDRED TWENTY SEVEN THOUSAND SEVEN PESOS AND 52/100 (Php527,007.52)**, inclusive of all taxes, broken down as follows:



QTY	UNIT PRICE	ITEM	TOTAL
1 Unit	Php23, 927.52	Kolin, Aircon Window Type, 2.5 HP w/out timer, Model # KAG-250ME	Php23, 927.52
4 Units	63,885.00	Koppel, Aircon Package Type 3.0 TR Floor Standing, Model # KFM-36E2/KPC361 H2 For PhilHealth Zamboanga City Local Health Insurance Office	255,540.00
4Units	61,885.00	Koppel, Aircon Package Type 3.0 TR Floor Standing, Model # KFM-36E2/KPC361 H2 For PhilHealth Dipolog Local Health Insurance Office	247,540.00
Total Contract Price			Php527,007.52

Such items shall be delivered to PHILHEALTH within **thirty (30) calendar days** from the issuance and acceptance of the Notice to Proceed by **EMCOR INC.** in accordance with Section VI. Schedule of Requirements and Section VII. Technical Specifications of the project's Bidding Documents, copies of such documents are hereto attached as Annex "B" and "C," respectively, and made an integral part of this contract.

2. Warrant the following:

2.1 That the office equipment supplied are free from defects due to design or workmanship for at least a period of one (1) year from the date of the acceptance or as provided for under Section VII. Technical Specifications. The items shall be free from any apparent defects or bugs prior to acceptance;

2.2 A one (1) year warranty, or as provided for under Section VII. Technical Specifications, for all office equipment supplied shall take effect upon the issuance of a certificate of acceptance from the GSU technical representatives. The warranty feature also includes service/labor applied thereon. That all units delivered were sealed with warranty sticker and such sticker will be replaced after the said unit has gone repair by a technical representative represented by both parties;

2.3 The on-call support must be available within **eight (8) hours a day, five (5) days a week**. A one – hour response time (through telephone call) must be provided. When the problem cannot be solved by an on – call support, troubleshooting must be done on – site. Service response time must be within one (1) hour for all office equipment supplied. During the hardware repair, testing may be done on – site to know the extent of the problem. All components beyond repair shall be replaced at no cost during the effectivity and conditions of the warranty;

2.4 Provide service units of the same specifications or higher if the Office equipment supplied cannot be repaired within eight (8) hours. The

Witness

Witness

PHILHEALTH



SUPPLIER shall shoulder all expenses of the technical person /s who will be providing the technical services on – site;

2.5 Provide User Manuals, Technical/Reference Materials and System Manuals, Troubleshooting and installation guide, in hard and/or soft copy; and

2.6 Ensure that PHILHEALTH's existing office equipment that runs smoothly on existing PHILHEALTH's office family will be able to operate on the same way with the winning supplier's office equipment.

## **ARTICLE II**

### **ASSURANCE OF FAITHFUL OBLIGATION**

In order to assure that defects arising from normal wear and tear during the warranty period shall be corrected, the faithful obligation shall be covered by either retention money or special bank guarantee in an amount equivalent to at least ten percent (10%) of the total contract price. The said amount shall only be released after the lapse of the warranty period.

## **ARTICLE III**

### **OBLIGATIONS OF PHILHEALTH**

PHILHEALTH shall pay the SUPPLIER the sum of **FIVE HUNDRED TWENTY SEVEN THOUSAND SEVEN PESOS AND 52/100 (Php527,007.52)**, inclusive of all taxes, after complete delivery to and acceptance as to quantity and technical specifications by PHILHEALTH of all items enumerated in paragraph 1, Article I, provided that withholding and other applicable taxes shall be deducted therefrom and remitted directly to the Bureau of Internal Revenue (BIR).

## **ARTICLE IV**

### **BREACH OF CONTRACT**

Breach of any of the terms and conditions shall cause the cancellation of this contract and the guilty party shall be liable for damages, attorney's fees and cost of suit. In addition, if the guilty party is the SUPPLIER, 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.

## **ARTICLE V**

### **LIQUIDATED DAMAGES**


In case/s when the supplier fails to satisfactorily deliver the goods under the contract within the specified delivery schedule, inclusive of duly granted time extensions, if any, the supplier shall be liable for damages for the delay and shall pay **PHILHEALTH** liquidated damages, not 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 **PHILHEALTH**.

**PHILHEALTH** need not prove that it has incurred actual damages to be entitled to liquidated damages. Such amount shall be deducted from any money due or



total sum of liquidated damages exceed ten percent (10%) of the total contract price, in which event the **PHILHEALTH** shall automatically terminate the contract and impose appropriate sanctions over and above the liquidated damages to be paid.

## **ARTICLE VI** **PERFORMANCE BOND**

 **EMCOR INC.** hereby undertakes to furnish **PHILHEALTH** a Performance Security in the form of cash, cashier's check, manager's check, bank draft/guarantee or irrevocable letter of credit, as confirmed by a Universal or Commercial Bank, amounting to five percent (5%) of the total contract price or in the form of Surety Bond (callable upon demand) guaranteed by the Government Service Insurance System (GSIS) or any reputable bonding company in an amount equivalent to thirty percent (30%) of the total contract price **within ten (10) calendar days** from receipt of the Notice of Award.

The Performance Security shall be forfeited in favor of **PHILHEALTH** in the event it is established that the winning bidder is in default of its obligations under the Contract. Further, the same shall be released to the **SUPPLIER** after the issuance of the Certificate of Acceptance of goods by **PHILHEALTH**.

## **ARTICLE VII** **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 VIII** **MISCELLANEOUS PROVISIONS**

The Bidding Documents, Bid Bulletins 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 upon mutual agreement and approval of both parties.

## **ARTICLE IX** **EFFECTIVITY**

This contract shall take effect immediately upon signing hereof.

**IN WITNESS WHEREOF**, the parties have hereunto affixed their respective signature on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_ at Zamboanga City, Philippines.

EMCOR INC.


By:

  
\_\_\_\_\_  
**RENATO Z. EPAO**  
CITP Sales Coordinator

11/20/2012

PHILIPPINE HEALTH  
INSURANCE CORPORATION  
(PHILHEALTH)

By:

  
\_\_\_\_\_  
**ROMEO D. ALBERTO**  
Regional Vice-President

Signed in the presence of:

\_\_\_\_\_  
  
\_\_\_\_\_  
**ROSEMIN E. DAMSID**  
Fiscal Controller IV



**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
CITY OF ZAMBOANGA )s.s.  
x ----- x

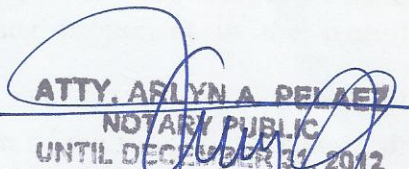
**BEFORE ME**, this \_\_\_\_ day of 21 NOV 2012, \_\_\_\_\_, in Zamboanga City, personally appeared with their respective government issued ID card bearing number 10027398 for Romeo D. Alberto and \_\_\_\_\_ for \_\_\_\_\_.

Known to me to be the same persons who executed the foregoing Contract of Service and acknowledge to me that the same are their own free act and deed and that of the agency/corporation being represented.

This instrument consists of five (5) pages, including this page on which this acknowledgement is written, signed by the parties and their instrumental witnesses and sealed with my notarial seal.

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

Doc. No. 06  
Page No. 02  
Book No. 51  
Series of 2012

  
**ATTY. AILYN A. PELAEZ**  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2012  
PTR NO. 0443306, ISSUED ON: 01-03-12  
AT ZAMBOANGA CITY  
IBP LIFETIME NO. 055990/06-29-07  
ROLL NO. 47971  
NOTARIAL COMMISSION NO. 33-2011

Witness

Witness

PHILHEATH

PHILHEATH