

Contract Agreement

THIS AGREEMENT made this 31st day of August 2012 between **PHILIPPINE HEALTH INSURANCE CORPORATION (PHIC) REGIONAL OFFICE 8** of the Philippines (hereinafter called "the Entity") of the one part and **PRECISION BLACK TONER, INC.** located at 1133 Rm A4 4/F Marvin Plaza, Don Chino Roces Avenue, Makati City (hereinafter called "the Supplier") of the other part:

WHEREAS the Entity invited Bids for the Supply of Various IT Supplies - 3rd & 4th Quarters (ITB 12-07-14) as follows:

Item No.	Product Description	Qty	Unit Price	Total Price
1	Flash/Thumb Drive 16.0 GB Capacity, USB 2.0 plug and play, complete with standard accessories	27	450.00	12,150.00
2	INK CARTRIDGE For HP Officejet, Model PRO 8000, C4906AA no.940 XL Ink Black	16	1,475.00	23,600.00
3	INK CARTRIDGE For HP Officejet, Model PRO 8000, C4907AA no.940 XL Ink Cyan	8	1,120.00	8,960.00
4	INK CARTRIDGE For HP Officejet, Model PRO 8000, C4908AA no.940 XL Ink Magenta	8	1,120.00	8,960.00
5	INK CARTRIDGE For HP Officejet, Model PRO 8000, C4909AA no.940 XL Ink Yellow	8	1,120.00	8,960.00
6	INK CARTRIDGE For HP Officejet, Model PRO K5400dn, 88XL no. 18, black	8	1,900.00	15,200.00
7	INK CARTRIDGE For HP Officejet, Model PRO K5400dn, 88XL no. 18, cyan	4	1,345.00	5,380.00
8	INK CARTRIDGE For HP Officejet, Model PRO K5400dn, 88XL no. 18, magenta	4	1,345.00	5,380.00
9	INK CARTRIDGE For HP Officejet, Model PRO K5400dn, 88XL no. 18, yellow	4	1,345.00	5,380.00
10	INK CARTRIDGE For LEXMARK Deskjet Printer Z818 High Yield Printer No. 34, Black	9	1,910.00	17,190.00
11	INK CARTRIDGE For LEXMARK Deskjet Printer Z818 High Yield Printer No. 35, colored	2	2,300.00	4,600.00
12	TONER CARTRIDGE For HP Laserjet Network Printer 4015n, CC364A	18	7,405.00	133,290.00
13	TONER CARTRIDGE For HP Laserjet Network Printer 4250n, Model: Q5942A	3	7,250.00	21,750.00
14	TONER CARTRIDGE For HP Laserjet Network Printer P3015 series, Model: CE255A	51	7,285.00	371,535.00
	TOTAL PROJECT COST			P642,335.00

WHEREAS the Supplier is willing and capable to supply and deliver all of the above-mentioned IT supplies:

WHEREAS, the Entity has accepted a Bid by the Supplier for the supply of those goods in the sum of **SIX HUNDRED FORTY-TWO THOUSAND THREE HUNDRED THIRTY-FIVE PESOS (P642,335.00)** (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents 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 the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and
 - (f) the Entity's Notification of Award.
3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services **within 15 days upon receipt of the Notice to Proceed** and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.
5. As per Section 62 (Warranty) of the RIRR of R.A. 9184, to assure that manufacturing defects shall be corrected by the supplier, a **warranty security** shall be required from the contract awardee for a **minimum period of three (3) months in the case of Expendable Supplies**, or a minimum of one (1) year, in the case of Non-Expendable Supplies, after acceptance by the procuring entity of the delivered supplies. The warranty shall be covered by either retention money in an amount equivalent to at least ten percent (10%) of every progress payment, or a special bank guarantee equivalent to at least ten percent (10%) of the total contract price.
6. The Entity will also apply a penalty as provided for in R.A. 9184 **for delayed delivery** as specified below:

The applicable rate is one tenth (1/10) of one (1) percent of the cost of the unperformed portion/undelivered goods for every day of delay.

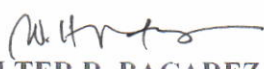
The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the

amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.


**PHILIPPINE HEALTH INSURANCE
CORPORATION (PHIC)
REGIONAL OFFICE 8**

By:

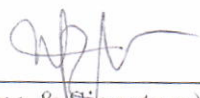

Mr. WALTER R. BACAREZA
Regional Vice President

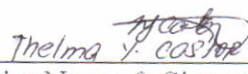
**PRECISION BLACK TONER,
INC.**

By:


Ms. JEAN V. NABUA
Authorized Representative
SSS # 02-1713171-7

SIGNED IN THE PRESENCE OF:


(Print Name & Signature)


(Print Name & Signature)


ACKNOWLEDGEMENT

Republic of the Philippines)
City of **MAKATI**) s.s.

BEFORE ME, this _____ day of **SEP 03 2012**, 2012, in the City of **MAKATI** Province of _____ Philippines, personally appeared WALTER R. BACAREZA, Regional Vice President of PhilHealth Regional Office VIII and HOMER CONCHADA, Proprietor of HLYC Trading with Community Tax Certificate _____, issued at _____ on _____, and Community Tax Certificate _____ issued at _____ on _____, respectively, known to me to be the same persons who executed the foregoing instrument, and they acknowledged to me that the same are their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hands and affixed my notarial seal on the day, year and place above written.

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ATTY. LOPE M. VELASCO
NOTARY PUBLIC
Until December 31, 2013
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IBP # 864149-Pasig City-12/21/11
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