

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and entered into this OCT 19 2015 day of _____, 2015, by and between:

PASIG CITY

PHILIPPINE HEALTH INSURANCE CORPORATION, a government-owned and controlled corporation created and existing by virtue of R.A. 7875, as amended by RA 10606, with office address at 17th Floor, City State Center Building, 709 Shaw Blvd corner Oranbo Drive, Pasig City, represented herein by its Executive Vice President and COO, RAMON F. ARISTOZA, JR., hereinafter referred to as "PHILHEALTH".

-and-

NATIONAL PRINTING OFFICE (NPO), an entity existing under the laws of the Republic of the Philippines, with office address at EDSA corner National Printing Office Road, Diliman, Quezon City, represented herein by its Director, EMMANUEL C. ANDAYA, CEO VI hereinafter referred to as "NPO".

WITNESSETH, That:

WHEREAS, PHILHEALTH desires to procure the services of NPO for the Procurement of 5,000,000 sets of its PhilHealth Official Receipt (POR);

WHEREAS, by virtue of Section 1.2 of the Government Procurement Policy Board (GPPB) Resolution No. 05 - 2010 affirmed that the printing of Accountable Forms and Sensitive High Quality/Volume Requirements shall only be taken by the Recognized Government Printers (RGPs), namely: Bangko Sentral ng Pilipinas, National Printing Office and APO Production Unit, Incorporated;

WHEREAS, the Bids and Awards Committee for Goods and Services (BAC-GS) Resolution No. 127, s. 2015 states that among the RGPs, the NPO quoted a price that is equivalent to the Approved Budget for the Contract (ABC) for the Procurement of 5,000,000 sets of PhilHealth Official Receipt (POR);

WHEREAS, the NPO has agreed to provide the requirements under the terms and conditions set by PHILHEALTH in this contract;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto agree to be bound under the following terms and conditions, to wit:

ARTICLE 1

DUTIES AND RESPONSIBILITIES OF THE NATIONAL PRINTING OFFICE

- 1.1 NPO shall deliver to PhilHealth the 5,000,000 sets of PhilHealth Official Receipt (POR) with the following specifications:

Scope of Work:

a. Job Title

Procurement of PhilHealth Official Receipt (POR)
Specialized Official Receipt in Continuous Form

b. Quantity

5,000,000 sets/5,000 boxes

c. Size

Vertical Length : 8 inches
Horizontal Length : 5 inches

d. Material

Colored Carbonless Paper
Impression must be clear up to the last ply.

Note:

Texture quality of the paper and ink use from 1st to 3rd ply should be exactly the same as the attached sample copies to be provided to NPO.

1st Ply - White Carbonless Paper (PAYOR'S COPY)

2nd Ply - Green Carbonless Paper (COMPTROLLERSHIP OFFICE'S COPY)

3rd Ply - Pink Carbonless Paper (CASHIER'S COPY)

One color print for text (Black)
With back to back tinting color
With both side perforation

Note:

Perforated sheets should be evenly perforated/ aligned

e. Process

Typeset/ Offset

f. Serial Numbers

Pre-Numbered (8 Digits)
All Numeric (Crash Numbering)
5,000,000 sets (63055001 - 68055000)

g. Packaging

Serial Numbers must be posted on two (2) opposite sides of the box.
@ 1,000 sets/box

h. Others

PhilHealth logo printed in UV ink at the center
Micro print "PhilHealth" on the top of the word
(Amount in words)

Ramon F. Aristoza, Jr.
Executive Vice President &
Chief Operating Officer

Emmanuel C. Andaya, CEO VI
Director, NPO

Gregorio C. Rulloda
OIC - SVP, Fund Management
Sector

Evangelina F. Racelis, Ph. D.
Senior Manager, Treasury Department

Judy D. Balolong
OIC, AIC Division,
Comptrollership Department

Witness for NPO

Witness for NPO

Ramon F. Aristozza, Jr.
Executive Vice President &
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Note:

PhilHealth Logo should be based on the standard corporate identity elements (copy attached).

Republic of the Philippines Logo should be on the standard identity elements.

Presentation of proof to PHILHEALTH shall be within four (4) working days after the acceptance of the Notice to Proceed.

1.2 Delivery Schedule

The NPO shall deliver the 5,000,000 sets of PhilHealth Official Receipt (POR) to the PhilHealth Warehouse (Pasig Warehouse) and Delivery Receipt/ Invoices to the PhilHealth Supply Section, Room 1501 15th Floor, CityState Centre 709 Shaw Blvd., Brgy. Oranbo, Pasig City.

Schedule of Delivery	PhilHealth Official Receipt			Delivery Date
	Set(s)	Box(s)	Series Nos. From - To	
1 st	1,250,000	1,250	63055001-64305000	15 days after the acceptance of the Notice to Proceed
2 nd	1,250,000	1,250	64305001- 65555000	15 days after the first delivery
3 rd	1,250,000	1,250	65555001-66805000	15 days after the second delivery
4 th	1,250,000	1,250	66805001-68055000	15 days after the third delivery

All deliveries should be accompanied by the following documents:

- Original Memorandum of Agreement;
- Invoice indicating the winning supplier's name as approved by the Bureau of Internal Revenue; and
- Delivery Receipt.

- 1.3** NPO as the appropriate Recognized Government Printer (RGP) engaged by PHILHEALTH shall directly undertake the printing services for the contract entered into, and cannot engage, subcontract or assign any private printer to undertake the performance of the printing service.

ARTICLE 2
DUTIES AND RESPONSIBILITIES OF PHILHEALTH

- 2.1.** PHILHEALTH shall pay NPO the sum of THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS ONLY (PhP3,250,000.00) at SIXTY FIVE CENTAVOS (PhP0.65) per set which is the Total Contract Price, inclusive of Value-Added Tax and other government required fees and taxes.
- 2.2.** NPO shall submit the Statement or Billing of Account. PHILHEALTH shall pay NPO, charged to its 2015 Corporate Operating Budget (COB), within thirty (30) working days after complete delivery, inspection, tests and acceptance by PHILHEALTH. Inspection and test shall be conducted by PHILHEALTH through its authorized representatives to determine the accuracy and completeness of sequential printing and adherence to the requirements set forth by PHILHEALTH.

Witness for NPO

Witness for NPO

- 2.3. PHILHEALTH shall hold the ten percent (10%) retention money as obligation for "Warranty" to be deducted from the total payment. Said amount shall only be released after the lapse of the ten (10) months warranty period, in the case of Expendable Supplies, as required under Section 62 (Warranty) of the Revised IRR of R.A. 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 NPO may opt to post a special bank guarantee of at least ten percent (10%) of the total contract price. The said special bank guarantee must have a validity period covering the whole duration of the warranty period.

ARTICLE 3
PAYMENT OF TAXES AND SUBMISSION OF CLEARANCE

If applicable, NPO shall pay its taxes in full and on time. Upon failure to do so, PHILHEALTH has the authority to suspend payment for the delivered PORs.

ARTICLE 4
GENERAL PROVISIONS

All taxes, licenses and permit fees which may be required by government, dues to or collectible by the local or national government pursuant to this Contract, shall be the sole responsibility of the NPO.

ARTICLE 5
PERFORMANCE SECURITY

NPO hereby undertakes to furnish PHILHEALTH a Performance Security equivalent to any of the following Forms:

FORM	MINIMUM AMOUNT
Cash or cashier's/manager's check issued by a Universal or Commercial Bank	PhP162,500.00 (Five percent (5%) of PhP3,250,000.00)
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 upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	PhP975,000.00 (Thirty percent (30%) of PhP3,250,000.00)
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

ARTICLE 6
BREACH OF CONTRACT AND LIQUIDATED DAMAGES

- 6.1 In case of breach or delay in the delivery, NPO shall pay the amount of one-tenth (1/10) of one percent (1%) of the cost of the undelivered items per day of delay

per delivery schedule as liquidated damages which shall be automatically deducted from any payment due NPO. PHILHEALTH shall rescind the contract, without prejudice to the availment of other courses of action and remedies once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract.

- 6.2 Violation of NPO on the provision stated in Article 1.2 shall merit a forfeiture of its Performance Security as the said act is regarded as a serious breach of NPOs obligation under this Contract.

ARTICLE 7 JUDICIAL AND ADMINISTRATIVE REMEDIES

- 7.1. The PHILHEALTH and NPO shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or the interpretation thereof.

Any dispute between the parties as to matters arising pursuant to this Contract which cannot be settled amicably within thirty (30) days after receipt by one party of the other party's request for such amicable settlement may be submitted by either party for settlement.

Any and all disputes arising from the implementation of a contract covered by R.A. No. 9184 and its RIRR shall be submitted to arbitration in the Philippines according to the provisions of R.A. No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004".

The arbitral award and any decision rendered in accordance with the foregoing shall be appealable by way of a petition for review to the Court of Appeals.

- 7.2. Should NPO be adjudged liable in whole or in part in a final and executory arbitral award or court decision, it shall pay PHILHEALTH damages as well as reasonable attorney's fees in the amount equivalent to at least Twenty Percent (20%) of the total amount claimed, but not less than One Million Pesos (Php1,000,000.00), in addition to all expenses of litigation, and costs of the suit.

ARTICLE 8 DURATION OF CONTRACT

This Contract shall take effect on _____ until _____, unless sooner terminated in accordance with the provisions thereof. Full delivery of all goods and services required in accordance with the agreed delivery schedule.

ARTICLE 9 NO GIFT POLICY

The contracting parties undertake to comply with Office Order No. 0018-2015 entitled "Reiteration of PhilHealth Gift Policy (Revision 1)" which is deemed incorporated into this contract. No PhilHealth personnel shall solicit, demand, or accept, directly or indirectly, any gift from any person, group, association or juridical entity, whether from the public or private sector, at any time, on or off the work premises where such gift is given in the course of official duties or in connection with any transaction which may affect the functions of their office or influence the actions of directors or employees, or create the appearance of a conflict of interest.

ARTICLE 10
MISCELLANEOUS PROVISIONS

- 9.1. In case any provision or stipulations hereof is declared invalid, null and void or contrary to law, rules and regulations, the unaffected portion shall remain valid and effective.
- 9.2. All mandatory provisions of RA 9184, its rules and other pertinent laws, rules and regulations and all the terms and conditions as set forth in the Price Quotation of NPO shall form an integral part of this contract.
- 9.3. Amendment of revision of any provision shall be upon mutual agreement and approval of both parties.

ARTICLE 11
SEPARABILITY CLAUSE

If any paragraph, sub-paragraph or part of this contract is declared by a competent court to be contrary to law, public policy or otherwise declared invalid, such shall not affect the other paragraph, sub-paragraphs or parts of this contract.

OCT 19 2015

IN WITNESS WHEREOF, the parties have hereunto set their hands this _____ of _____, 2015 at PASIG CITY, Philippines.

PHILIPPINE HEALTH INSURANCE
CORPORATION (PHILHEALTH)

NATIONAL PRINTING OFFICE
(NPO)

By:

By:

RAMON F. ARISTOZA, JR.
Executive Vice President and
COO

EMMANUEL C. ANDAYA, CEO VI
Director

Signed in the presence of:

GREGORIO C. RULLODA
OIC - SVP, Fund Management
Sector

Witness for NPO

EVANGELINE F. RACELIS, Ph.D.
Senior Manager
Treasury Department

Witness for NPO

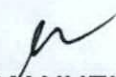
JUVY D. BALOLONG
OIC, Accounting and Internal Control Division
Comptrollership Department

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)
PASIG CITY

BEFORE ME, this _____ day of **OCT 19 2015** 2015, personally appeared the following persons exhibiting to me their respective Government issued ID's, to wit:


RAMON F. ARISTOZA, JR.
PhilHealth _____


EMMANUEL C. ANDAYA
NPO _____

Known to me to be the same persons who executed the foregoing Memorandum of Agreement consisting of seven (7) pages including this page on which the acknowledgement is written 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.

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DOMINGO B. TEJERO
NOTARY PUBLIC - PASIG CITY
No. 48-2014 UNTIL DEC 31, 2015
Unit 103-G/F M&N Square Building
678 Shaw Blvd., Kapitolyo, Pasig City
PTR0348309 Pasig City 1-5-15
IBP No. 0981908 for 2015, Rizal 1-5-15
Roll No. 28063 Tel. No. 635-47-02
MCLE V-Certificate No.0002136, 5-16-14
TIN: 1350-064-700