

**CONTRACT ON THE BIDDING FOR THE  
SUPPLY AND DELIVERY OF PURIFIED DRINKING WATER FOR TWELVE  
(12) MONTHS  
(IB No. EPA SDPDW 2022-04-BB)**

JUN 07 2022

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2022, in the City of ~~PASIG CITY~~, 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, Citystate Centre 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-

**DACO SALES CORP.**, 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 No. 5 Felix Manalo St., Brgy. Pinagkaisahan, Cubao, Quezon City, represented herein by its Authorized Representative, (hereinafter called "DACO"), duly authorized for this purpose as evidenced by DACO Secretary's Certificate, copy attached hereto as Annex "B".

**WHEREAS, PHILHEALTH** invited Bids for certain goods and ancillary services particularly on the **Procurement of Supply and Delivery of Purified Drinking Water for Twelve (12) Months** and has accepted a Bid by **DACO** for the supply of those goods in the sum of, **SIX HUNDRED FORTY THOUSAND PESOS (PhP640,000.00)** (hereinafter called "the Contract Price"),

On December 31, 2021, PhilHealth caused the publication of an Invitation to Bid for the procurement of Supply and Delivery of Purified Drinking Water for Twelve (12) Months with an Approved Budget of the Contract (ABC) in the amount of Seven Hundred Thousand Pesos (PhP700,000.00) in accordance with its 2022 Annual Procurement Plan.

Two (2) bidders submitted their bids on or before January 25, 2022. After opening the bids, **DACO** was declared eligible having submitted the Lowest Calculated Bid (LCB).

PhilHealth subjected to post-qualification and after such proceedings, **DACO's** bid in the amount of **SIX HUNDRED FORTY THOUSAND PESOS (PhP640,000.00)** was found to be the Lowest Calculated and Responsive Bid.

PhilHealth subsequently issued the Notice of Award to **DACO** which the latter accepted on May 17, 2022.

**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 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) **DACO's** Secretary's Certificate (**Annex "B"**);
- (c) Philippine Bidding Documents (PBDs);
  - (i) **DACO's** Schedule of Requirements (**Annex "C"**);
  - (ii) **DACO'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) **DACO** Bid;
  - (i) PhilGEPS Registration Certificate (**Annex "H"**);
  - (ii) Registration certificate from SEC (**Annex "I"**);
  - (iii) Business Permit (**Annex "J"**);
  - (iv) Tax Clearance (**Annex "K"**);
  - (v) Statement of all Ongoing Government and Private Contracts, including contracts awarded but not yet started (**Annex "L"**);
  - (vi) Statement of Single Largest Completed Contract (SLCC) (**Annex "M"**);
  - (vii) Bid Security/Bid Securing Declaration (**Annex "N"**);
  - (viii) Omnibus Sworn Statement (**Annex "O"**);
  - (ix) Audited Financial Statements (**Annex "P"**);
  - (x) Joint Venture Agreement (**Annex "Q"**);
  - (xi) Net Financial Contracting Capacity (NFCC) (**Annex "R"**);
  - (xii) Financial Bid Form (**Annex "S"**);
- (e) Performance Security (**Annex "T"**);
- (f) Notice of Award (**Annex "U"**);
- (g) BAC-B Resolution No. 21, s. 2022 (**Annex "V"**);
- (h) **DACO'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 "W"**);
  - (ii) Annual Income tax Return (ITR) for CY2020 (**Annex "X"**);
  - (iii) Monthly Value Added Tax Declaration (BIR Form No. 2550-Q) and Quarterly Value Added Tax Return (BIR Form No. 2550-M) (**Annex "Y"**); and
  - (iv) Proof of Payment of PhilHealth Premium Contribution (**Annex "Z"**).
- (i) Other contract document that may be required by existing laws and/or the **PHILHEALTH** in the PBDs. **DACO** agrees that the additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

3. In consideration for the sum of **SIX HUNDRED FORTY THOUSAND PESOS (Php640,000.00)** or such other sums as may be ascertained, **DACO** agrees to provide the goods and services and to remedy defects therein within the warranty period in accordance with its Bid.

4. **PHILHEALTH** agrees to pay the above-mentioned sum in accordance with the terms of the Bidding.
5. **DACO** 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 **DACO** or any of its personnel or representative, without prejudice to any other legal action that **PHILHEALTH** may have against **DACO** 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.

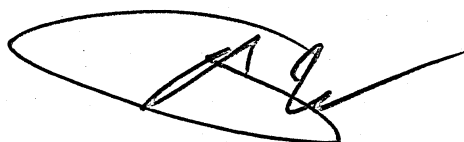
Any dispute that is not settled amicably shall be submitted to arbitration in the Philippines according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004".

Whenever necessary to promote Arbitration or to seek judicial relief, **PHILHEALTH** and **DACO** 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 **DACO** 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. GIERRAN, CPA**  
President and Chief Executive Officer

**DACO SALES CORP.**



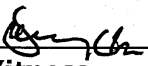
**JOANNA T. YONG LOOK**  
Authorized Representative

**Recommending Approval:**

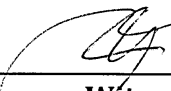


**LOLITA V. TULIAO, CESO V**  
Senior Manager,  
Physical Resources & Infrastructure Department (PRID)

**Signed in the presence of:**



\_\_\_\_\_  
**Witness**  
**PhilHealth**



\_\_\_\_\_  
**Witness**  
**DACO SALES CORP.**

ACKNOWLEDGEMENT

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

**BEFORE ME**, this JUN 07 2022 day of 2022, 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

Philkath Company ID No. 20647820

**JOANNA T. YONG LOOK**  
DACO SALES CORP.

SSS ID No. 09-1413088-8

Known to me to be the same persons who executed the foregoing Contract on the Bidding for the Procurement of Supply and Delivery of Purified Drinking Water for Twelve (12) Months aconsisting of one hundred thirty four (134) 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. 298  
Page No. 61  
Book No. 10  
Series of 2022

*Leticia M. Amon*  
**ATTY. LETICIA M. AMON**  
Notary Public  
Pasig Pateros & San Juan  
Valid Until December 31, 2023  
Roll No. 2218  
PTR BCE No 8121781/01-03-22  
Lifetime IBP Member No. 04286  
Official Receipt No 574709, IBP Chapter  
MCLE Compliance No VII-0000050/6-18-2011  
Ground Flr. Armal Centre, D, Velasco., Ave  
Malinao, Pasig City