

**CONTRACT AGREEMENT
FOR THE SUPPLY OF GENERATOR
FOR PHILHEALTH REGIONAL OFFICE III**

THIS AGREEMENT made and entered into this MAY 14, 2014, 2014 between:

PHILIPPINE HEALTH INSURANCE CORPORATION, a government owned and controlled corporation created and existing by virtue of Republic Act No. 7875, otherwise known as the "National Health Insurance Act of 1995", with principal office address at 19th Floor, City State Center Building, 709 Shaw Blvd. corner Oranbo Drive, Pasig City, represented herein by its **OIC, Vice President for Regional Office III, LOLITA V. TULIAO, CESO V**, with office address at PhilHealth Bldg., Lazatin Blvd., San Agustin, City of San Fernando, Pampanga, (hereinafter called "**PHILHEALTH**")

-and-

TRADE VENTURE INTERNATIONAL CORPORATION a private corporation organized and existing under the laws of the Republic of the Philippines and registered with the Security and Exchange Commission under SEC Reg. No. AS094-007809, issued on August 31, 1994, with principal business address at Rm. 204-A Florama Bldg., 3625 Cor. Bautista and Emilia Sts., Palanan, Makati City represented by its **Vice President, MR. CAESAR R. ACAY** (hereinafter called "**TRADE VENTURE**")

-Witnesseth-

WHEREAS, **PHILHEALTH** posted for the first time the Invitation to Bid through public bidding for the **Procurement of Office Equipment - One (1) Unit Generator Set for PHILHEALTH REGIONAL OFFICE III** in the **PHILHEALTH's** website, the PhilGEPS and a conspicuous place at the premises of **PHILHEALTH** continuously and in accordance with the requirements of the law;

WHEREAS, in response to the said advertisements, three (3) bidders submitted their bids and one was found eligible;

WHEREAS, Trade Venture International Corporation was declared as the lone lowest calculated bidder;

WHEREAS, after post-qualification of the lone bidder, Trade Venture International Corporation was found to be responsive;

WHEREAS, consequently, **PHILHEALTH** has accepted the bid of **TRADE VENTURE** for the supply of office equipment – one (1) unit generator set in the sum of **SEVEN HUNDRED NINETY-NINE THOUSAND PESOS ONLY (P 799,000.00)** (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 **TRADE VENTURE** (Annex "A1-A3");
 - (b) the Schedule of Requirements (Annex "B");
 - (c) the Technical Specifications (Annex "C1-C2");
 - (d) the General Conditions of the Contract (Annex "D1-D-16");
 - (e) the Special Conditions of the Contract (Annex "E1-E6"); and
 - (f) the Entity's Notice of Award (Annex "F").
3. In consideration of the payments to be made by **PHILHEALTH** to **TRADE VENTURE** as hereinafter mentioned, **TRADE VENTURE** hereby covenants with **PHILHEALTH** to provide the said goods and ancillary services and to remedy any defects therein, in conformity in all respects with the provisions of the Contract.

4. **PHILHEALTH** hereby covenants to pay **TRADE VENTURE** in consideration of the provision of the aforementioned goods and the remedying of defects therein, the **Contract Price** or such other sum as may become payable under the provisions of the Contract at this time and in the manner prescribed by the Contract.
5. **The Contract Price** covers all taxes, including the twelve percent (12%) Value Added Tax, custom duties, license fees, freight, insurance and other charges which may be imposed on the product by foreign and local authorities.
6. **TRADE VENTURE** hereby covenants to deliver in favor of **PHILHEALTH** the services based on *Annex "B"* of this Contract Agreement.
7. To guarantee the faithful performance of **TRADE VENTURE** of its obligation under this contract in accordance with the bidding documents, **TRADE VENTURE** has posted on April 02, 2014 a performance security in the form of surety bond in the amount of Two Hundred Thirty-Nine Thousand, Seven Hundred Pesos only (P239,700.00) which is equal to thirty percent (30%) of the total **Contract Price** in accordance with the schedule provided under Sec. 39.2 of the RIRR, RA 9184.
8. Upon submission by **TRADE VENTURE** of the **STATEMENT OF BILLING ACCOUNT** and other documentary requirements, **PHILHEALTH** shall pay the sum of **SEVEN HUNDRED NINETEEN THOUSAND, ONE HUNDRED PESOS ONLY (P719,100.00)**, which is ninety percent (90%) of the total contract price within fifteen (15) working days, after complete delivery to and acceptance by **PHILHEALTH**.

PHILHEALTH shall hold the **ten percent (10%) of the total Contract Price** as **retention money** or as obligation for "**Warranty**" in an amount equivalent to **SEVENTY-NINE THOUSAND, NINE HUNDRED PESOS ONLY (P79,900.00)**. Said amount shall only be released after the lapse of **three (3) years warranty period** for non-expendable supplies as required under **Section 62 (Warranty) of the Revised Implementing Rules and Regulations of R.A. No. 9184**. Provided, however, that the goods supplied are free from patent and latent defects and all the conditions imposed under the contract have been fully met. Provided further, that **TRADE VENTURE** may opt to post a **special bank guarantee** equivalent to at least **ten percent (10%) of the total Contract Price**. The said special bank guarantee must have a validity period of **one (1) year** covering the whole duration of the warranty period.

9. All other terms, conditions and stipulations accompanying this Contract together with all proposals and all mandatory provisions of the Revised Implementing Rules and Regulations of R.A. No. 9184, shall form an integral part of the contract between the **PARTIES** hereto.

The parties hereby certify that they have read or caused to be read to them each and every provision of the foregoing Contract and that they had fully understood the same.

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**

By:


LOLITA V. TULIAO, CESO V
OIC, Vice-President, PRO3

**TRADE VENTURE
INTERNATIONAL CORPORATION**

By:

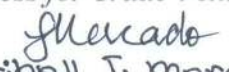

CAESAR R. ACAY
Vice President

SIGNED IN THE PRESENCE OF:

Witness for PhilHealth


GRACE M. MAMAWAL
Division Chief, Management Services Division

Witness for Trade Venture


Maribell T. Mercado
CLERK LIASON
Designation



LEONIDAS A. LUMBA
Administrative Officer IV


JOSEMAR S. SAMPA
Designation **TRUTHICAN**

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

BEFORE ME, this _____, 2014, personally appeared the following persons exhibiting to me their Community Tax Certificates (CTC), to wit:


LOLITA V. TULIAO, CESO V
OIC, *Vice President*
PHILHEALTH, Regional Office III

CTC No. _____
Issued on _____
Issued at _____


CAESAR R. ACAY
Vice President
TRADE VENTURE
INTERNATIONAL CORPORATION

LTO No. No1-80-001646
Issued on February 21, 2014
Issued at Quezon City

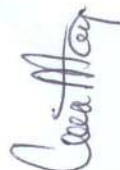
known to me to be the same persons who executed the foregoing Contract Agreement, consisting of thirty-two (32) pages including the annexes and this page on which the acknowledgement is written, signed by the parties and their witness on each and every page and they acknowledged that the same is their free act and deed and that of the corporations being represented.

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

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of 2014 _____







Bid Form

Date: February 04, 2014

Invitation to Bid No.: 13-001-4; Ref. No. 2503642

To: PHILIPPINE HEALTH INSURANCE CORPORATION - REGIONAL OFFICE III
Philhealth Bldg., Lazatin Blvd., San Agustin, City of San Fernando, Pampanga

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin/Addendum Number 1, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to Supply/Deliver/Perform – One (1) Unit Brand New Silent Type Diesel Engine Generator Set, 125KVA, 220V, 60Hz, 3 phase, Complete with necessary accessories, Protective Devices, MTS 250 Amperes, Installation Wires in PVC Pipes, Exhaust Extension Pipe in conformity with the said Bidding Documents for the sum of SEVEN HUNDRED NINETY NINE THOUSAND PESOS (Php799,000.00) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We, undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in BDS provision for ITB Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

Until a formal contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

Dated this 4th day of February 2014.

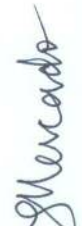

CAESAR R. ACAY
 [Signature]

VICE PRESIDENT
 [in the capacity of]

Duly Authorized to Sign Bid for and on Behalf of: **TRADE VENTURE INTERNATIONAL CORPORATION**
 Name of Company







For Goods Offered From Within the Philippines


Name of Bidder : TRADE VENTURE INTERNATIONAL CORP.

Invitation to Bid Number: 13-001-4; Ref No. 2503642

Page 1 of 1

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of Origin	Quantity	Unit Price EXW per item	Cost of local labor, raw material, and component	Total price EXW per item (cols. 4 x 5)	Unit prices per item final destination and unit prices of other incidental services	Sales and other taxes payable per item if Contract is awarded	Total Price delivered Final Destination (col 8 + 9) x 4
1	Brand New MPMU CUMMINS Diesel Generating Set, Silent Type, 125KVA/ 160KW Standby Rating, 220VAC, 3Ø, 60Hz, 1800RPM, 0.80 p.f., Powered by Cummins Industrial Diesel Engine Model 6BT5.9-G2, Turbocharged, Directly Coupled to Lisite Brushless Alternator, Set mounted Deepsea DSE 3110 Digital Control Panel with built-in battery trickle charger, with MCCB 3-pole Breaker in NEMA 12 Enclosure, locally-fabricated soundproof/ weatherproof steel enclosure, complete with necessary accessories. Protective Devices, MTS - 250 Amperes, 220 VAC, 3 pole, breaker type, NEMA 12 Enclosure, wall mounted type, Mechanical interlock, pilot lights, Operation and Maintenance Manual, 80mm ² THHN installation wires in PVC pipes, exhaust extension pipe.	China	One (1) Unit				Php713,392.86	Php85,607.14	Php799,000.00

TOTAL BID PRICE : SEVEN HUNDRED NINETY NINE THOUSAND PESOS ONLY


CAESAR R. ACAY
February 04, 2014


Caesar R. Acay


Glencade

PHILIPPINE HEALTH INSURANCE CORPORATION
REGIONAL OFFICE III

PROJECT REFERENCE NO. : 2503642
NAME OF PROJECT : Procurement of Office Equipment – 1 Unit Generator Set
LOCATION OF PROJECT : PhilHealth, City of Malolos, Bulacan

January 10, 2014

PHILIPPINE HEALTH INSURANCE CORPORATION - REGIONAL OFFICE III
BIDS AND AWARDS COMMITTEE (BAC)
Philhealth Bldg., Lazatin Blvd., San Agustin, City of San Fernando, Pampanga

Attention : DR. DANILO M. REYNES, M.D.
Chairperson, BAC

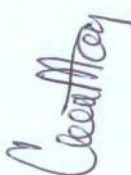
Dear Sir:

**RECURRING MAINTENANCE COSTS FOR ONE (1) YEAR OPERATION OF
ONE (1) UNIT BRAND NEW GENERATOR SET 125 KVA STANDBY RATING**

<u>PARTS</u>	<u>QUANTITY</u>	<u>AMOUNT</u>
FUEL FILTER(EVERY 6 MOS.)	2 PCS	Php 4,600.00
OIL FILTER(EVERY 6 MOS.)	2 PCS	1,200.00
AIR ELEMENT(1X/YEAR)	1 PC	2,200.00
FAN BELT(1X/YEAR)	2 PC	5,000.00
COOLANT(1X/YEAR)	9.9 LITERS	1,980.00
ENGINE OIL(2X/YEAR)	32.8 LITERS	<u>11,480.00</u>
	TOTAL PARTS	Php 26,460.00
	LABOR	<u>5,000.00</u>
	TOTAL PER YEAR	Php 31,460.00

Certified by:
Trade Venture International Corporation


CAESAR R. ACAY
Authorized Signatory





Section VI. Schedule of Requirements

The commencement of the contract shall be within ten (10) days from the issuance of notice to proceed.

READ, ACCEPTED AND GOOD FOR AGREEMENT.

COMPLY WITH THE DELIVERY SCHEDULE AND REQUIREMENTS OF
THIRTY (30) DAYS FROM OUR RECEIPT OF YOUR NOTICE TO PROCEED.

Certified by:
TRADE VENTURE INTERNATIONAL CORPORATION


CAESAR R. ACAY
Authorized Signatory



Creaffey

Glencade



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION
 Regional Office III
 Poblacion, Davao, Luzon Blvd., San Agustin, City of San Fernando, Pangasinan
 (Telephone: 0935 256 1234; 0935 256 1235; 0935 256 1236)



Procurement of 103 KVA Generator Set

Technical Specifications:

Standby Capacity	103 KVA
Power Output	Alternating Current
Voltage/Phase/RPM	220V/Three phase/ 1800
Power Factor	0.8
Type	Enclosed canopy, Silent-Low Noise
Engine	Diesel Internal Combustion Engine
Generator	Synchronous

Features:

1. Control panel in NEMA 12 type metal enclosure with electronic monitoring window showing accurate readings of Voltage, Amperage, frequency, Rpm, Engine water temperature, Oil pressure, fuel level and other pertinent readings.
2. Capable of maintaining set frequency even at higher load.
3. Ability to keep engine battery on charge when not in used.
4. Molded case circuit breaker with thermal magnetic trip. Circuit breaker should be mounted in a NEMA 12 type metal enclosure.
5. Instrumentation and electrical controls conform to NEMA ICS 1 standard as capable.
6. With steel mounting, vibrating absorbers, engine & generator supports and other standard safety features.

A. Installation:

1. Layout and install 80 mm² THHN cable inside 2" dia. IMC conduit from MDP & MTS to Generator set.
2. Provide and install a Manual Transfer Switch (MTS) with 200Amp circuit breakers. Circuit breakers to be used should be commercial industrial molded case type with thermal magnetic trip.
3. Layout electrical conduits in a proper alignment and provide sufficient steel clamps or steel brackets with equal distances.
4. Provide extended exhaust pipe at a minimum length of 2m.
5. If required, provide necessary housing with roofing if the generator set will be installed outside the office building. Submit shop drawing of housing for approval prior to construction.

READ, ACCEPTED AND GOOD FOR AGREEMENT.

COMPLY AS PER ATTACHED CONFORMITY TO TECHNICAL SPECIFICATIONS.

Certified by:

TRADE VENTURE INTERNATIONAL CORPORATION


 CAESAR R. ACAY

Authorized Signatory







B. Testing and Commissioning:

1. The Generator set should be tested by operating it continuously at minimum of 4 hours but not to exceed 8 hours.
 - a. 1st Hour : 25% load
 - b. 2nd Hour : 50% load
 - c. 3rd Hour : 100% load
2. If ever the generator set failed during the testing period due to some minor fault/s, testing has to be repeated starting from the 1st hour.
3. Provide supply of Diesel fuel to the generator set for the entire duration of testing.
4. Testing and commissioning shall be conducted by supplier's technical representatives and must be witnessed by PHHC authorized representatives.
5. During the testing & commissioning, the necessary reading for the required recordings should be within the standard parameters, if not, PHHC authorized representatives may stop the testing and declare it as failed. Also, the PHHC error/s or malfunctioning/s in the generator set.

Other Terms and Condition will be included in the contract:

1. After sales maintenance of the units
2. Transfer of Technology

Warranty: 3 years on material defect and faulty workmanship

Delivery Period: ³⁰ Days


LUZVIMINDA P. KOH
GSU HEAD


LEONIDAS A. LUMBA
AO-IV


RODOLFO M. BALOG
VICE-PRESIDENT PRO III

READ, ACCEPTED AND GOOD FOR AGREEMENT.
COMPLY AS PER ATTACHED CONFORMITY TO TECHNICAL SPECIFICATIONS.

Certified by:
TRADE VENTURE INTERNATIONAL CORPORATION


CAESAR R. ACAY
Authorized Signatory





Section IV. General Conditions of Contract

Notes on the General Conditions of Contract

The GCC in Section IV, read in conjunction with the SCC in Section V and other documents listed therein, should be a complete document expressing all the rights and obligations of the parties.

The GCC herein shall not be altered. Any changes and complementary information, which may be needed, shall be introduced only through the SCC in Section V.



TABLE OF CONTENTS

1. DEFINITIONS 42

2. CORRUPT, FRAUDULENT, COLLUSIVE, AND COERCIVE PRACTICES 43

3. INSPECTION AND AUDIT BY THE FUNDING SOURCE 44

4. GOVERNING LAW AND LANGUAGE 44

5. NOTICES..... 44

6. SCOPE OF CONTRACT..... 44

7. SUBCONTRACTING 44

8. PROCURING ENTITY’S RESPONSIBILITIES..... 45

9. PRICES 45

10. PAYMENT 45

11. ADVANCE PAYMENT..... 46

12. TAXES AND DUTIES 46

13. PERFORMANCE SECURITY..... 46

14. USE OF CONTRACT DOCUMENTS AND INFORMATION 47

15. STANDARDS..... 47

16. INSPECTION AND TESTS..... 47

17. WARRANTY 48

18. DELAYS IN THE SUPPLIER’S PERFORMANCE 48

19. LIQUIDATED DAMAGES..... 49

20. SETTLEMENT OF DISPUTES 49

21. LIABILITY OF THE SUPPLIER..... 50

22. FORCE MAJEURE 50

23. TERMINATION FOR DEFAULT 50

24. TERMINATION FOR INSOLVENCY 51

25. TERMINATION FOR CONVENIENCE..... 51

26. TERMINATION FOR UNLAWFUL ACTS 52

27. PROCEDURES FOR TERMINATION OF CONTRACTS..... 52

28. ASSIGNMENT OF RIGHTS..... 53

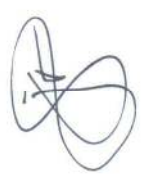
29. CONTRACT AMENDMENT 53



Caraffa

Mercedes

30. APPLICATION 53



Cecilia

Mercado

1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) "SCC" means the Special Conditions of Contract.
- (g) "The Procuring Entity" means the organization purchasing the Goods, as named in the SCC.
- (h) "The Procuring Entity's country" is the Philippines.
- (i) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The "Funding Source" means the organization named in the SCC.
- (k) "The Project Site," where applicable, means the place or places named in the SCC.
- (l) "Day" means calendar day.
- (m) The "Effective Date" of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.

- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. The Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
- (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
 - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.





- 2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

- 4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.
- 4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

- 5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.
- 5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

6. Scope of Contract

- 6.1. The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

7. Subcontracting




- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. The Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
- (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
 - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.


- 2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

- 4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.
- 4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

- 5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.
- 5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

6. Scope of Contract

- 6.1. The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

7. Subcontracting



- 7.1. Subcontracting of any portion of the Goods, if allowed in the BDS, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

9. Prices

Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29, or if applicable, adjustments authorized in accordance with the price adjustment provisions specified in the SCC.

10. Payment

- 10.1. Unless otherwise specified in the SCC, payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in GCC Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.

- 10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. Unless otherwise specified in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2. For Goods supplied from abroad, ten percent (10%) of the Contract price shall be paid within sixty (60) calendar days from signing of the contract and upon submission of a claim and a bank guarantee issued by a licensed bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
- 11.3. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. Unless otherwise specified in the SCC, within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. Unless otherwise specified in the SCC, the performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;

- (b) The Supplier has no pending claims for labor and materials filed against it; and
- (c) Other terms specified in the SCC.

13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity.

- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.
- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, 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 Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.

- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. Liquidated Damages

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the SCC of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in the SCC. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. Subject to additional provisions, if any, set forth in the SCC, the Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is

reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:

- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
- (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of *force majeure* is deemed to have ceased; or
- (c) The Supplier fails to perform any other obligation under the Contract.

23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.
- 25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
 - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.
- 25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

- 26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:
- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
 - (b) Drawing up or using forged documents;
 - (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
 - (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

- 27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
 - (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
 - (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at anytime before receipt of the Supplier's verified position paper to withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the

discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity; and

- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.



Section V. Special Conditions of Contract

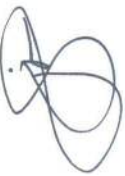
Notes on the Special Conditions of Contract

Similar to the BDS, the clauses in this Section are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC.

The provisions of this Section complement the GCC, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Goods purchased. In preparing this Section, the following aspects should be checked:

- (a) Information that complements provisions of Section IV must be incorporated.
- (b) Amendments and/or supplements to provisions of Section IV, as necessitated by the circumstances of the specific purchase, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of Section IV should be incorporated herein.



Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is <i>Philippine Health Insurance Corporation, Regional Office III.</i>
1.1(i)	The Supplier _____ is <i>(the winning bidder)</i> _____.
1.1(j)	The Funding Source is the Government of the Philippines (GOP) through <i>PhilHealth Corporate Operating Budget 2013</i> in the amount of <i>One Million Pesos only (Php1,000,000.00).</i>
1.1(k)	The Project Site is <i>Philippine Health Insurance Corporation, Regional Office III.</i>
5.1	The Procuring Entity's address for Notices is: <i>PhilHealth Regional Office III.</i> The Supplier's address for Notices is: to be determined after declaration of the winning bidder
6.2	No additional requirements
9	For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR-A.
10.1	No further instructions.
10.4	No further instructions.
13.1	No further instructions.
13.4	No further instructions..
13.4(c)	No further instructions.
16.1	None.
17.3	One (1) year after acceptance by the Procuring Entity of the delivered Goods.
17.4 and 17.5	The period for correction of defects in the warranty period is within the contract period.
19.1	The applicable rate is one tenth (1/10) of one (1) percent of the cost of the unperformed portion 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.





20.4	In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
21.1	No additional provision.



Section VI. Schedule of Requirements

The commencement of the contract shall be within ten (10) days from the issuance of notice to proceed.

******See attached Technical Specifications******

A stylized handwritten signature in black ink, possibly reading "S. J. [unclear]".A handwritten signature in black ink, appearing to read "C. [unclear]".A handwritten signature in black ink, appearing to read "Garcia".

Section VII. Technical Specifications



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION
Regional Office III
PhilHealth Bldg, Lazaan Blvd, San Agustin, City of San Fernando, Pampanga
Healthline: (045) 961-0299 region3@philhealth.gov.ph



Procurement of 103 KVA Generator Set

Technical Specifications

Standby Capacity	:	103 KVA
Power Output	:	Alternating Current
Voltage/Phase/RPM	:	220V/Three phase/ 1800
Power Factor	:	0.8
Type	:	Enclosed canopy, Silent/Low Noise
Engine	:	Diesel Internal Combustion Engine
Generator	:	Synchronous

Features:

1. Control panel in NEMA 12 type metal enclosure with electronic monitoring window showing accurate readings of Voltage, Amperage, frequency, Rpm, Engine water temperature, Oil pressure, fuel level and other pertinent readings.
2. Capable of maintaining set frequency even at higher load.
3. Ability to keep engine battery on charge when not in used.
4. Molded case circuit breaker with thermal magnetic trip. Circuit breaker should be mounted in a NEMA 12 type metal enclosure.
5. Instrumentation and electrical controls conform to NEMA ICS 1 standard as capable.
6. With steel mounting, vibrating absorbers, engine & generator supports and other standard safety features.

A. Installation:

1. Layout and install 80 mm2 THHN cable inside 2" dia. IMC conduit from MDP & MTS to Generator set.
2. Provide and install a Manual Transfer Switch (MTS) with 200Amp circuit breakers. Circuit breakers to be used should be commercial/industrial molded case type with thermal magnetic trip.
3. Layout electrical conduits in a proper alignment and provide sufficient steel clamps or steel brackets with equal distances.
4. Provide extended exhaust pipe at a minimum length of 2m.
5. If required, provide necessary housing with roofing if the generator set will be installed outside the office building. Submit shop drawing of housing for approval prior to construction.

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

B. Testing and Commissioning:

1. The Generator set should be tested by operating it continuously at minimum of 4 hours but not to exceed 8 hours.
 - a. 1st Hour : 25% load
 - b. 2nd Hour : 50% load
 - c. 3rd Hour : 100%load
2. If ever the generator set failed during the testing period due to some minor fault/s, testing has to be repeated starting from the 1st hour.
3. Provide supply of Diesel fuel to the generator set for the entire duration of testing.
4. Testing and commissioning shall be conducted by supplier's technical representatives and must be witnessed by PHIC authorized representatives.
5. During the testing & commissioning, the necessary reading for the required recordings should be within the standard parameters, if not, PHIC authorized representatives may stop the testing and declare it as failed. Also, the PHIC error/s or malfunctioning/s in the generator set.

Other Terms and Condition will be included in the contract:

1. After sales maintenance of the units
2. Transfer of Technology

Warranty: 3 years on material defect and faulty workmanship

Delivery Period: ³⁰ ~~60~~ Days

 LUZVIMINDA P. KOH GSU- HEAD	 LEONIDAS A. LUMBA AO- IV	Approved:  RODOLFO M. BALOG VICE-PRESIDENT PRO III
---	--	--







NOTICE OF AWARD

MR. CAESAR R. ACAY

Vice President

TRADE VENTURE INTERNATIONAL CORPORATION

Rm. 204-A FLORAMA Bldg., No.3625 Cor. Bautista and
Emilia Streets, Palanan, Makati City
Philippines

Dear Sir:

We are happy to notify you that the **Procurement for the One (1) Lot Generator Set for Philhealth Regional Office III** is hereby awarded to you as the Lowest Calculated Responsive Bidder at a contract price equivalent to SEVEN HUNDRED NINETY-NINE THOUSAND PESOS ONLY (Php 799,000.00).

You are therefore required, within ten (10) days from the receipt of this Notice of Award to submit the Performance Security in the form and the amount stipulated in Section 39 of the Revised Implementing Rules and Regulations of Republic Act 9184 and to formally enter into contract with us. Failure to provide the Performance Security shall constitute sufficient ground for cancellation of the award and forfeiture of the Bid Security.

Very truly yours,

RODOLFO M. BALOG

Vice-President

Philhealth Regional Office III

Conforme:

MR. CAESAR R. ACAY

Vice President

TRADE VENTURE INTERNATIONAL CORPORATION

Rm. 204-A FLORAMA Bldg., No.3625 Cor. Bautista and
Emilia Streets, Palanan, Makati City
Philippines

By:


CAESAR R. ACAY
Printed Name & Signature

Date:

MARCH 28, 2014

