

**CONTRACT FOR THE PROCUREMENT OF FOUR (4) LOTS VARIOUS PRINTERS  
(PRO NCR ITB No. 08, S-2012 PRINTERS)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract is entered into by and between:

**PHILCOPY CORPORATION**, duly registered with the Department of Trade and Industry (DTI), with office address at No. 793 J.P. Rizal Avenue, Makati City, represented herein by its Managing Director, **MR. EFREN LIM QUIDILLA**, hereinafter referred to as **Philcopy Corporation**;

-and-

The **PHILIPPINE HEALTH INSURANCE CORPORATION**, a Government-Owned and Controlled Corporation created and existing by virtue of R.A. 7875, otherwise known as the "National Health Insurance Act of 1995", as amended by RA 9241, with its office address located at 10<sup>th</sup> Floor, Sunnynede IT Center Building, 1614 Quezon Avenue, Quezon City, represented by its Vice-President for PRO NCR and Rizal Group, **DR. SHIRLEY B. DOMINGO**, herein referred to as **PhilHealth**;

**WITNESSETH:**

**WHEREAS**, by virtue of R.A. 7875, **PhilHealth** is mandated to provide all citizens of the Philippines with the mechanism to gain access to health services; establish the National Health Insurance Program to serve as the means to help the people pay for health care services; and prioritize and accelerate the provision of health services to all Filipinos, especially that segment of the population who cannot afford such services;

**WHEREAS**, in the course of its day to day functions, **PhilHealth** requires the acquisition of **Four (4) Lots Various Printers** to be used in the various offices of PRO NCR and Rizal;

**WHEREAS**, an Invitation to Apply for Eligibility and to Bid was posted/published last **December 29, 2012 to January 4, 2013** at the PhilGEPS, PhilHealth Website, various conspicuous places of the procuring entity inviting bidders who are qualified to bid;

**WHEREAS**, in the course of the procurement, **PHILHEALTH** declared **Philcopy Corporation** as the **Lowest Calculated and Responsive Bid (LCRB)**;

**NOW, THEREFORE**, for and in consideration of the foregoing, the parties have mutually agreed, as they do hereby agree, on the following terms and conditions, to wit:

**I. DEFINITION OF TERMS**

In this Agreement, unless the context or definition otherwise provides, the following terms shall have the following meanings:

- |           |   |   |
|-----------|---|---|
| Agreement | - | means this Contract together with all the documents submitted by <b>Philcopy Corporation</b> in connection with the subject procurement and any and all other documents enumerated under Sec. 37.2.3 of the IRR of R.A. 9184 are specifically made integral parts hereof. |
| Products  | - | means the supplies as described in the Public Bidding Documents of this Agreement.  |
| Services  | - | means all the works and services to be performed by <b>Philcopy Corporation</b> provided in the Technical Specifications and Bid Documents.   |
| Warranty  | - | a period of Three (3) years from date of completion of delivery of the products and upon acceptance.  |

## II. RESPONSIBILITIES OF THE PARTIES

### PHILCOPY CORPORATION RESPONSIBILITIES:

**PHILCOPY CORPORATION** ensures that the products are delivered and completely installed not more than **Thirty (30) calendar days** upon receipt of the Notice to Proceed and said products complies in all respects with the specifications set forth in the bidding documents. **Philcopy Corporation**, likewise, agrees to faithfully comply with its required services subject of this contract.

#### A. Obligations of Philcopy Corporation

Philcopy Corporation agrees to indemnify and defend PhilHealth against all claims, proceedings, liabilities, costs, or damages arising from any action or suit regarding the use of such items or products covered by this Agreement.

#### B. PhilHealth's RESPONSIBILITIES

PhilHealth shall provide the personnel and/or agents of Philcopy Corporation access to its premises pertaining to the delivery of the products subject of this Agreement.

## III. PRICE

PhilHealth shall pay **Philcopy Corporation** the amount of **Two Million Five Hundred Thirty Nine Thousand Six Hundred Eighty Pesos (Php2,539,680.00)** after submission of all the documentary requirements and subject to final acceptance by PhilHealth. The price is inclusive of the 12% Value-Added-Tax, and other applicable taxes.

## IV. TERMS OF PAYMENT

Pay the sum of **Two Million Five Hundred Thirty Nine Thousand Six Hundred Eighty Pesos (Php2,539,680.00)** within fifteen (15) working days, only upon presentation of the following documentary requirements:

1. Fully Accomplished Contract
2. Signed Delivery Receipt and Sales Invoice
3. Fully Accomplished Inspection Report
4. Signed Certificate of Acceptance
5. Signed Certificate of Completion

## V. REPRESENTATIONS AND WARRANTIES

In order to assure that manufacturing defects shall be corrected by **Philcopy Corporation** a warranty security shall be given by **Philcopy Corporation** for a period of three (3) years from the date of acceptance by PhilHealth of the products subject of this Agreement.

The obligation for the warranty shall be covered by either retention money in an amount equivalent to ten percent (10%) of every progress payment, or a special bank guarantee equivalent to ten percent (10%) of the contract price or in the amount of **Two Hundred Fifty Three Thousand Nine Hundred Sixty Eight Pesos (Php253,968.00)**. Said warranty security shall only be released after the lapse of the warranty period: Provided, however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

If **Philcopy Corporation** receives written notice from PhilHealth of any breach of warranty, then the former shall at its own expense, commence the repair of, or replace the products; provided that **Philcopy Corporation** shall have no liability or obligation under the said warranty unless it received a written notice of the defect in question not later than the expiry of the Warranty Period.

Except as expressly provided for in this Agreement, no warranty, condition, undertaking, or term, express or implied, statutory or otherwise as to the condition, quality, performance, merchantability, durability or fitness for purpose of the product is given or assumed by **Philcopy Corporation** and all such warranties, conditions, undertakings and terms are hereby excluded.

## VI. FORCE MAJEURE

Neither party shall be liable for delay in the performance of its obligations under this Agreement, either in whole or in part due to force majeure which shall mean fire, inundation, earthquake, lightning and other acts of God, strikes, lockouts, embargoes, quarantine restrictions, legislation or intervention of the government, its instrumentalities and agencies, interference caused by war or the unanticipated imminence thereof between any nations.

In any event, subject to the party so delaying promptly notifying the other party in writing of the cause and the likely duration of the delay, the performance of such party's obligations shall be suspended during the period that the force majeure persists and such party shall be granted an extension of time for performance equal to the period of the delay.

Either party may, if such delay continues for more than sixty (60) days, terminate this Agreement forthwith on giving notice in writing to the other; in such event neither party shall be liable to the other by reason of such termination.

Any cost arising from delay due to force majeure shall be borne by the party incurring the same; provided, however, that if the force majeure prevents **Philcopy Corporation** from delivering the product, then it shall refund to PhilHealth the price of any paid but undelivered Product and PhilHealth shall likewise return to **Philcopy Corporation** any delivered item but unpaid as the case may be.

The acts or omission of one party causing the delay in the performance of the obligations of the other party under this Agreement shall not be considered as force majeure and the rights, remedies and liabilities of the parties against each other shall be as defined by law and other terms and conditions of this Agreement.

## VII. LAW AND JURISDICTION

This Agreement shall be deemed to have been executed and performed in, and shall be governed by, construed, interpreted and the rights of the parties determined in accordance with the laws of the Republic of the Philippines. The parties hereby consent and agree that the venue for any claim or cause of action arising out of, related to, or incidental to this Agreement shall be properly and exclusively tried in the applicable courts of Quezon City, Philippines, and the parties expressly waive any and all rights which may hereafter arise concerning the rules of venue under the law.

## VIII. TERMINATION

Breach of any of the terms and conditions herein provided shall cause the cancellation/termination of this contract and the guilty party shall be liable for damages. Additionally, if the guilty party is **Philcopy 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.

## IX. PENALTY FOR LATE DELIVERY

In case of delay in the delivery of the products, **Philcopy Corporation** shall pay a penalty equivalent to one tenth of one percent (1/10 of 1%) of the amount of the undelivered goods or products per day of delay as per delivery schedule by way of liquidated damages.

## X. PERFORMANCE SECURITY

To guarantee faithful performance by the winning bidder of its obligations under the contract, **Philcopy Corporation** shall post a Performance Security prior to the signing of the contract. The Performance Security may be in the following forms:

*Cash or Manager's/Cashier's Checks issued by a Universal or Commercial Bank; Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank; surety bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security, or a combination of the foregoing in accordance with the percentages under Sec. 39 of R.A. 9184.*

The Performance Security shall remain valid until issuance of the Procuring Entity of the final Certificate of Acceptance.

**XI. MISCELLANEOUS PROVISIONS**

All the terms and conditions as set forth in the Bid Documents, General Conditions, Bid Bulletin and **Philcopy Corporation's** Proposal for the products subject of this Agreement shall form an integral part of this contract. Any amendment or revision of any provision stated herein shall be upon mutual agreement and approval of both parties.

**XII. EFFECTIVITY**

This contract shall take effect immediately upon signing hereof subject to the periods provided above and is valid until the last day of the warranty period.

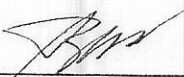
**XIII. SEPARABILITY CLAUSE**

In case any provision of this contract is declared void, invalid or ineffective, all the other terms not affected shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have set their hands this \_\_\_\_\_ day of March, 2013.

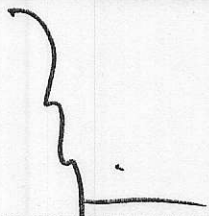
**PHILIPPINE HEALTH INSURANCE CORPORATION**

BY:


  
\_\_\_\_\_  
**SHIRLEY B. DOMINGO, M.D.**  
Vice President, PRO NCR and Rizal

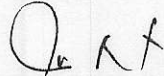
**PHILCOPY CORPORATION**

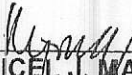
BY:

  
\_\_\_\_\_  
**EFREN LIM QUIDILLA**  
Managing Director

**SIGNED IN THE PRESENCE OF:**

  
\_\_\_\_\_  
**ATTY. YASSER ISMAIL A. ABBAS**  
Head, Legal Services Office  
PRO NCR and Rizal

  
\_\_\_\_\_  
**DESIREE C. ORLANDA**  
Product Specialist

  
\_\_\_\_\_  
**MARICEL J. MAGLALANG**  
Head, Finance Management Section  
PRO NCR and Rizal

Within the COB: 2013  
Expense Code: 238-20  
Available Budget: 2,539,680.00  
Remarks: PER H1715 S2012  
continuing appropriate

ACKNOWLEDGEMENT

Republic of the Philippines)  
Quezon City )


110 APR 2013

BEFORE ME, this \_\_\_\_\_ day of March, 2013 in \_\_\_\_\_, Philippines, personally appeared **DR. SHIRLEY B. DOMINGO**, in her capacity as **Vice-President for PRO NCR and Rizal** and **MR. EFREN LIM QUIDILLA**, in his capacity as **Managing Director of Philcopy Corporation**, exhibiting to me, respectively, their Driver's Licenses Nos. D01-87-023620 issued on August 22, 2011 at Quezon City, Philippines and Nos. M-04-91-180528 issued on November 18, 2011 at Quezon City, Philippines, known to be and to me known as the same persons who executed the foregoing instrument and acknowledged to me that the same is their voluntary act and deed.

This instrument consisting of six (5) pages, including this page on which the acknowledgment is written, has been signed by the parties and their instrumental witnesses on each and every page thereof and is referred to as the **CONTRACT FOR THE PROCUREMENT OF VARIOUS PRINTERS**.

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

Doc. No. 72  
Page No. 14  
Book No. 02  
Series of 2013

  
**ROGELIO U. MARASIGAN**  
NOTARY PUBLIC  
UNTIL DEC 31, 2013  
PTR NO. 2201319 / 01-28-2013  
IEP NO. 917344/ROLL 16363 / 01-28-2013  
TIN NO. 152 - 614 - 417

Contract for the Procurement of Four (4) Lots Supply of Various Printers (PRO NCR ITB No. 08, S-2012 PRINTERS)