

CONTRACT AGREEMENT FORM

KNOW ALL MEN BY THESE PRESENTS:

SEP 25 2017

This AGREEMENT is made and entered into this ____ day of September 2017 in Manila, Philippines by and between:

PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE (PCOO), a government office duly authorized and existing under and by virtue of the laws of the Republic of the Philippines, with official address at New Executive Building, J.P Laurel Street, Malacañang, Manila, herein represented, by authority of the Secretary, by its Undersecretary, **GEORGE A. APACIBLE**, hereinafter referred to as the "**ENTITY**";

-and-

GLOBALAIRE TECHNOLOGY CORPORATION, a duly established company organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 2471 Bell Street, Brgy. San Isidro, Makati City, represented by its President and General Manager, **JOEY PEÑAFLOR**, hereinafter referred to as the "**SUPPLIER**."

-WITNESSETH-

WHEREAS, the **ENTITY**, requires procurement for the supply and installation of **twenty-six (26) air conditioning units** for use in the offices within the PCOO located at the New Executive Building inside Malacañang Compound, Manila;

WHEREAS, the **SUPPLIER**, as a juridical entity, is engaged in the business of selling air conditioning units and thereby represented itself to be qualified to offer and supply the number of units required by the **ENTITY**;

WHEREAS, the **ENTITY**, through public bidding conducted by the PCOO Bids and Awards Committee, accepted the bid of the **SUPPLIER** for the supply and installation of the twenty-six (26) air conditioning units in the bid amount of not more than **ONE MILLION THREE HUNDRED SIXTY THREE THOUSAND PESOS (PHP 1,363,000.00)**, herein referred to as the "**Contract Price**";

NOW THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants herein contained, the parties agree as follows:

I. TERM OF CONTRACT:

This Contract shall take effect for a period of one (1) year to commence from receipt of the Notice to Proceed and the following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

- (a) Bid Form and the Price Schedule submitted by the Bidder;
- (b) Schedule of Requirements by the end-user;
- (c) Technical Specifications by the end-user;
- (d) General Conditions of Contract found in the Bidding Document;
- (e) Special Conditions of Contract found in the Bidding Document ; and
- (f) Notice of Award.



II. MODE OF PAYMENT:

ENTITY agrees to pay as total contract price the amount of **ONE MILLION THREE HUNDRED SIXTY THREE THOUSAND PESOS (PHP 1,363,000.00)** from receipt of the statement of account or billing statement, provided that payment of said amount shall be subject to the withholding of any lawful charges;

III. PERFORMANCE SECURITY:

The **SUPPLIER** shall post or submit to the **ENTITY** the required Performance Security within **TEN (10) CALENDAR DAYS** from receipt of the Notice of Award in an amount not less than the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security
a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	PHP 68,150.00 (5% of the Contract Price)
b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	PHP 408,900.00 (30% of the Contract Price)

The Performance Security, which shall remain and continue to be in full force and effect ~~for as long as this Contract subsists~~, shall be denominated in Philippine Pesos and posted in favor of the **ENTITY**, and shall be forfeited in the event it is established that the **SUPPLIER** is in default in any of its obligations under this Contract.

IV. SUPPLY AND INSTALLATION OF GOODS:

In consideration of the payments to be made by the **ENTITY** to the **SUPPLIER** as hereinafter mentioned, the **SUPPLIER** hereby agrees with the **ENTITY** to provide the supply and installation of the air conditioning units and to remedy defects therein in conformity in all respects with the provisions of the Contract;

V. WARRANTY PROVISIONS :

1. The **SUPPLIER** warrants that the units under the Contract are new, unused, and in accordance to the technical specifications provided herein;
2. The **SUPPLIER** further warrants that the units supplied under this Contract shall have no defect, arising from design, materials or workmanship or from any act or omission of the **SUPPLIER** that may develop under normal use;
3. That to assure all manufacturer's defects shall be corrected by the **SUPPLIER**, a warranty is hereby required by the **ENTITY** for a period of **ONE (1) YEAR** from the date of the delivery and receipt of the goods by the **ENTITY**.

4. That the **ENTITY** shall promptly notify the **SUPPLIER** in writing of any claims arising under the warranty and that upon receipt of such notice, the **SUPPLIER** shall correct the defect not exceeding the period of thirty (30) days from such notice;

VI. AMENDMENTS AND REVISIONS:

Amendments or revisions to this Contract may be executed through a supplemental contract, which shall be agreed upon mutually by both parties.

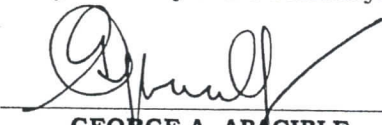
VII. TERMINATION CLAUSE:

Either party may terminate this Contract for any legal and valid cause at any time, upon written notice to other party of at least thirty (30) days from the intended date of effectivity of the contract.

IN WITNESS WHEREOF, the parties have hereunto signed this Contract of Agreement on the date and place above-written.

**PRESIDENTIAL COMMUNICATIONS
OPERATIONS OFFICE**


By Authority of the Secretary:



GEORGE A. APACIBLE
Undersecretary

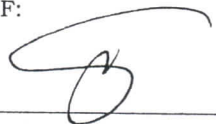
**GLOBALAIRE TECHNOLOGY
CORPORATION**

By:



JOEY P. PEÑAFLOR
President and General Manager

SIGNED IN THE PRESENCE OF:



ACKNOWLEDGEMENT

Republic of the Philippines)
Manila City) S.S.

SEP 25 2017

BEFORE ME, this ___ day of September 2017 at Manila, Philippines, personally appeared the parties to this Contract Agreement, known to me to be the same persons who executed the foregoing instrument, and acknowledged to me that the same is their free act and deed and the free act and deed of the entities they represent and that they have been duly authorized to execute this instrument, having personally exhibited to me the following valid identification documents issued by an official agency and bears their photographs and signatures:

This instrument, consisting of four (4) pages, including the page on which this acknowledgment is written, has been signed on the left margin on each and every page thereof by the above-named parties and their witnesses, and sealed with my notarial seal.

Name

ID No./Date & Place of Issue

USEC. GEORGE A. APACIBLE

DE0013536, AUG 25, 2016 DFA MANILA

MR. JOEY P. PEÑAFLO

EC7718412, MAY 16, 2016 DFA MANILA

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the day, year, and place above-written.

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Page No. 25
Book No. X21X
Series of 2017.


ATTY. JOSELYN BONNIE V. VALEROS
NOTARY PUBLIC
NOTARY PUBLIC, ROLL NO. 54515

PTR No. 5821026 Issued on: Dec. 27, 2016 Until Dec. 31, 2017

IBP Life No. 723963 Issued on: Aug. 21, 2007

Commission No. 2016-099 Issued on: April 06, 2016, Until Dec. 31, 2017

MCLE No. V-0022298 Issued on June 14, 2016 Valid until April 14, 2019

Office Add: Imperial Bayfront Tower, 1642 A. Mabini, Manila

BM No. 215-945-713-000