

**CONTRACT ON THE BIDDING FOR THE PROCUREMENT OF  
EMERGENCY/DISASTER LIFE BAGS  
(IB No. EDLB 2021-005-CC)**

MAR 16 2022

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2021, in the CITY OF MANILA Metro Manila, by and between:

**PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH)**, a government owned and controlled corporation duly created by virtue of R.A. 7875, as amended by R.A. 9241 and R.A. No. 10606 or the "National Health Insurance Act of 2013", with principal office address at 17th Floor, City State Center Building, 709 Shaw Blvd corner Oranbo Drive, Pasig City. PHILHEALTH is represented in this Agreement by its President and Chief Executive Officer (CEO), **ATTY. DANTE A. GIERRAN, CPA** who is authorized to sign this agreement under Corporate Order No. 2018-0026 on the New Delegation and Signing Authority (DSA) in the Head Office and Regional Offices, copy attached hereto as Annex "A";

-and-

**PRIMOWAY SPECIALIZED GOODS TRADING**, a stock corporation, organized and registered with the Securities and Exchange Commission and existing under the laws of the Republic of the Philippines, with business address at Purok Kapatan, Barangay Matimbo, Malolos, Bulacan, represented herein by its Authorized Representative, (hereinafter called "**PRIMOWAY**"), duly authorized for this purpose as evidenced by PRIMOWAY Special Power of Attorney, copy attached hereto as Annex "B".

**WHEREAS, PHILHEALTH** invited Bids for certain goods and ancillary services particularly on the **Bidding for the Procurement of Emergency/Disaster Life Bags** and has accepted a Bid by **PRIMOWAY** for the supply of **6,850 pieces Emergency/Disaster Life Bag** in the sum of, **THREE MILLION SEVENTY HUNDRED TWENTY THOUSAND SEVEN HUNDRED EIGHTY THREE PESOS (PhP3,720,783.00)** (hereinafter called "**the Contract Price**"),

On September 23, 2021, PhilHealth caused the publication of an Invitation to Bid for the procurement of Emergency/Disaster Life Bags with an Approved Budget of the Contract (ABC) in the amount of Four Million Four Hundred Fifty Nine Thousand Three Hundred Fifty Pesos (PhP4,459,350.00) in accordance with its 2021 Annual Procurement Plan.

Two (2) bidders submitted their bids on or before October 13, 2021. After opening the bids, PRIMOWAY was declared eligible having submitted the Lowest Calculated Bid (LCB).

PhilHealth subjected to post-qualification and after such proceedings, PRIMOWAY's bid in the amount of Three Million Seven Hundred Twenty Thousand Seven Hundred Eighty Three Pesos (PhP3,720,783.00) was found to be the Lowest Calculated and Responsive Bid.

PhilHealth subsequently issued the Notice of Award to PRIMOWAY which the latter accepted on December 06, 2021.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

*(Signature)*  
ATTY. DANTE A. GIERRAN, CPA  
President and Chief Executive Officer  
PhilHealth

*(Signature)*  
EDGAR Z. CORNELIO  
Authorized Representative  
Primoway Specialized Goods Trading

*(Signature)*  
ATTY. ELI BARRERA, SANTOS  
Acting Executive Vice-President/Chief Operating Officer

*(Signature)*  
ATTY. ANGEL L. MIRANDA JR.  
Acting Senior Vice-President  
Management Services Sector (MSS)  
and Chairperson, CIDCC

*(Signature)*  
Jason Dc. Ignacio  
WITNESS  
WINNING BIDDER

*(Signature)*  
WITNESS  
PHILHEALTH

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 as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as part of this Agreement, viz:

- (a) Corporate Order No. 2018-0026 (**Annex "A"**);
- (b) Primoway's Special Power of Attorney (**Annex "B"**);
- (c) Philippine Bidding Documents (PBDs);
  - (i) Primoway's Schedule of Requirements (**Annex "C"**);
  - (ii) Primoway's Technical Proposal and its Appendices (**Annex "D"**);
  - (iii) General Conditions of the Contract (GCC) (**Annex "E"**);
  - (iv) Special Conditions of the Contract (SCC) (**Annex "F"**);
  - (v) Bid Bulletin No. 01 (**Annex "G"**);
- (d) PRIMOWAY's Bid;
  - (i) PhilGEPS Registration Certificate (**Annex "H"**);
  - (ii) Statement of all Ongoing Government and Private Contracts, including contracts awarded but not yet started (**Annex "I"**);
  - (iii) Statement of Single Largest Completed Contract (SLCC) (**Annex "J"**);
  - (iv) Bid Security/Bid Securing Declaration (**Annex "K"**);
  - (v) Omnibus Sworn Statement (**Annex "L"**);
  - (vi) After Sales Service (**Annex "M"**);
  - (vii) Manpower Requirements (**Annex "N"**);
  - (viii) Audited Financial Statements (**Annex "O"**);
  - (ix) Net Financial Capacity (NFCC) or Line of Credit (**Annex "P"**);
  - (x) Joint Venture Agreement (JVA) (**Annex "Q"**);
  - (xi) Certificate of Domestic Preference (**Annex "R"**);
  - (xii) Certification of Official Manufacturer and Distributor (**Annex "S"**);
  - (xiii) Warranty (**Annex "T"**);
  - (xiv) Tax Clearance (**Annex "U"**);
  - (xv) Financial Bid Form (**Annex "V"**);
- (e) Performance Security (**Annex "W"**);
- (f) Notice of Award (**Annex "X"**);
- (g) BAC-C Resolution No. 22, s. 2021 (**Annex "Y"**);
- (h) PRIMOWAY's Additional Post-Qualification Documents;
  - (i) Bureau of Internal Revenue (BIR) Value Added Tax Registration Form and Payment Form (BIR Form no. 2303 and 0605) (**Annex "Z"**);
  - (ii) Annual Income tax Return (ITR) for CY2020 (**Annex "AA"**);
  - (iii) Business Tax Return (**Annex "AB"**); and
  - (iv) Proof of Payment of PhilHealth Premium Contribution (**Annex "AC"**).

3. In consideration for the sum of **Three Million Seven Hundred Twenty Thousand Seven Hundred Eighty Three Pesos (Php3,720,783.00)** or such other sums as may be ascertained, **PRIMOWAY** agrees to provide the **6,850 pieces Emergency/Disaster Life Bag** and to remedy defects therein within the warranty period in accordance with his/her/its Bid.
4. **PHILHEALTH** agrees to pay the above-mentioned sum in accordance with the terms of the Bidding.
5. **PRIMOWAY** holds **PHILHEALTH** free and harmless from any claim, obligation or liability that may be caused to any third party that may be injured or harmed due to

the willful, unlawful or negligent act or omission of **PRIMOWAY** or any of its personnel or representative, without prejudice to any other legal action that **PHILHEALTH** may have against **PRIMOWAY** for, in relation to the implementation of the Contract.

6. If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any legal action, suit or proceeding arising out of or relating to the Contract shall be submitted to arbitration in the Philippines according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004".

Whenever necessary to promote Arbitration or to seek judicial relief, **PHILHEALTH** and **PRIMOWAY** agree that any legal action, suit or proceeding arising out of or relating to the Contract may be instituted in any competent court where the principal office of **PHILHEALTH** is situated, to the exclusion of other courts of equal jurisdiction.

7. Attorney's Fee - In the event that **PHILHEALTH** is compelled to commence arbitration or to seek judicial relief to enforce the provisions of the Contract, it shall be entitled to attorney's fees and liquidated damages equivalent to ten percent (10%) and fifteen percent (15%), respectively, of the contract price or the amount claimed in the arbitration or judicial action, whichever is higher, aside from the cost of arbitration or litigation, whichever is applicable, and other expenses incidental thereto.
8. EFFECTIVITY CLAUSE. This Agreement shall take effect upon signing thereof by the Parties and **PRIMOWAY** shall commence performance of its obligations upon the issuance by **PHILHEALTH** of a Notice to Proceed.

**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**



**ATTY. DANTE A. CIERRAN, CPA**  
President and Chief Executive Officer

**PRIMOWAY SPECIALIZED GOODS  
TRADING**



**EDGAR Z. CORNELIO**  
Authorized Representative

**Recommending Approval:**





**ATTY. ANGEL L. MIRANDA JR.**  
Acting Senior Vice-President  
Management Services Sector (MSS) and  
Chairperson, Corporate Disaster Coordinating Committee (CDCC)



**ATTY. ELI DINO D. SANTOS**  
Acting Executive Vice-President/Chief Operating Officer

**Signed in the presence of:**

  
Arch. TESSA ESPINAS SALINAS  
Witness  
PhilHealth

  
Jason D. Ignacio  
Witness  
Primoway Specialized Goods Trading

**ACKNOWLEDGEMENT**

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

BEFORE ME, this MAR 16 2022 day of \_\_\_\_\_ 2021, personally appeared the following persons exhibiting to me their respective Government issued ID's, to wit:

**ATTY. DANTE A. GIERRAN, CPA**  
Philippine Health Insurance Corporation

PhilHealth Company ID NO. 20647820

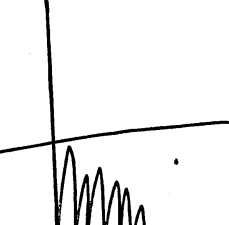
**EDGAR Z. CORNELIO**  
Primoway Specialized Goods Trading

Passport : P6382521B

Known to me to be the same persons who executed the foregoing Contract on the Bidding for the Procurement of Emergency/Disaster Life Bags consisting of One Hundred Thirty Seven (137) pages including the annexes and 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.**

Doc No. 45  
Page No. 9  
Book No. XXXI  
Series of 2021

  
**ATTY. GLENN G. CABANEZ**  
Notary Public for City of Manila  
Notarial Commission No. 2020-039 Until 12/31/2022  
(Under Supreme Court B.M. No. 3255 extended from Jan. 1 to June 30, 2022)  
IBP Lifetime No. 05365 Issued on Jan. 31, 2007 Pasig City/Roll No. 03451  
PTR No. 00575481 Issued on Jan. 3, 2022 Until Dec 31, 2022 Manila  
MCLE No. VI-0010305 Issued on 10/9/2018 Until 10/31/2022  
Unit 2D Tower C, Suntrust Adriatico Garden, M. Adriatic St., Malate, Manila