

**Contract of Lease of Office Space of
PhilHealth Regional Office I (IB 2023- 003)**

CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT for the Renewal of Contract of Lease of Office Space of PhilHealth Regional Office 1 executed on _____ day of _____ by and between:

PHILIPPINE HEALTH INSURANCE CORPORATION (PhilHealth), a government owned and controlled corporation, organized and existing by virtue of R.A No. 7875, as amended, with principal office address at Citystate Centre, 709 Shaw Boulevard, Pasig City and represented herein by **EMMANUEL R. LEDESMA, JR.**, Acting President and Chief Executive Officer, duly authorized to enter into this contract, as evidenced by Corporate Order No. 2018-026 which is hereto attached as Annex "A", hereinafter referred to as "**PhilHealth**"

-and-

GOLDMASTER HOLDING CORPORATION (Goldmaster), a corporation duly organized and existing under and by virtue of Philippines laws, with principal office address at No. 4 Burgos Street, Dagupan City, duly represented by its President, **JIMMY GAPUZ**, who is authorized to sign this agreement as evidenced by Secretary's Certificate, which is hereto attached as Annex "B", hereinafter referred to as "**Goldmaster**",

PHILHEALTH and **GOLDMASTER** shall be individually referred to as "**PARTY**" and collectively referred to as "**PARTIES**".

WHEREAS, PHILHEALTH, through its PRO 1 Bids and Awards committee (PRO 1-BAC), conducted bidding for the Lease of Office Space in accordance with Republic Act (RA) 9184 and its 2016 Revised Implementing Rules and Regulations (RIRR);

WHEREAS, PHILHEALTH, Goldmaster submitted its bid and was subsequently declared to have the Single Calculated and Responsive Bid;

WHEREAS, PHILHEALTH, pursuant to the recommendation under Resolution 041, Series of 2023, awarded the contract to **Goldmaster** subject to the terms and conditionings set forth in this Agreement.

NOW, THEREFORE, the parties agree 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 integral part of this Agreement, viz.:
 - i. Philippine Bidding Documents (PBDs);
 - i. Schedule of Requirements;
 - ii. Technical Specifications;
 - iii. General and Special Conditions of Contract; and
 - iv. Supplemental or Bid Bulletins, if any
 - ii. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;

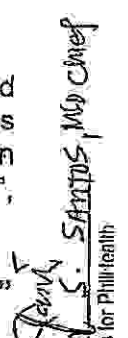

JIMMY GAPUZ
President


WALTER R. BACAREZZA
Area Vice President, Area 1, Northern and Central Luzon


JITTY, ELI DINO D. SANTOS
Executive Vice President and COO


EMMANUEL R. LEDESMA, JR.
President and CEO


JIMMY GAPUZ
Witness for Goldmaster


JIMMY GAPUZ
Witness for PhilHealth

iii. Performance Security;

iv. Notice of Award of Contract; and the Bidder's conforme thereto; and

v. Other contract documents that may be required by existing laws and/or the Procuring Entity concerned in the PBDs. Winning bidder agrees that 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 **Twenty Seven Million Pesos (Php27,000,000.00) VAT inclusive** or such other sums as may be ascertained, **Goldmaster** agrees to provide Office Space in accordance with his/her/its Bid Proposal.

The parties herein agreed that the rental payment of the lease premises shall be **Seven Hundred Fifty Thousand Pesos (Php750,000.00)** per month, inclusive of all government required fees, taxes and maintenance cost, to be paid within ten (10) days upon presentation of a billing statement or notice for payment. The withholding tax shall be paid by the **PhilHealth** who shall provide the **Goldmaster** the withholding tax certificate;

4. **PhilHealth** agrees to pay the above-mentioned sum in accordance with the terms of Public Bidding of the Revised IRR of RA 9184.

5. **Goldmaster** warrants and represents that (a) it is true and absolute owner of the leased premises with full legal authority and capacity to lease the same to **PHILHEALTH**; and (b) the lease premises is in tenantable condition.

6. **Payment of Taxes.** **Goldmaster** shall pay taxes in full and on time and that failure to do so will entitle **PHILHEALTH** to suspend payment of due rentals as mandated under Executive Order (EO) 398, series of 2005.

7. **TERM OF LEASE.** This contract of lease shall be effective from JAN 01 2024 to DEC 31 2026

8. **DEPOSIT.** **PhilHealth** shall pay **Goldmaster** a security deposit amounting to **ONE MILLION FIVE HUNDRED THOUSAND PESOS (Php1,500,000.00)** shall remain in effect and in favor of **Goldmaster**. **Goldmaster** shall return to **PhilHealth** the said amount, interest-free, less unpaid utilities bill, if any and any other monetary obligations that may arise in connection with the rented space without need of prior notice or demand within fifteen (15) days after having moved out of the premises, there being no renewal entered into by the parties or from pre-termination as stipulated in Section 18 hereof. In the event that the amount of deposit is not sufficient to cover any monetary obligations incurred, it is understood that the **LESSEE** shall still pay for the same.

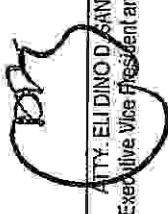
Failure of **Goldmaster** to refund the security deposit within the 15-day period shall entitle **PhilHealth** to a monthly 2% interest and 3% monthly penalty charges of the amount of deposit to be returned until the deposit is fully refunded.

9. **UTILITIES.** The subject building is provided with electric power, water utility and facilities. All electric bills for the power, water bills and other utilities exclusively used by **PhilHealth** shall be paid by it and **Goldmaster** shall be rendered free from the non-payment or cut-off for non-payment by **PhilHealth** and this condition applies despite the same electricity bills used by **PhilHealth** are registered in the name of **Goldmaster**. Both parties shall ensure that the total electric power that **PhilHealth** consumes or uses is properly and accurately measured or determined.

10. **TELEPHONE AND COMMUNICATION.** The subject building is provided with telephone lines and facilities. All telephone bills and tolls for the lines exclusively used by



JIMMY SAPIUZ
President


WALTER R. BACAREZA
Area Vice President, Area 1, Northern and Central Luzon


ATTY. ELI DINO D. SANTOS
Executive Vice President and COO


EMMANUEL REYESMA, JR.
President and CEO


CYNTHIA S. SANTOS
Witness for Goldmaster


CYNTHIA S. SANTOS, Area Chief
Witness for PhilHealth

PhilHealth shall be paid by it and **Goldmaster** shall be rendered free from the non-payment or cut-off for the non-payment by **PhilHealth**.

11. **LIGHTS AND LIGHTING FIXTURES.** The subject building is provided with lights, lighting fixtures with fluorescent tubes and diffusers. These **Goldmaster**-supplied gadgets shall be replaced when busted or damaged with cost shouldered by **PhilHealth**. **Goldmaster** is not obliged to provide additional lights and/or lighting fixtures, but **PhilHealth** may so provide at its own expense.

12. **ADVERTISING / SIGNS AND ADVERTISING MEDIA.** **PhilHealth** may affix, hang, inscribe or paint any notice, sign, streamer, or other advertising medium within or outside the premises, without prior written approval of **Goldmaster** provided that such advertising medium be of such size and style allowed by law and other local ordinance. **PhilHealth** may put up and maintain at its own expense the required business sign(s).

13. **RESPONSIBILITIES OF THE PARTIES –**

13.1 **PhilHealth** hereby agrees to keep the leased premises in clean, good and sanitary condition at all times in accordance with the quality standards of the building.

13.2 **PhilHealth or its representative** shall have the right to take out from the building at any time of the day, any of its office furniture, office machine, or any type of office equipment and accessories of any kind.

13.3 **PhilHealth** shall be allowed to undertake leasehold improvements but these should not cause the exterior façade of the building to be changed or altered in any way, without the prior written consent of **Goldmaster**.

13.4 **PhilHealth** shall see to it that the leased premises are free from annoying sound, disturbing noises, free from obnoxious odors and other nuisances, and that it be used in a manner that will not disturb the peace and tranquility of the other building occupants.

13.5 Nothing shall be brought into and stored in the leased premises, on a more or less permanent basis, articles that are fire hazards or will unduly cause the occurrence of fire or explosions, such as explosives of any kind or type, pyrotechnic articles, gasoline or flammable fluids, among others. When this condition is violated and results in damage or destruction to the leased premises, **PhilHealth** shall be exclusively held responsible for claims from all damages and any action against it for ordinance violation.

13.6 **Goldmaster** shall see to it that the premises are rendered in tenantable condition. In the event certain damage and/or destruction is caused by the occurrence of natural events, or force majeure, or any event without fault of **PhilHealth** immediate repair and/or restoration shall be undertaken by **Goldmaster** and the rental payment for the period of time needed for such repair or restoration shall be deemed waived.

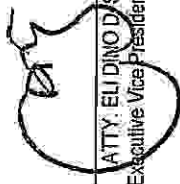
13.7 **Goldmaster** shall provide an adequate space free of charge for the installation of the **PhilHealth's** horizontal and/or vertical signage. **Goldmaster** shall provide for the post or pole where such corporate logo or signage shall be placed, when needed.

13.8 **Goldmaster** shall undertake all major extraordinary repairs on the leased premises at its own expense. In the event that the lease premises cannot be utilized during the period of repair, the rental payment for such period shall be deemed waived.

Major extraordinary repairs is a major repair to an asset that extends its useful life beyond what was originally predicted that benefit more than one (1) year or operating cycle, whichever is longer. Extraordinary repairs must extend the useful life of the asset beyond one (1) year, and the value of the repair must be materially significant.



JIMMY G. PUZ
President


WALTER R. BACAREZZA
Area Vice President, Area 1, Northern and Central Luzon


ATTY. ELIDINO D. SANTOS
Executive Vice President and COO


EMMANUEL R. LEDESMA, JR.
President and CEO


CYNTHIA S. SANTOS
MSD Chief


CYNTHIA S. SANTOS
MSD Chief

Example of extraordinary repairs are new roof for a building and repaving a parking lot.

13.9 **Goldmaster** warrants that **PhilHealth** shall have peaceful possession of the leased premises for the duration of term agreed upon except when the disturbance is caused by natural calamities or acts outside **Goldmaster's** control.

14. **LAWS AND ORDINANCES.** Both parties shall comply and abide with the ordinances of the city regarding the use of the premises, comply with health regulations and secure necessary permits or licenses.

15. **INSPECTION OF PREMISES.** Goldmaster or his/its representative, with the proper notice to **PhilHealth** and within reasonable hour of any working day, shall be allowed entry to the leased premises to conduct inspection for repairs or improvements. Subsequent access to the leased premises shall be given to the authorized person/s who will undertake the repair or improvements. **PhilHealth** may designate the time when such repair or improvement will be undertaken in order to lessen inconvenience to the employees and clients, or to avoid disruption of office work or activities.

16. **REALTY TAX.** The real estate taxes and other payments including documentary stamp tax imposed on the leased property shall be for the exclusive account of **Goldmaster**.

17. **VIOLATION.** A violation by one of the parties of any 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 other party of the terms and conditions 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 18 will be applied and the procedures expressed shall be followed.

17.1 **Lessor Default.** Lessor shall be in default in the event that any representation it made herein shall prove to have been inaccurate in any material respect or in the event that **Goldmaster** breaches or fails to comply in any of the provisions provided in this Agreement. In such event, **PhilHealth** shall notify **Goldmaster** to cure such default, within 30 days at **Goldmaster's** expense. If after expiration of such curative period and by reason of such breach, **PhilHealth** is compelled to incur any expense to enforce its rights, such amount with interest, costs and damages shall in demand be paid by **Goldmaster** to **PhilHealth**. **PhilHealth** may also opt to terminate this contract by reason of such default.

18. TERMINATION.

18.1 This Agreement shall end on the terminal date agreed upon as set forth in Section 7 hereof.

18.2 It may also be terminated due to the violation or breach by one of the parties of any of the agreed terms and conditions and amicable settlement cannot be reached by the parties. The aggrieved party shall have the right to terminate the Agreement.

18.3 The same shall also be terminated when as a result of the occurrence of natural calamities, the leased premises is rendered unfit for occupancy (force majeure). **Goldmaster** shall return the deposit constituted within 15 days from date of termination. **Goldmaster** shall not be answerable or responsible for any damage or injury to the properties or personalities of **PhilHealth** caused by force majeure.

In case the termination occurs due to the expiration of the lease contract, then **PhilHealth** shall peacefully vacate the leased premises and return the same in the condition it was first entered into, except for the effects of ordinary wear and tear. Any movable structures installed by **PhilHealth** may be removed if the office space is

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Executive Vice President and COO

EMMANUEL R. LEDESMA, JR.
President and CEO

JOYCE
JEREMY
JESSICA

JOAN S. SANTOS, MEd Chief
CYNTHIA S. SANTOS

vacated. Within fifteen (15) days from the expiration of the term of the Lease, the deposit constituted shall be returned by **Goldmaster** to **PhilHealth** without need of demand in accordance with Section 7 of this contract. In case the termination occurs as a result of **PhilHealth's** breach or violation of any of the terms or conditions agreed upon, **PhilHealth** shall peacefully vacate the premises and return the same to **Goldmaster**. A moving-out period of fifteen (15) days without rental charge shall be allowed by **Goldmaster**.

19. **PRE-TERMINATION.** This contract is subject to pre-termination prior to its terminal date upon prior notice by **PhilHealth** to **Goldmaster**. **PhilHealth** shall notify **Goldmaster** in writing sixty (60) days prior to the intended date of pre-termination. The Security Deposit shall be applied as payment of rentals that will be incurred after the pre-termination date or for the remaining period of stay.
20. **DELAY IN VACATING OF THE PREMISES.** Except as provided for in the immediately preceding paragraph, if the premises are not vacated within the fifteen (15) days grace period allowed by **Goldmaster**, then **PhilHealth** shall be charged with the corresponding proportionate daily rentals of the premises to be effected from the lapse of the grace period.
21. **MISCELLANEOUS PROVISIONS.** The Technical Specifications and other related issuances on the bid proposal shall form an integral part of this Contract.

Goldmaster shall hold **PhilHealth** free and harmless from any third party claim, right, or action seeking possession of, or action seeking possession of, or causing a disruption in the PHIC's right to use, the lease premises.

PhilHealth shall not be held accountable for the act, omission, or negligence of the personnel of the security, janitorial, and other services which **Goldmaster** may engage or of third persons relating to **Goldmaster's** business or operations.

22. **LITIGATION AND VENUE.** **Goldmaster** and **PhilHealth** shall exert 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 above 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 arbitration in accordance with the provisions of Republic Act 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004". Any action to promote arbitration under this Agreement shall be filed within the proper Court of Dagupan City, to the exclusion of any other courts.

22. **LIQUIDATED DAMAGES.** In case of breach or delay in the performance of obligation by either party, the defaulting party shall pay liquidated damages of one-tenth (1/10) of one percent (1%) of the cost of unperformed obligation for every day of delay. The maximum amount of liquidated damages that may be collected shall be ten percent (10%). Once the cumulative amount of the liquidated damages reaches the said limit, the aggrieved party shall have the right to rescind the contract without prejudice to other courses of action and remedies open to it.

23. **SEPARABILITY CLAUSE.** If any paragraph, sub-paragraph or part of this contract is declared contrary to law, public policy or otherwise declared invalid, such shall not affect the other paragraphs, sub-paragraphs or parts of this contract.

24. **SUPERSEDING CLAUSE.** This contract of lease supersedes and renders void any and all agreements and undertakings, oral or written, which may have been entered into by and between the parties, the same being considered as having been merged herein. Any changes or alterations in this contract shall only be valid if made in writing and duly signed by the parties.

JIMMY GAFUZ
President

WALTER R. BACAREZA
Area Vice President, Area 1, Northern and Central Luzon

ATY. ELI DINO SANTOS
Executive Vice President and COO

EMMANUEL B. REDESMA, JR.
President and CEO

SECRET
JIMMY GAFUZ
WALTER R. BACAREZA
ATY. ELI DINO SANTOS
EMMANUEL B. REDESMA, JR.

25. CONFIDENTIALITY. The parties and any or all of their staff or representatives who will be involved in this project shall be required to sign a mutual Non-Disclosure Agreement and maintain strict confidentiality of any information accessed from the PhilHealth database or provided by PhilHealth. This condition shall apply even after the contract ends. **Goldmaster** or any person acting under his authority, shall not disclose any proprietary or confidential information relating to PhilHealth or to this agreement without prior written consent from the latter.

26. NO GIFT POLICY. The contracting parties undertake to comply with Office Order No. 0018-2015 entitled "Reiteration of PhilHealth No 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 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.

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

GOLDMASTER HOLDING CORPORATION

By:

By:


EMMANUEL R. LEDESMA, JR.
President and CEO


JIMMY GAPUZ
President


Recommending Approval:


WALTER R. BACAREZA
Area Vice President, Area I-North and Central Luzon


ATTY. ELI DINO D. SANTOS
Executive Vice President and Chief Operating Officer

Signed in the presence of:


CYNTHIA S. SANTOS, MSD Chief
Witness for PRO 1


Witness for Goldmaster Holding Corp.

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 JAN 28 2025 day of _____, _____ personally appeared:

Name	ID No.	Competent Evidence of Identity
<u>JIMMY GAPUZ</u>	<u>5746-290-3713-6873</u>	

Who are known to me and to me known to be the same parties who executed foregoing Renewal Contract of Lease of Office Space of PRO 1 and acknowledged that the same is their free act and deed and that of the respective enterprise and corporation being represented. This instrument consisting of eight (8) including this page on which this acknowledgment 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.

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Book No. 146210
Series of 2024


ATTY. EDWARD C. CHAM
Notary Public
until December 31, 2025
SNC NP 01-2024 Dagupan
Roll No. 58053 IBP Life No. 09028
A. B. Fernandez Ave., Dagupan City
PTR No. 1566063 Dagupan City 1/02/25

ACKNOWLEDGMENT

Republic of the Philippines)

) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, this 17 JAN 2025
PASIG CITY personally appeared:

Name

ID No.

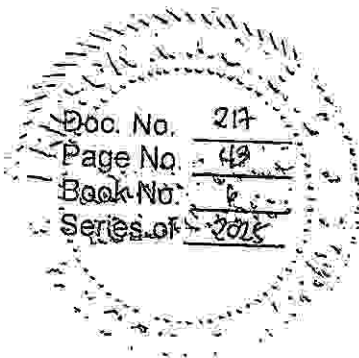
Competent Evidence
of Identity


EMMANUEL R. LEDESMA, JR

PhilHealth Company ID

Who are known to me and to me known to be the same parties who executed foregoing Renewal Contract of Lease of Office Space of PRO 1 and acknowledged that the same is their free act and deed and that of the respective enterprise and corporation being represented. This instrument consisting of eight (8) including this page on which this acknowledgment 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.




ATTY. ERICSON R. MORENO
NOTARY PUBLIC - PASIG CITY
Appointment No. 61 Valid Until December 31, 2025
Roll of Attorneys No. 65959
IBP Lifetime OR No. 1041193/05-23-2016/Rizal
PTR No. 3035118, 1/6/25; Pasig City
MCLE Compliance No. VII-0008127 Valid Until April 12, 2028
18F, Citystate Centre Bldg., 704 Shaw Blvd. Pasig City
attyenmoreno@gmail.com