

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 11th-19th 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, **MR. RENATO Z. EPAO**, hereinafter referred to as the "**SUPPLIER**".

WITNESSETH:

WHEREAS, a public bidding was held from **September 24, 2012 to October 15, 2012** for the **Procurement of IT Equipment** (Lot#1: Stand Alone Laser Jet Printer, and Lot#3: Network Laser Jet Printer) with **ITB No. PRO IX 2012 – 002 (IT)**;

WHEREAS, **EMCOR INC.** bid proposal on the above project **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 15, 2012** is hereto attached as Annex "A" and made an integral part of this contract;

WHEREAS, **PHILHEALTH** issued a Notice of Award dated **October 23, 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 IT equipment at a cost of **TWO HUNDRED TWENTY –THOUSAND FOUR HUNDRED AND 00/100 PESOS (Php220,400.00)**, inclusive of all taxes, broken down as follows:

QTY	UNIT PRICE	ITEM	TOTAL
2 Units	Php10,000.00	Stand Alone Laser Jet Printer, Model # HP Laser Jet PRO P1566 Printer part# (CE6634)	Php20,000.00
3 Units	Php66,800.00	Network Laser Jet Printer, Model # HP Laser Jet ENT	Php200,400.00

		600 M601n replaced P4014 part# (CE989A)	
		Total Contract Price	Php220,400.00

Witness

Such items shall be delivered to PHILHEALTH within **forty five (45) 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 IT equipment supplied are free from defects due to design or workmanship for at least a period of three (3) years 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 three (3) year warranty, or as provided for under Section VII. Technical Specifications, for all IT equipment supplied shall take effect upon the issuance of a certificate of acceptance from the ITM 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 IT 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 IT equipment supplied cannot be repaired within eight (8) hours. The 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 software application that runs smoothly on existing PHILHEALTH's computers family will be able to operate on the same way with the winning supplier's computer.

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

Witness

PHILHEALTH

SUPPLIER

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 **TWO HUNDRED TWENTY THOUSAND FOUR HUNDRED PESOS ONLY (Php220,400.00)**, 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 which may become due to the supplier, or collected from any securities or warranties posted by the supplier, whichever is convenient to **PHILHEALTH**. In no case shall the 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.

**PHILIPPINE HEALTH
INSURANCE CORPORATION
(PHILHEALTH)**

By: _____

RENATO Z. EPAO
CITP Sales Coordinator

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

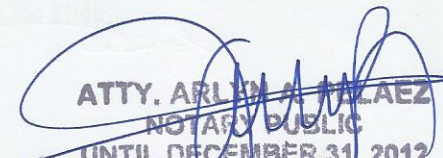
BEFORE ME, this _____ day of **21 NOV 2012**, _____, in Zamboanga City, personally appeared with their respective government issued ID card bearing number 10027398 for Romeo D. Alberto and _____ for _____.

Known to me and to me known to be the same persons who executed the foregoing Contract for the Supply and Delivery of IT Equipment (For Operations Use – Replacement of Defective Units) 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. 07
Page No. 02
Book No. 51
Series of 2012


ATTY. ARLENE A. LAZAEZ
NOTARY PUBLIC
UNTIL DECEMBER 31, 2012
PTR NO. 0445360. ISSUED ON: 01-03-12
AT ZAMBOANGA CITY
IBP LIFETIME NO. 055990/06-29-07
ROLL NO. 47971
NOTARIAL COMMISSION NO. 33-201'

Witness

Witness

PHILHEALTH