

# CONTRACT OF SERVICES

## KNOW ALL MEN BY THESE PRESENTS:

The **PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation, existing by virtue of Republic Act 7875 as amended by R.A. 10606, otherwise known as the "National Health Insurance Act of 2013", with Regional Office Address at the Builders Place, Del Rosario St., Tuguegarao City, represented by its Regional Vice President, **MR. OSCAR B. ABADU, JR.**, hereinafter referred to as "**PHILHEALTH**",

-AND-

**MASANGKAY COMPUTER CENTER**, a private enterprise, organized and existing under pertinent laws of the Republic of the Philippines, with business address at 1143 G. Masangkay Street, Sta Cruz, Manila, represented by, **PETER KO WAI SHING**, hereinafter referred to as the "**SUPPLIER**",

-WITNESSETH THAT-

**WHEREAS, PHILHEALTH** invited Bidders for the procurement of two (2) units Generator Sets;

**WHEREAS, the SUPPLIER** has accepted a Bid and binds itself to provide two (2) units Generator Sets of **PHILHEALTH**;

**WHEREAS, PHILHEALTH**, desires to avail the previously mentioned services at reasonable cost;

**NOW THEREFORE**, for and in consideration of the foregoing premises, the party hereby agrees to undertake the following conditions;

1. **PHILHEALTH** obligates itself to pay the **SUPPLIER** the contract price of **ONE MILLION FOUR HUNDRED THIRTY SEVEN THOUSAND EIGHT HUNDRED PESOS (Php1,437,800.00)** upon completion/delivery, to remedy defects therein in conformity in all respects with the provision of the contract and subject to government accounting rules and procedures:
2. For and in consideration of the above-stated contract price, the **SUPPLIER** binds himself to undertake the following Technical Specifications;

## ITEM DESCRIPTION

Qty	Unit	ITEM /Description
2	set	<b>BRAND NEW GENERATOR SETS – Laidong/Extreme</b> Standby Capacity : <b>16 KVA</b> Power Output : Alternating Current Voltage/Phase/RPM : 220V/ <u>Single</u> 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, vibration absorbers, engine & generator supports and other standard safety features.

#### INSTALLATION:

1. Layout and install **22** mm<sup>2</sup> THHN cable inside **32mm** dia. IMC conduit from MDP & MTS to Generator set.
2. Provide and install a Manual Transfer Switch (MTS) with **100A** 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.

#### TESTING & COMMISSIONING:

1. The generator set should be tested by operating it continuously at a minimum of 4 hours but not to exceed 8 hours.
  - a. 1<sup>st</sup> Hour - 25% load
  - b. 2<sup>nd</sup> Hour - 50% load
  - c. 3<sup>rd</sup> Hour onwards - 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 1<sup>st</sup> hour.
3. Provide supply of Diesel fuel to the generator set for the entire duration of testing.
4. Testing & commissioning shall be conducted by supplier's technical representatives and must be witnessed by PHIC authorized representatives.
5. During the testing & commissioning, the necessary readings 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 authorized representatives have the right to terminate the testing if they find error/s or malfunctioning/s in the generator set.

**NOTE:** The above specifications are not tailor-fitted to any particular brand.

#### Warranty:

**Two (2) years warranty** based from date of delivery and commissioning under normal use and operation for standby application of 1500 running hours, whichever comes first.

### I. SUPPLY, DELIVERY, AND TESTING SCHEDULE

1.1 The delivery and installation period to PhilHealth Regional Office 2 shall be twenty five (25) calendar days upon the issuance of the Purchase Order. All expenses for the delivery of the above-mentioned IT Equipment shall be at the expense of the winning bidder. A penalty of one-tenth (1/10) of one (1) percent (%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the PHIC authorized representatives.



1.2 The proponent should provide the description of said equipment. The breakdown of parts (with serial numbers).

1.3 The proponent should provide all user manuals, technical materials, system manuals, troubleshooting and installation guide.

1.4 The proponent must indicate the details of installation for the entire project. Both parties will determine the installation and implementation of the other services based upon the agreed schedule. Implementation will immediately commence upon the issuance of the Notice to Proceed. The winning proponent shall guarantee the installation and testing the equipment within the specified project plan as agreed by both parties.

## II. TECHNICAL ASSISTANCE

2.1 The proponent should be able to provide a technical team and dedicated personnel who will be tasked with the supply, delivery, configuration, installation testing and maintenance of the equipment.

2.2 During the period of the project, the proponent team should successfully provide technical assistance for hardware supply, maintenance and support.

2.3 The winning bidder should coordinate with EMIR IRINGAN or GEORGE LORENZANA regarding the technical support and other matters after awarding of project in order to facilitate a faster response with the needed support.

## III. WARRANTY AND AFTER SALES SUPPORT

3.1 For After Sales Support, the supplier should be able to present a certification from the manufacturer, the list of certified service engineers. The supplier shall designate a certified service engineer (company name, contact person and phone number) out of the list provided by manufacturer. All service units should be of equal/ superior specification to that of the delivered units.

3.2 A seven (7) hours a day and five (5) times a week (7x5) on-call and on-site support must be made available to PHIC RO2. If any of the delivered IT equipment malfunctions, the PRO General Services Unit shall forward the encountered problem after proper evaluation and recommendation to the designated certified service engineer/authorized service center via e-mail/facsimile and helpdesk (phone).

### The Service Response Time:

On Call: 8am to 5 pm

On Site: 5 pm, next business day (On site cut-off period)

Remarks: The on-site service engineer should be able to provide recommendation within the cut-off period. Penalty shall be imposed if lapses occurred after the cut-off period.

### Issuance of Service Units (SU)

Replacing the Units thru Service Units: Within 48 hours after the On Site cut-off period of the Service Responses Time

Remarks: A penalty shall be imposed if lapses occurred after 48 hours cut-off period.

3.3 The winning bidder shall provide a Local Service Center (LSC) (from Tuguegarao City or any LSC from the Region) which will be responsible in trouble shooting equipment problems ranging from simple to complex.

3.4 A strict implementation of one-tenth (1/10) of one (1) percent (%) penalty of the unit price of the defective item shall be imposed for every day of delay on service response time / issuance of service unit. To properly monitor or validate the performance of the service engineer, he/she is required to provide a service/ job order form indicating the current date, time and the transaction transpired in the Philhealth Regional Office 2 (where the support service from the supplier is conducted.) As soon as the engineer had checked and declared that the defective unit/s cannot be repaired within the service response time or on-site cut-off period, the units should be made available within the next 48 hours. Any movement of the service unit/s and malfunctioned/repaired unit/s shall be charged against the account of winning supplier. The assigned engineer should be able to determine on-site if defective equipments/s is/are under warranty or not. But, once the defective unit/s has/have been pulled-out by the service engineer or the supplier's representative, the said unit/s will be declared as repaired and all cost shall be charged to the winning supplier. If the malfunctioned unit cannot be repaired after 15 working days from the time the said unit had been pulled-out for repair the said unit shall be replaced with a new unit (should be equal or higher specification).

## **VI. TRAINING**

4.1 The Supplier must provide technical trainings free of charge. The training must be provided thirty (30) calendar days after delivery of the Information Technology Equipment. The Supplier must provide in-depth technical trainings at manufacturers' authorized training centers / laboratory and to be conducted by manufacturers' certified trainers/instructors for PhilHealth Regional Office 2 technical support personnel. The trainings shall focus on the technology used by the equipment and its applications and must include hands-on exercises.

## **VI. ACCEPTANCE**

6.1 PhilHealth Regional Office 02 technical personnel must review and approve the installation and testing conducted by the vendor based on the test and actual results submitted. All deliverables mentioned above should be checked by PhilHealth Regional Office 2 and complied by the vendors before final acceptance and turnover of the project.

## **VII. DELIVERY ADDRESSES & DATE**

7.1 The winning bidder must deliver the two (2) generator sets thirty (30) calendar days upon the issuance of Purchase Order at PhilHealth Regional Office 2 and LHIO-Iligan.

## **VIII. VIOLATION**

Any violation by one of the parties of the terms and conditions set forth herein results as a right or basis for the termination of this contract. In such event, the aggrieved party will make a formal notice to the guilty party of the term/s and condition/s violated. However, despite the right to terminate then obtaining, the parties shall endeavor to amicably or extra-judicially settle the matter. Furthermore, if amicable or extra-judicial settlement cannot be arrived at and termination of the contract is the only solution, then the conditions set forth under Section 5 will be applied and the procedures expressed shall be followed.

## **IX. LITIGATION AND VENUE**

In the event judicial relief against the guilty party is filed before regular courts for the enforcement of the terms and conditions in the contract, the guilty party, in addition to any other damages that may be awarded by the court, is duty bound to pay ten (10%) percent of the amount claimed but in no case less than ten thousand pesos (P10, 000, 00) as attorney's fees aside from the cost of litigation and other expenses which the law entitles the aggrieved party to recover. The parties agree that the venue of litigation is in the proper courts of Tuguegarao City, Province of Cagayan.




## X. SEPARABILITY CLAUSE

If any paragraph, sub-paragraph or any part of this contract is declared contrary to law, public policy, or otherwise declared invalid, the same shall not affect the validity of the other paragraphs, and of the contract as a whole.

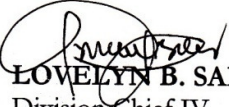
IN WITNESS WHEREOF, we have hereunto affixed our signatures this 25<sup>th</sup> day of April 2016 in Tuguegarao City, Cagayan.

### MASANGKAY COMPUTER CENTER

BY:

  
MR. PETER KO WAI SHING  
Owner/Manager

Recommending Approval:

  
LOVELYN B. SABBAN  
Division Chief IV

### PHILIPPINE HEALTH INSURANCE CORPORATION

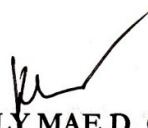
BY:


  
MR. OSCAR B. ABADU, JR.  
Regional Vice President

Approved by:

MR. OSCAR B. ABADU, JR.  
Regional Vice President

Signed in the presence of:

  
MS. KELLY MAE D. CALIMAG  
Fiscal Controller IV

  
MR. JOSUE M. ANOG  
Official Canvasser, PRO 2

## ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
CITY OF TUGUEGARAO ) S.S.

BEFORE ME, personally appeared this 25<sup>th</sup> day of April 2016 at TUGUEGARAO CITY, CAGAYAN Philippines.

NAME	Proper Identification	Date/Place Issued
MR. OSCAR B. ABADU, JR.	Driver's License N102-95-276119	Tuguegarao City
MR. PETER KO WAI SHING	Driver's License D# N04-86-041117	10-3-2014 / Quezon City

Known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged that the same is their free and voluntary act and deed and that of the institution they represent.

This CONTRACT OF SERVICE consists of six (6) pages including this acknowledgment, which is written signed by the parties and their witnesses on the left margin of every page.

IN TESTIMONY WHEREOF, I have hereunto signed and affixed my notarial seal on the date and place first above-written.

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2016

NOTARY PUBLIC  
NOTARY JOSEPH ANDREW L. CALUBAG III  
NOTARY PUBLIC  
UNTIL DEC. 31, 2017