



Republic of the Philippines
CITY GOVERNMENT OF MUNTINLUPA
Bids and Awards Committee

NOTICE TO PROCEED

HANDOG INDUSTRIAL GASES DISTRIBUTORS INC.
Parañaque City


Dear Sir / Madame:

The attached Contract Agreement having been approved, notice is hereby given to **HANDOG INDUSTRIAL GASES DISTRIBUTORS INC.** that the **CONTRACT** of the City Government of Muntinlupa for the **Supply & Delivery of Medical Gases, Ospital ng Muntinlupa (2023)**, shall commence effective **FIVE (5) DAYS** after acknowledging receipt hereof.

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and Schedule of Delivery.


Please acknowledge receipt and acceptance of this notice by signing both copies on the space provided below. Kindly keep one (1) copy and return the other copy to the Bids and Awards Committee Secretariat.

Very truly yours,


Hon. ROZZANO RUFINO B. BIAZON
City Mayor

I acknowledge receipt of this Notice on Jan 30, 2023

Name of the Bidder or Representative Jordan A. Eupratan

Authorized signature 

City Government of Muntinlupa, 2nd Floor, Main Building,
National Road, Barangay Putatan, Muntinlupa City

MUN
Muntinlupa
Nakakaproud!

CONTRACT OF AGREEMENT

SUPPLY & DELIVERY OF MEDICAL GASES, OSPITAL NG MUNTINLUPA (2023)

KNOW ALL MEN BY THESE PRESENTS:

This Contract for the Supply of Medical Gases is made and entered into by and between:

OSPITAL NG MUNTINLUPA (THROUGH THE CITY GOVERNMENT OF MUNTINLUPA), a government hospital duly-organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Civic Drive Filinvest Corporate City, Alabang, Muntinlupa, represented in this act by the City Mayor, **Hon. ROZZANO RUFINO B. BIAZON**, herein referred to as the **"PRINCIPAL"**;

-and-

HANDOG INDUSTRIAL GASES DISTRIBUTORS, INC., a duly registered corporation, organized and existing under and by virtue of the laws of the Republic of the Philippines, duly licensed to engage and is engaged in the business of provision of medical gases, with principal office address at Amelia Compound, Parafiaque Metro Manila, represented in this Contract by its Authorized Representative, **Mr. Jordan Eupratan**, hereinafter referred to as the **"CONTRACTOR"**.

WITNESSETH THAT:

WHEREAS, one of the priority programs of the **CITY GOVERNMENT OF MUNTINLUPA** is the improvement of the facilities and health services offered at the Ospital ng Muntinlupa (OSMUN);

WHEREAS, in order to attain this objective and in view of the expiration of the existing contract for the Supply and Delivery of Medical Gases at OSMUN, the **PRINCIPAL** has caused the procurement of the said contract for the year 2023 through open and competitive bidding, in accordance with the provisions of Republic Act No. 9184, or the Government Procurement Reform Act;

WHEREAS, in the public bidding that was conducted by the Bids and Awards Committee (BAC), the bid proposal by the **CONTRACTOR** was found to be the Lowest Calculated and Responsive Bid (LCRB), for which a Notice of Award was issued by the City Mayor;

NOW, THEREFORE, FOR, AND IN CONSIDERATION of the foregoing premises, and of the mutual terms and conditions hereinafter set forth, the parties hereto agree as follows:

I. OBLIGATIONS OF THE CONTRACTOR

- 1. The **CONTRACTOR** shall provide medical gases to the Ospital ng Muntinlupa, to wit:

Medical Tanks	Quantity
Oxygen Tank H Size (Green)	8500

Compressed Air (Black and White)	11000
Portable Oxygen D Size (Green)	30
Portable Oxygen F Size (Green)	600
Carbon Dioxide (Gray)	25

1. The **CONTRACTOR** shall provide the medical gases required by Ospital ng Muntinlupa, subject to the following:
 - a. Colors of the tanks/cylinders shall be painted according to its gas contents;
 - b. Tanks/cylinders shall have proper and complete label;
 - c. Delivery trucks shall have a functional hydraulic lifters for loading and unloading of tanks;
 - d. **CONTRACTOR** personnel shall be properly attired with safety overall suit with gloves;
 - e. Sales invoice shall always be delivered in full (1800 psi);
 - f. Delivery of medical gas will be done within a minimum of 24 hours upon placing the orders;
 - g. In case of backload, free of charge per tank;
 - h. In case of an increase in the number of patients that need oxygen tank, emergency delivery is free of charge;
 - i. Contractor shall provide the following:
 - a. Chain or belt for safety of the tanks
 - b. Oxygen tank push cart
 - c. Gloves, boots, raincoat for protective equipment
 - d. Oxygen regulator and flow meter
 - e. Safety precaution signages
 - f. Training and seminar on safe handling of tanks.

2. The **CONTRACTOR** shall deliver the medical gases purchased by the **PRINCIPAL** within twenty-four (24) hours from order, unless the parties agree upon a different period, which must be reduced in writing to be binding.

3. For every delivery made, the **CONTRACTOR** shall issue a Delivery Receipt bearing the particulars of the delivery made and containing the signature of inspection and acceptance of an authorized representative of the Ospital ng Muntinlupa.

4. Upon delivery, the **CONTRACTOR** shall give the Ospital ng Muntinlupa's authorized representative/s a reasonable opportunity to inspect the tanks/cylinders delivered as to its condition and/or weight. If there is no objection, the **PRINCIPAL** shall immediately take possession of the tanks/cylinders delivered. If there is an objection, the same must be made in writing addressed to the **CONTRACTOR** within twenty four (24) hours from actual inspection of each tanks, for replacement, which shall be made by the **CONTRACTOR** within twenty four (24) hours from receipt of the **PRINCIPAL**'s written objection. Failure on the part of the **PRINCIPAL** to submit a written objection within the aforesaid period will be deemed a waiver of its objection.

5. The **CONTRACTOR** warrants to the **PRINCIPAL** that the medical gases to be delivered are of merchantable quality free from hidden defects and that it has sufficiently informed the **PRINCIPAL** as to the proper handling and use of the tanks/cylinders delivered. The **CONTRACTOR** shall be

solely liable for personal injury or death to the extent caused by the **CONTRACTOR's** negligence.

6. The Contractor shall provide a storage area outside the hospital, Vacuum Insulated Evaporator (VIE) Tank and safety precaution signages, chain or belt for safety of the tanks, oxygen push cart, gloves, boots, raincoat for protective equipment, oxygen regulator and flow meter and training and seminar for safety handling of tanks.

II. OBLIGATIONS OF THE PRINCIPAL

1. The PRINCIPAL shall pay the CONTRACTOR the amount of **FIVE MILLION SIX HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED THIRTEEN Pesos and 70/100 (Php5,624,213.70)** as its Contract Price for January to 31 December 2023. The schedule of payment shall be agreed by the parties based on the availability of funds and in accordance with existing laws, government accounting rules, regulations, and related issuances.
2. The above prices shall be fixed and shall not be subject to change except in cases of extra-ordinary inflation or deflation as may be determined by the Bangko Sentral ng Pilipinas and upon written agreement of the parties.
3. Billing statements shall be issued to the **PRINCIPAL** accordingly.
4. Upon full consumption of the medical gases in the tanks/cylinders delivered, the **PRINCIPAL** shall safe-keep and hold the same in trust for the **CONTRACTOR** until the same shall have been retrieved by the **CONTRACTOR**. The **PRINCIPAL** shall immediately inform the **CONTRACTOR** as to the empty tanks/cylinders subject of retrieval.

III. OTHER OBLIGATIONS OF THE CONTRACTOR

1. During the contract period, the **CONTRACTOR** shall secure the necessary business permit/licenses and ensure the timely payment of its taxes.
2. The **CONTRACTOR** shall comply with all pertinent laws, rules and regulations, and other issuances.
3. The **CONTRACTOR's** liability for indirect or consequential loss or damage (including but not limited to, loss of revenue, loss of production, loss of profit, loss of customers, loss of contracts, and loss of custom, goodwill or reputation) is excluded. The **CONTRACTOR** shall be solely responsible for personal injury or death to the extent caused by the **CONTRACTOR's** negligence.

IV. PERFORMANCE SECURITY

1. Within ten (10) calendar days from receipt of the Notice of Award but in no case later than the signing of the Contract by both parties, the **CONTRACTOR** shall furnish to the **PRINCIPAL** the performance security in the following forms and amounts from which the **CONTRACTOR** may choose:

- i. Cash, certified check, cashier's check, manager's check, bank draft or irrevocable letter of credit in the amount of five percent (5%) of the Contract Price (January - December 2023);
 - ii. Bank guarantee in the amount of ten percent (10%) of the Contract Price (January - December 2023); and,
 - iii. Surety bond in the amount of thirty percent (30%) of the Contract Price (January - December 2023);
2. The proceeds of the Performance Security shall be payable to the **PRINCIPAL** as compensation for any loss resulting from the **CONTRACTOR'S** failure to complete its obligation under the Contract.
3. The performance security shall be denominated in the currency of the Contract.
4. The performance security will be discharged by the **PRINCIPAL** and returned to the **CONTRACTOR** not later than thirty (30) days following the date of completion of the **CONTRACTOR'S** obligations under the Contract and the issuance of a certification to that effect by the **PRINCIPAL**.

V. USE OF CONTRACT DOCUMENTS AND INFORMATION

1. The **CONTRACTOR** shall not, except for the purpose of performing the Contract, without the **PRINCIPAL'S** prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or in behalf of the **PRINCIPAL**. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for the purpose of such performance.
2. Any document, other than the Contract itself, shall remain the property of the **PRINCIPAL** and shall be returned (all copies) to the **PRINCIPAL** upon completion of the **CONTRACTOR'S** performance under the Contract if so required by the **PRINCIPAL**.

VI. LIMITATION OF LIABILITY

Except in case of criminal negligence or willful misconduct, and unless specified otherwise, the aggregate liability of the **CONTRACTOR** to the **PRINCIPAL**, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of replacing defective equipment.

VII. DELAY IN THE CONTRACTOR'S PERFORMANCE

1. The performance of services shall be made by the **CONTRACTOR** in accordance with the time schedule agreed upon herein, as prescribed by the **PRINCIPAL**.
2. If at any time during the performance of the Contract, the **CONTRACTOR** should encounter conditions impeding timely performance of service, the **CONTRACTOR** shall promptly notify the **PRINCIPAL** in writing of the fact of the delay, its likely duration and its cause/s. As soon as practicable

after receipt of the **CONTRACTOR**'s notice, the **PRINCIPAL** shall evaluate the situation and may extend the **CONTRACTOR**'s time for performance, in which case the extension shall be made by the parties by amendment of Contract.

3. Except in case of *force majeure* as provided hereunder, a delay by the **CONTRACTOR** in the performance of its obligations shall render the **CONTRACTOR** liable for the imposition of liquidated damages, unless an extension of time has been agreed upon by amendment of the contract without the application of liquidated damages.

VIII. LIQUIDATED DAMAGES

Subject to the above provision on delays in the **CONTRACTOR**'s performance and the happening of a *force majeure*, if the **CONTRACTOR** fails to perform the services within the period(s) specified in the Contract, the **PRINCIPAL** shall, without prejudice to its other remedies under the Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to at least one tenth (1/10) of one percent (1%) of the cost of the unperformed service for every day of delay until actual performance, up to a maximum deduction of ten percent (10%) of the amount of the Contract. Once the maximum is reached, the **PRINCIPAL** may consider termination of the Contract pursuant to the provision hereunder on termination by default of the **CONTRACTOR**.

IX. CONTRACT VALIDITY

This Agreement shall be effective January and until 31 December 2023, unless terminated due to valid grounds. In case either party decides to renew this contract, a written notice must be served to the other least one (1) month prior to its terminal date.

X. TERMINATION FOR DEFAULT

1. The **PRINCIPAL**, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the **CONTRACTOR** at least thirty (30) days prior to termination of this Contract in whole or in part:
 - i. If the **CONTRACTOR** commits repeated acts of violation and/or noncompliance with any of the provisions of this Contract;
 - ii. If the **CONTRACTOR** fails to perform any of its obligation under this Contract, or is guilty of gross inefficiency in collection or grossly unsatisfactory performance; or
 - iii. If the **CONTRACTOR**, in the judgment of the **PRINCIPAL**, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purposes of this provision:

- (a) "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution, entering, on behalf of the Government, into any contract or transaction manifestly and

grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.

(b) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after Bid submission) designed to establish Bid process at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

(c) "Collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Principal, designed to establish Bid prices at artificial, non-competitive levels;

(d) "Coercive practice" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the executive of a contract.

2. In the event the **PRINCIPAL** terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the **CONTRACTOR** shall be liable to the **PRINCIPAL** for any excess costs for such familiar services. However, the **CONTRACTOR** shall continue performance of the Contract to the extent not 'terminated'.
3. The right of the **PRINCIPAL** to hold the **CONTRACTOR** liable for damages shall be without prejudice to the **PRINCIPAL's** right to proceed against the Performance Security and to rescind this Contract for violation or non-compliance with any terms or conditions hereof, subject to prior written notice to the **CONTRACTOR**.

XI. TERMINATION FOR INSOLVENCY

The **PRINCIPAL** may at any time terminate the Contract by giving written notice to the **CONTRACTOR** if the **CONTRACTOR** becomes bankrupt or otherwise insolvent. In this event, termination will not prejudice or affect any right of action or remedy which may accrue thereafter to the **PRINCIPAL**.

XII. TERMINATION FOR CONVENIENCE

The **PRINCIPAL** may, by written notice sent to the **CONTRACTOR**, terminate the Contract, in whole or in part, for its convenience at least thirty (30) days prior to such termination. The notice of termination shall specify that termination is for the **PRINCIPAL's** convenience, the extent to which performance of the **CONTRACTOR** under the Contract is terminated, and the date upon which such termination becomes effective.

XIII. FORCE MAJEURE

1. The **CONTRACTOR** shall be liable for forfeiture of its Performance Security, damages, or termination for default if and to the extent of its delay in performance or other failure to perform its obligations under the Contract that is not the result of a Force Majeure.

For purposes of this provision, "*force majeure*" means an event or situation beyond the control of the **CONTRACTOR** that is not foreseeable, is unavoidable, and its origins is not due to negligence or lack of care on the part of the **CONTRACTOR**. Such events may include, but not be limited to wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

2. If a *force majeure* situation arises, the **CONTRACTOR** shall promptly notify the **PRINCIPAL** in writing of such condition and the cause thereof. Unless otherwise directed by the **PRINCIPAL** in writing, the **CONTRACTOR** shall continue to perform its obligations under the Contract as far as reasonably practical, and shall seek all alternative means for performance not prevented by the *force majeure*.

XIV. SETTLEMENT OF DISPUTES AND VENUE FOR JUDICIAL ACTION

1. If any dispute or difference of any kind whatsoever shall arise between the **PRINCIPAL** and the **CONTRACTOR** in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the **PRINCIPAL** or the **CONTRACTOR** may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of services under the Contract.
4. Notwithstanding any reference to arbitration herein –
 - i. the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and,
 - ii. the **PRINCIPAL** shall pay the **CONTRACTOR** any money due the latter.
5. In case either party is compelled to seek judicial relief arising out of or in connection with this contract, the venue thereof shall only be in the proper court of **Muntinlupa City**, both parties waiving all other applicable venues.

XV. AMENDMENT

No variation in or modification of the terms of this Contract shall be made except upon mutual agreement and written amendment signed by the parties.

XVI. ASSIGNMENT

This Agreement shall be binding upon the administrators, executors, successors, and assigns, of the parties hereof. It is understood, however that the **CONTRACTOR** shall not assign its rights, either in whole or in part, nor subcontract all or any of its obligations hereunder, without the prior written consent of **PRINCIPAL**. The **CONTRACTOR** shall not in any case be relieved of

any of its obligations hereunder, and shall further be liable for any and all acts or omissions of its subcontractors, whether or not authorized, as if such acts or omissions were those of the **CONTRACTOR** itself.

IN WITNESS WHEREOF, the parties, through their duly authorized representative have hereunto set their hands this JAN 30 2023, 2023.

**CITY GOVERNMENT OF MUNTINLUPA
(OSPITAL NG MUNTINLUPA)**

**HANDOG INDUSTRIAL GASES
DISTRIBUTORS INC**

Represented by:

Represented by:

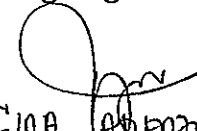

Hon. ROZZANO RUFINO B. BIAZON
City Mayor


Mr. JORDAN EUPRATAN
Authorized Representative

Signed in the presence of the following witnesses of legal age and discretion:



(Name and Designation)


CINA ARANDA

(Name and Designation)

ACKNOWLEDGMENT

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

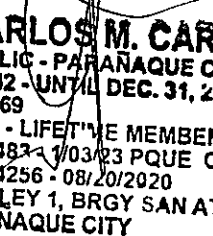
BEFORE ME, a Notary Public for and in the City of PAPANAQUE CITY this JAN 30 2023 day of JAN 30 2023, personally appeared before me the following:

Name of the Party	Valid Government ID	Expiration Date of the ID
Hon. Rozzano Rufino Biazon/City Mayor	Driver's License NO3-86-030998	
<u>Mr. Jordan Eupratan</u> /Authorized Representative	SSS NO. 06-1320041-7	

This document of _____ (____) pages including this page upon which this Acknowledgement is written and signed by the parties and their instrumental witness/es in the space provided for their signature on the left hand margin on every page whereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal at the City of _____, Philippines on this JAN 30 2023 day of JAN 30 2023, 2023.

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Book No. 0
Series of 2023


ATTY. CARLOS M. CARLOS
NOTARY PUBLIC - PAPANAQUE CITY
CJMM. NO. 242 - UNTIL DEC. 31, 2023
ROLL NO. 13869
IBP NO. 03068 - LIFE TIME MEMBER
PTR NO. 3198483-1/03/23 PQUE CITY
MCLE VI - 0024256 - 08/20/2020
UNIT 155, VALLEY 1, BRGY SAN ANTONIO
SUCAT, PAPANAQUE CITY