

CONTRACT FOR THE SUPPLY AND DELIVERY
OF BULK PURCHASE OF VARIOUS IT EQUIPMENT

1305041

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into by and between:

PHILIPPINE HEALTH INSURANCE CORPORATION, a government owned and controlled corporation created pursuant to Republic Act No. 7875, with regional office at the G/F Lynzee's Building, 766 J. Rosales Avenue, Butuan City, represented by **JOHNNY Y. SYCHUA**, Regional Vice President hereinafter referred to as "**OBLIGEE**",
and

GLOBALCHIPS TECHNOLOGIES CO., an incorporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with address at Andrea Building., Toribio Chavez cor. Rizal Street, Divisoria, Cagayan de Oro City represented by **WILLIAM V. MALAGAR** as General Manager, hereinafter referred to as the "**OBLIGOR**".

WITNESSETH

WHEREAS, a public bidding was held in G/F Lynzee's Building J. Rosales Ave., Butuan City for the Public Bidding of Procurement of Various IT Equipment CY2012 (Lot 1, Lot 2 and Lot 3);

WHEREAS, in the **OBLIGOR's** bid proposal on Public Bidding of Procurement of Various IT Equipment CY2012, only Lot 2 was adjudged as the most advantageous and favorable to PhilHealth-Caraga based on the consolidated technical and financial evaluation of all received bids. A copy of post qualification evaluation report is hereto attached as Annex "B" and made an integral part of this contract;

WHEREAS, **OBLIGEE** issued a Notice of Award dated May 17, 2013 to **OBLIGOR** as the winning proponent in the recently concluded bidding process;

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

ARTICLE I
OBLIGATIONS OF OBLIGOR

1. Deliver the following Public Bidding for the Bulk Purchase of Various IT Equipment for Lot 2 at the grand total cost of **One Million One Hundred Seventy Six Thousand Four Hundred Eleven Pesos Only (P 1,176,411.00)**, inclusive of all taxes, broken down as follows:

Qty	Units	Item	Price per unit	Total Price
LOT 1				
1	unit	Deskjet/Inkjet Printer, HD	10,074.00	10,074.00
6	units	Dot Matrix Printer, HD (at least 24 pins)	42,573.00	255,438.00
5	units	Dot Matrix Printer, HD (at least 9 pins)	9,995.00	49,975.00
4	units	Laserjet Printer, Standalone	5,266.00	21,064.00
10	units	Laserjet Printer, Network	83,986.00	839,860.00
GRAND TOTAL				P 1,176,411.00

In accordance with the date, place, quantity and all agreements as provided in the Instruction to Bidder (ITB) for Public Bidding of Procurement of Various IT Equipment CY2012 (Lot 1, Lot 2 and Lot 3), a copy of which is hereto attached as Annex "C", and made an integral part of this contract.

2. Warrant the following:

That the items or equipment delivered are compliant to the required specification/s as stated under the financial and the technical proposals. During the inspection, if the item/s will not comply with the required specification/s a replacement equivalent or higher to the required specification will be provided, otherwise, a Waiver will be executed.

That the hardware supplied are free from defects due to design or workmanship. The items shall be free from any apparent defects or bugs prior to acceptance. Below is a table showing required warranty for each equipment :

Description and Quantity of Equipment	Warranty
Deskjet/Inkjet Printer, HD	One(1) year in parts and services
Dot Matrix Printer, HD (at least 24 pins)	Three (3) years in parts and services
Dot Matrix Printer, HD (at least 9 pins)	Three (3) years in parts and services
Laserjet Printer, Standalone	Three (3) years in parts and services
Laserjet Printer, Network	Three (3) years in parts and services and fuser film will be considered as part of the equipment and not consumable

Warranty for all hardware components, peripherals and special devices of equipment supplied shall take effect upon the issuance of a letter of acceptance from the PRO-Caraga representative/s. The warranty feature also includes parts and services/labor applied thereon. That all units to be delivered are sealed with a warranty sticker and such sticker will be replaced after the said unit has gone repair by a technical representative represented by both parties.

The on call support must be available 24 hours a day, 7 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 eight (8) hours for all server equipment and all their components. 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 to the OBLIGEE during the effectivity and conditions of the warranty.

Provide to the OBLIGEE service unit of the same specifications or higher if the unit cannot be repaired within eight (8) hours. The vendor must shoulder all expenses of the technical person(s) who will be providing the technical service on-site.

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

Provide training and certification examination, free of charge (these include food and transportation for the trainor at PRO-Caraga).

ARTICLE II
ASSURANCE OF FAITHFUL OBLIGATION

In order to assure that defects arising from normal wear and tear during the specified 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 (10) percent of the contract price. The said amount shall only be released after the lapse of the warranty period.

ARTICLE III
OBLIGATIONS OF PHILHEALTH

OBLIGEE shall pay the sum of **One Million One Hundred Seventy Six Thousand Four Hundred Eleven Pesos Only (P 1,176,411.00)** inclusive of all taxes, after complete delivery to and acceptance as to quantity and technical specifications by OBLIGEE of all items enumerated in paragraph 1, Article I, provided that withholding and other applicable taxes shall be deducted there from and remitted directly to the Bureau of Internal Revenue and to Butuan City Treasurer's Office. Items which will be subsequently rejected by OBLIGEE due to technical deficiency and will not be willingly replaced by the supplier shall not be paid by OBLIGEE.

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. Additionally, if the guilty party is OBLIGOR, it shall also cause the forfeiture of its performance security in favor of the government, without prejudice to the availment by OBLIGEE of other legal remedies under the premises.

Breach of Article I, paragraphs 1 and 2 including its subparagraphs, shall give **OBLIGEE** the option to rescind this contract and both parties shall be obliged to return what has been received pursuant to this contract. **OBLIGEE** shall exercise its option within thirty (30) calendar days from occurrence of the breach otherwise it shall be deemed as waived.

ARTICLE V

PENALTIES FOR LATE DELIVERY AND SERVICES

In case of delay in the delivery of the hardware and in rendition of services before the warranty lapses, **OBLIGOR** will pay a penalty equivalent to (0.5%) of the amount of the undelivered goods or delay on services (during the warranty period) per day of delay. The delivery and installation period to the **OBLIGEE** shall be within (60) sixty calendar days from the receipt of Notice to Proceed. The **OBLIGOR** can extend a maximum of ten (10) calendar days under the pains of liquidation damages to make good his delivery. Thereafter if the **OBLIGOR** has not completed delivery within the extended period, the undelivered balance shall be awarded to the next lowest and responsive bidder without prejudice to the imposition of the other sanctions as prescribed under RA 9184 and its IRR.

All deliveries by **OBLIGOR** shall be subject to inspection and acceptance by the PRO-Caraga. Rejected deliveries shall be construed as non-delivery of product (s) so ordered and shall be subject to liquidated damages.

ARTICLE VI

LIQUIDATED DAMAGES

In case/s when the supplier fails to satisfactorily deliver 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 the procuring entity liquidated damages, not by way of penalty, an amount at least equal to one-tenth (1/10) of one percent (0.1%) 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.

The procuring entity 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 the procuring entity concerned. In no case shall the total sum of liquidated damages exceed ten percent (10%) 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.

ARTICLE VII

PERFORMANCE BOND

OBLIGOR hereby undertakes to furnish **OBLIGEE** a Performance Security in the form of surety bond guaranteed callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security in an amount equivalent to thirty percent (30%) of the total contract price or in the form of bank draft/guarantee or irrevocable letter of credit issued by a Universal or commercial bank in an amount equivalent to five percent (5%) of the total contract price or in the form of Cash or Cashier's/ Manager Check issued by a universal or commercial bank in an amount equivalent to five percent (5%) of the total contract price, as guarantee for the payment of any claim made by **OBLIGEE** for losses, liability, injury or damage arising from or growing out of supplies obligations under this contract, and for the faithful performance made by **OBLIGEE** of the covenants, obligations and undertaking assumed and agreed to by the parties hereunder, such bond to 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 have lapsed. Provided, however, that if any claim for any of the foregoing has been filed within the said period, then in any such case, said bond should continue.

**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.

**ARTICLES IX
MISCELLANEOUS PROVISIONS**

The Instruction to Bidders (ITB), Terms of Reference (TOR), the Bid Documents, Bid Bulletin and other related issuances and the Bid Proposal 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.

**ARTICLES X
EFFECTIVITY**

This contract shall take effect immediately upon signing hereof.


PHIC-PRO CARAGA
Obligee

By:


JOHNNY Y. SYCHUA
Regional Vice President
CTC No. 35658556
Issued on January 8, 2013
Issued at Butuan City

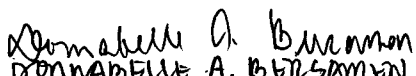
GLOBALCHIPS TECHNOLOGIES CO.
Obligor

By:


WILLIAM Y. MALAGAR
General Manager
CTC No. 15731818
Issued on 1/7/13
Issued at COO

Signed in the presence of:


JULIETA L. BARIQUIT
Fiscal Controller IV


DONABELLE A. BERSAMEN
PURCHASING OFFICER

ACKNOWLEDGEMENT

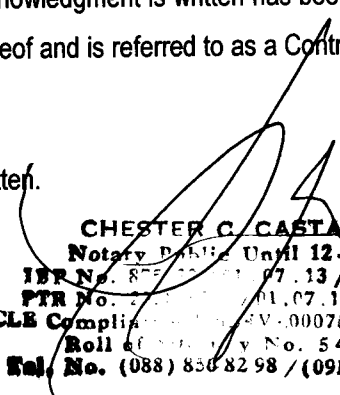
Republic of the Philippines } s.s.
City of Butuan }

BEFORE ME, this JUN 19 2013 day of _____, 2013, personally appeared the above – named persons known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free act and voluntary deed.

This instrument consisting of (4) pages, including this page on which acknowledgment is written has been signed by this parties and their instrumental witnesses on each and every page thereof and is referred to as a Contract for Bulk Purchase of Various IT Equipment.

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

Doc. No. 292 ;
Page No. 59 ;
Book No. 25 ;
Series of 2013.


CHESTER C. CASTANOS
Notary Public Until 12-31-13
PTR No. 875 / 07.13 / Mis. Or.
PTR No. 2 / 01.07.13 / CDOC
MCLE Compliance No. 0007669 / 09.11.12
Roll of Notary No. 54917
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