

**CONTRACT FOR THE PROCUREMENT OF  
AIR CONDITIONING UNITS**

**KNOW ALL MEN BY THESE PRESENTS:**

**THIS AGREEMENT** is entered into by and between **PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation created and existing by virtue of R.A. 7875, otherwise known as the "National Insurance Act of 1995", with office address at EMDC Building, Francisco Q. Duque Jr. Road, Tapuac District, Dagupan City, represented herein by its OIC, Regional Vice President, **ATTY. RODOLFO B. DEL ROSARIO, JR.** (hereinafter called "**PHILHEALTH**").

-and-

**TRADEMASTER RESOURCES CORPORATION**, a corporation, organized and existing under the laws of the Republic of the Philippines, with business address Lot E, Impex Compound Alabang, Zapote Road, Las Piñas City represented herein by **WILLIAM YOU WE LIAO**, (hereinafter called "**TRADEMASTER**").


**WHEREAS**, **PHILHEALTH** invited Bids for the **PROCUREMENT OF AIR CONDITIONING UNITS (ITB No. 2016-005)** and has accepted a Bid by **TRADEMASTER** for the supply of those goods and services in the sum of **NINE HUNDRED EIGHTY NINE THOUSAND PESOS (P989,000.00)** (hereinafter called "the Contract Price").

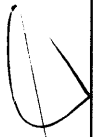
**WITNESSETH:**


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 Performance Security (Annex "A");
  - (b) the Notice of Award (Annex "B");
  - (c) the BAC Resolution No. 46 s. 2015 (Annex "C");
  - (d) the Financial Bid Form and Bill of Quantities (Annex "D");
  - (e) the Schedule of Requirements (Annex "E");
  - (f) the Technical Specifications (Annex "F");
  - (g) the General Conditions of Contract (Annex "G");
  - (h) the Special Conditions of Contract (Annex "H") and
  - (i) the Supplemental Bid Bulletin (Annex "I")
3. In consideration of the payments to be made by **PHILHEALTH** to **TRADEMASTER** as hereinafter mentioned, **TRADEMASTER** hereby covenants with **PHILHEALTH** to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract;

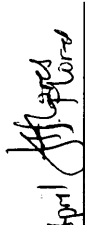
  
ATTY. RODOLFO B. DEL ROSARIO, JR.  
OIC, Regional Vice President

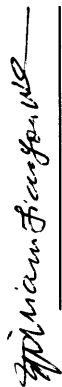
Witness for TRADEMASTER


  
WILLIAM YOU WE LIAO  
Authorized Representative

  
EDWARD Q. ESPIRITU  
OIC, Fund Management Section

  
MARICAR M. ARZADON, M.D.  
Division Chief, Management Services Division

  
April J. Lopez  
Witness TRADEMASTER

  
WILLIAM YOU WE LIAO  
Authorized Representative

  
EDWARD Q. ESPIRITU  
OIC, Fund Management Section

  
MARICAR M. ARZADON, M.D.  
Chief, Management Services Division

  
ATTY. RODOLFO B. DEL ROSARIO, JR.  
OIC, Regional Vice President

4. **PHILHEALTH** hereby covenants to pay **TRADEMASTER** in consideration of the provision of the goods and services and providing remedies for defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.
5. The contract price covers the costs of all deliverable Items and Services and includes all applicable taxes and duties in the Philippines, costs of importation, insurance, transportation and delivery at the time and to the locations specified but excludes any special handling or hosting charges which may be incurred at **PHILHEALTH's** site and which are for the account of **PHILHEALTH**;
6. The contract price covers all taxes, including the 12% Value-Added-Tax, customs duties, license fees, freight, insurance and other charges which may be imposed on the Product by foreign and local authorities;

Within thirty (30) calendar days after complete delivery to and acceptance by **PHILHEALTH**, **TRADEMASTER** shall submit the Statement or Billing of Account and other documentary requirements as may be required by the former as conditions for payment;

As an obligation for the warranty, **PHILHEALTH** shall withhold ten percent (10%) of the total contract price stated in the Whereas Clause hereof, amounting to **NINETY EIGHT THOUSAND NINE HUNDRED PESOS (P98,900.00)** as retention money. The said amount shall only be released after the lapse of the one (1) year warranty period. Otherwise, **TRADEMASTER** may opt to post a special bank guarantee equivalent to the same amount covering the said warranty period;

**TRADEMASTER** shall provide one (1) year warranty on parts and services and five (5) years on compressor of the air conditioning units as specified in Section I. Invitation to Bid and Section V. Special Conditions of Contract of the Bidding Documents.

7. **PHILHEALTH** reserves its right to refuse acceptance of delivered items for failure to observe specifications agreed upon by the parties. Failure on the part of **TRADEMASTER** to replace all the delivered items which were not accepted by **PHILHEALTH** within 10 days from notice thereof, shall be tantamount to breach of contract and will give rise to application of Section 68 (Liquidated Damages) of the Revised Implementing Rules and Regulations of R.A. 9184 or otherwise known as the Government Procurement Reform Act;
8. 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. 9184, shall form an integral part of the contract between the **PARTIES** hereto.

9. No PhilHealth personnel shall solicit, demand or accept, directly or indirectly, any gift from any person, group, association or judicial entity, whether from public or private sector, at anytime 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 conflict of interest.
10. If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract covered by the Act of this IRR, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation, otherwise the same shall be submitted to arbitration in the Philippines according to the provisions of the Republic Act No. 876, otherwise known as the "Arbitration Law" and Republic Act 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004".
11. Judicial relief may be resorted to by the parties for any violations of the terms embodied in this contract, after exhaustion of various modes of alternative dispute resolution. The parties agree to an exclusive venue of action in any competent court in Dagupan City, Pangasinan, to the exclusion of all other courts.

IN WITNESS WHEREOF, the parties have hereunto set their hands this \_\_\_\_\_ day \_\_\_\_\_ 2016 at Dagupan City, Pangasinan, Philippines.

**TRADEMASTER RESOURCES CORP.**

By:



**WILLIAM YOU WE LIAO**  
Authorized Representative

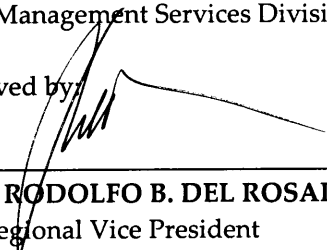
**PHILIPPINE HEALTH INSURANCE CORPORATION**

Recommending Approval:



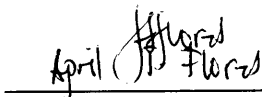
**MARICAR M. ARZADON, M.D.**  
Chief, Management Services Division

Approved by:

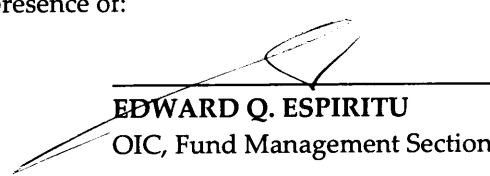


**ATTY. RODOLFO B. DEL ROSARIO, JR.**  
OIC, Regional Vice President


Signed in the presence of:

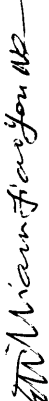



**Name and Signature**  
Witness for Trademaster



**EDWARD Q. ESPIRITU**  
OIC, Fund Management Section

  
April J. Flores  
Witness TRADEMASTER

  
WILLIAM YOU WE LIAO  
Authorized Representative

  
EDWARD Q. ESPIRITU  
OIC, Fund Management Section

  
MARICAR M. ARZADON, M.D.  
Division Chief, Management Services Division

  
ATTY. RODOLFO B. DEL ROSARIO, JR.  
OIC, Regional Vice President

ACKNOWLEDGMENT

Republic of the Philippines )  
Province of Pangasinan )  
City of Dagupan ) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, this \_\_\_\_\_ day of \_\_\_\_\_, 2016 personally appeared:

Name	ID No.	Competent Evidence of Identity
<u>WILLIAM YOU WE LIAO</u>	<u>0001794</u>	<u>PRC ID</u>
<u>ATTY. RODOLFO B. DEL ROSARIO, JR.</u>	<u>10029999</u>	<u>PhilHealth Company ID</u>

Who are known to me and to me known to be the same parties who executed foregoing Contract for the Procurement of Air Conditioning Units and acknowledged that the same is their free act and deed and that of the enterprise and corporation being represented. This instrument consisting of four (4) pages including this page on which this acknowledgement is written has been signed on the left margin of each and every page hereof by the parties and their instrumental witnesses and sealed with my notarial seal.

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

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2016