

KNOW ALL MEN BY THESE PRESENTS:

CONTRACT FOR THE ONE (1) LOT SUPPLY AND DELIVERY OF FOURTEEN (14) UNITS AIR CONDITIONING UNITS (ACUs), (FLOOR MOUNTED, WALL MOUNTED AND WINDOW TYPE) WITH INVERTER AND REMOTE CONTROL FOR PPA, PMO-ZAMBOANGA, ZAMBOANGA CITY

THIS AGREEMENT made on this _____ day of _____, in the City of Zamboanga, by and between:

PHILIPPINE PORTS AUTHORITY, PORT MANAGEMENT OFFICE, ZAMBOANGA CITY, (PPA, PMO-Zamboanga City, for brevity), is a port management unit established by the Philippine Ports Authority, a government corporation organized and existing under and by virtue of P.D. 505 as amended by PD 857, with local unit address located at R. T. Lim Boulevard, Zamboanga City, herein represented by its Port Manager, **ENGR. LIBERTO C. DELA ROSA**, who is duly authorized to represent the unit in this transaction, herein referred to as the **"PROCURING ENTITY"**; and

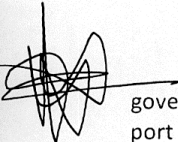
and

VICTORIOUS GENERAL MERCHANDISE & SERVICES, a sole proprietorship duly organized and existing with Philippine laws, with address at 135 Mayor Jaldon St., Barangay Canelar, Zamboanga City, herein represented by its General Manager, **GENIE D. LEBIG**, who is duly authorized to represent the unit in this transaction, hereinafter called the **"SUPPLIER"**

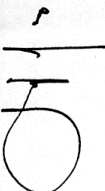


Both shall be collectively referred herein as **PARTIES**.

WITNESSETH THAT:



WHEREAS, the **PPA** invited Bids for certain goods and ancillary services, to undertake government project within the area of its jurisdiction in order to improve the services of the port in the City of Zamboanga;



WHEREAS, the **SUPPLIER** has participated in the bids proceeding conducted by the **PPA** and has accepted the offer and duly complied with all the requirements set by law for the supply of goods and services to be utilized for the said project;

NOW, THEREFORE, for and in consideration of the foregoing premises, the **PARTIES** hereby agree to enter into this **CONTRACT** subject to the terms and conditions hereunder stipulated, thus:



- 1.) SPECIFICATIONS FOR EQUIPMENT:** One (1) Lot Supply and Delivery of Fourteen (14) Units Air Conditioning Units (ACUs), (Floor Mounted, Wall Mounted and Window Type) with Inverter and Remote Control for Philippine Ports Authority, PMO-Zamboanga, Zamboanga City;

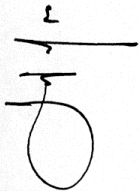
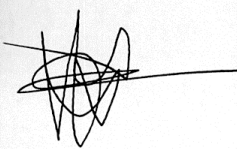
2.) **CONTRACT PRICE:** The agreed total contract price for the supply and delivery of the mentioned-contract is **(PhP1,185,278.00)**, Philippine Currency;

3.) **CONTRACT DOCUMENTS:** The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

- i. Invitation to Bid;
- (b) Bid Documents consisting of the following:
 - 1) Instruction to Bidders;
 - 2) Bid Data Sheet;
 - 3) General Conditions of Contract;
 - 4) Special Conditions of Contract;
 - 5) Schedule of Requirements;
 - 6) Technical Specifications; and
 - 7) Bidding Forms
- (c) Contractor's Bid Proposal consisting of two (2) envelopes, namely: 1st Envelope-Eligibility and Technical Bid Requirements/Documents; and 2nd Envelope-Financial Bid Requirements; including all documents/statements contained therein;
- (d) Performance Security;
- (e) Computed Net Financial Contracting Capacity (NFCC);
- (f) Notice of Award of Contract bearing the SUPPLIER'S "Conforme" thereto;
- (g) Notice to Proceed;
- (h) Other pertinent documents as may be required by existing laws and/or the PPA.



4.) **CONSIDERATION.** In consideration of the payments to be made by the **PPA** to the **SUPPLIER** as hereinafter mentioned, the **SUPPLIER** hereby covenants with the **PPA** to provide the goods and services and to remedy defects therein in keeping with the principle of good faith in the performance of obligations and in conformity with the provisions of the Contract in all respects. On the other hand, the **PPA** hereby covenants to pay the **SUPPLIER**, upon fulfillment of its obligation incumbent upon it under this Contract, to pay the Contract Price in the mode and manner acceptable to both parties;



5.) **WARRANTIES.** The **SUPPLIER** hereby warrants that all supply and delivery of the above-mentioned contract procured by **PPA** under this CONTRACT shall be free of any hidden defects whatsoever and the principle of CAVEAT EMPTOR shall not apply. In case of breach of said warranties, the **SUPPLIER** shall REPLACE the goods, materials or equipment without delay equivalent to such specifications, as to quality or quantity, as mentioned under par. 1 hereof;



5.a) **COVERED WARRANTY AND ITS PERIOD:** Further, in consonance with the provisions of the procurement law and its revised implementing rules and regulations, the **SUPPLIER** shall post a **WARRANTY SECURITY**, in the form of a **Special Bank Guarantee** equivalent to at least ten percent (10%) of the total

contract price within a minimum **warranty period of ONE (1) YEAR**, after acceptance of the delivered supplies. The said warranty security shall only be released after the lapse of the warranty period as herein provided or after the supplier has faithfully corrected the manufacturing defects of the procured goods. Provided however, that the supplies delivered are free from patent and latent defects and all conditions imposed under the contract have been fully met.

6.) LIQUIDATED DAMAGES IN CASE OF DELAY. In case of any breach of this CONTRACT, to include breach of the warranties as herein set forth, unless, the SUPPLIER immediately complied with the conditions set forth under par. 5 hereof, the aggrieved party shall be entitled to a liquidated damages of an amount equivalent to [1/10] of (1%) of the cost of the unperformed portion thereof, for every day of delay;

In no case, however, shall the total sum of liquidated damages exceed ten percent (10%) of the total contract price, in which event the Contract shall automatically be terminated by the PPA and the erring SUPPLIER's performance security shall be forfeited. The amount of the forfeited performance security shall be set aside from the amount of the liquidated damages that the SUPPLIER shall pay the PPA under this section and the other appropriate sanctions that may be imposed to the former.

7.) CONSTRUCTION OF TERMS. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.


8.) AMENDMENTS. Any change, alterations, modifications or amendments introduced after the execution and signing of this contract shall be made in writing and with the consent of both parties.

9.) EFFECTIVITY. This Contract shall be effective upon its signing by both parties.

IN WITNESS whereof the parties have hereunto set their hands on the date and place above written.

**PHILIPPINE PORTS AUTHORITY,
PMO-ZAMBOANGA, ZAMBOANGA CITY**

By:


LIBERTO C. DELA ROSA
Port Manager

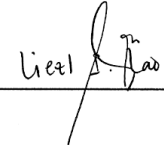
**VICTORIOUS GENERAL MERCHANDISE
& SERVICES**

By:


GENIEL L. LEBIG
General Manager

SIGNED IN THE PRESENCE OF:


FRANCISCA CLARISSA P. DAGOY
Manager, Admin. Division



A C K N O W L E D G E M E N T
(For the Philippine Ports Authority)

REPUBLIC OF THE PHILIPPINES
CITY OF _____, S.S.

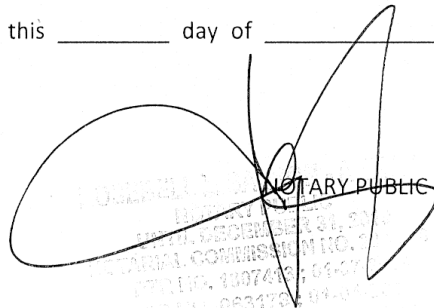
BEFORE ME, a Notary Public, for and in the City of _____, on this _____
day of _____, _____ personally appeared:

NAME	Identification Document Presented	Place & Date Issued
LIBERTO C. DELA ROSA	<u>PPA01151979</u> Driver's License	<u>PPA Head Office</u> Zamboanga City
GENIE D. LEBIG	<u>JO4-00-075528</u>	<u>Zamboanga City</u>

Known to me and to me known to be the same persons who executed the foregoing instrument consisting of four (4) pages including the page on which this acknowledgement is written, duly signed by the parties and their witness on each and every page thereon and that the same is hereby executed with their free and voluntary act and deed, as well as the free and voluntary act of the corporation they represent.

The foregoing instrument refers to a Contract for One (1) Lot Supply and Delivery of Fourteen (14) Units Air Conditioning Units (ACUs), (Floor Mounted, Wall Mounted and Window Type) with Inverter and Remote Control for Philippine Ports Authority, PM0-Zamboanga, Zamboanga City to be delivered within twenty (20) calendar days upon receipt of Notice to Proceed;

WITNESS MY HAND AND SEAL this _____ day of _____ at _____


NOTARY PUBLIC

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