



NOTICE OF AWARD AND CONTRACT AGREEMENT
Supply and Delivery of Mechanical Ventilator for the Department of Health

Contract No.: **PS-CP-MDC-20-03-56**
 Date: **17 June 2020**

DANILO G. ADIAZ
 Authorized Representative
RESPICARE ENTERPRISES, INC.
 Narciso Bldg. II, 23 Fisheries Street,
 Barangay Vasra, Quezon City
Contact No.: 920-7855 / 709-6442 / 455-1052
Email: dga628@yahoo.com / ngadiaz@yahoo.com.ph

NCA

After conducting evaluation of the proposal, the **Procurement Service** has determined your proposal as the Best and Most Responsive Proposal for the **Supply and Delivery of Mechanical Ventilator for the Department of Health** based on your **Best and Final Offer** as submitted in response to **RFO No. MDC-RFO-20-03-68** received and evaluated on **16 June 2020** thus, this Notice of Award and Contract Agreement:

Quantity	UOM	Item/Description	Unit Price	Total Price
250	units	Mechanical Ventilator	P 900,000.00	P 225,000,000.00

Delivery Instructions:

Quantity to be Delivered	Date of Delivery	Delivery Site
50 units	1st Tranche: Within seventy (70) calendar days upon issuance of Purchase Order	DOH Central Office, San Lazaro St. Santa Cruz, Manila
50 units	2nd Tranche: Within thirty (30) calendar days thereafter	AFP LOGCOM Warehouse Camp Aguinaldo, Quezon City
50 units	3rd Tranche: Within thirty (30) calendar days thereafter	Vicente Sotto Memorial Medical Center, Cebu City

50 units	4th Tranche: Within thirty (30) calendar days thereafter	Southern Philippines Medical Center, Davao City
50 units	5th Tranche: Within thirty (30) calendar days thereafter	DOH Central Office, San Lazaro St. Santa Cruz, Manila

Payment:

The contract price shall be paid in progress payments (Tranche) by PS-DBM to the Company after each delivery date, subject to compliance by the Company with the necessary documentary requirements for payment by PS-DBM.

Progress Payment shall be made after acceptance of each delivery in five (5) tranches:

1st Tranche: Goods shall be delivered to the Delivery Site within seventy (70) calendar days upon issuance of Purchase Order from PS-DBM. Progress Payment: ₱45,000,000.00, provided 1st tranche is fully delivered.

2nd Tranche: Goods shall be delivered to the Delivery Site within thirty (30) calendar days thereafter. Progress Payment: ₱45,000,000.00, provided 2nd tranche is fully delivered.

3rd Tranche: Goods shall be delivered to the Delivery Site within thirty (30) calendar days thereafter. Progress Payment: ₱45,000,000.00, provided 3rd tranche is fully delivered.

4th Tranche: Goods shall be delivered to the Delivery Site within thirty (30) calendar days thereafter. Progress Payment: ₱45,000,000.00, provided 4th tranche is fully delivered.

5th Tranche: Goods shall be delivered to the Delivery Site within thirty (30) calendar days thereafter. Progress Payment: ₱45,000,000.00, provided 5th tranche is fully delivered.

Note: Payment shall be processed only upon issuance of Inspection & Certification of Acceptance Report and formal receipt by the PS-DBM of the necessary documentary requirements for each tranche.

2

Standard warranty provisions apply:

1. The Supplier warrants that the Goods supplied under the Contract are new (unused), and that they incorporate all recent improvements in design and materials (latest models), except when the technical specifications required by the Procuring Entity provide otherwise. The Supplier warrants the timely delivery of the items. Any delay or failure to deliver may result in termination of the contract and blacklisting of the entity.
2. The Supplier further warrants that all Goods supplied under this Contract shall have no issue or defect arising from the design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
3. In order to ensure that any manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period of three (3) months from acceptance of the goods. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money or a bank guaranty in an amount equivalent to at least one percent (1%) of every progress payment. Failure to submit the bank guaranty shall automatically revert the warranty security to the option of retention money.
4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified and with all reasonable speed, replace the defective Goods without cost to the Procuring Entity.
5. In case of foreign suppliers, the Procuring Entity shall be allowed to deduct twelve percent (12%) Value-Added Tax (VAT) charged by the Philippine Government from the purchase price and one percent (1%) Warranty. In the event that the Supplier or the Procuring Entity is deemed exempted from the payment of VAT, the amount will not be refunded to the Supplier. Instead, it will be reverted to the Procuring Entity's appropriated funds specific to the project.
6. In case of local suppliers, the Procuring Entity shall be allowed to deduct five percent (5%) Final VAT, one percent (1%) Expanded Withholding Tax and one percent (1%) Warranty.

2

INSTRUCTIONS:

If you have no corrections to the contents of this NOTICE OF AWARD AND CONTRACT AGREEMENT, please sign this instrument immediately upon receipt. Failure to sign this document and revert this document within two (2) days of receipt may result in the cancellation of the award and blacklisting for unjustified refusal of award.

Very truly yours,

Signature Redacted

LLOYD CHRISTOPHER A. LAO
Undersecretary/OIC-Executive Director
Procurement Service

The **RESPICARE ENTERPRISES, INC.** through its authorized representative, hereby commits to deliver the requirements consistent with the terms above stated:

DANILO G. ADIAZ

Signature Redacted

JUNE 19, 2020

NAME

SIGNATURE

DATE