

Helene D. Go
HELENE D. GO
 Notary Public

ELEVATOR MAINTENANCE SERVICE AGREEMENT

No. 7040626

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into by and between:

THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), a government agency created by virtue of laws of the Philippines, with principal office address at Boncodin Hall, General Solano St., San Miguel, Manila, represented herein by its Secretary, **FLORENCIO B. ABAD**, hereinafter referred to as the "DBM";

-and-

JARDINE SCHINDLER ELEVATOR CORPORATION (JSEC), a duly organized and existing under the laws of the Republic of the Philippines, with principal office at 8th Floor, Pacific Star Building, cor. Sen. Gil Puyat Avenue, Makati City, represented by its Managing Director, **RICARDO ESPINOSA**, hereinafter referred to as the "JSEC".

WITNESSETH:

WHEREAS, the DBM requires the services of a qualified contractor for the maintenance of two (2) units schindler elevator installed at DBM Boncodin Hall;

WHEREAS, the two (2) units elevator were supplied and installed by JSEC, the exclusive distributor for schindler lifts and escalators and maintain schindler equipment in the Philippines;

WHEREAS, in accordance with Section 50 of Republic Act (RA) No. 9184 and its Implementing Rules and Regulations (IRR), Direct Contracting may be resorted in the procurement of goods or those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the Government of the Philippines;

WHEREAS, the DBM Bids and Awards Committee, via Resolution No. 2012-03 dated February 27, 2012 recommended that the DBM enter into direct contracting with JSEC for the maintenance of the two (2) Schindler S3300 AP Elevator installed at Boncodin Hall in the amount of Twelve Thousand Nine Hundred Ninety Two Pesos (P12,992.00) per month as proposed by JSEC (proposal attached as Annex "A").

WHEREAS, JSEC posted its performance security attached as Annex "C", as required in Section 39 of the IRR of RA No. 9184.

NOW, THEREFORE, the parties hereto mutually stipulate and agree as follows for and in consideration of the following premises:

A. The Installation

JSEC will provide the maintenance services to the installation as described below:

Two (2) units "Schindler S3300 AP Elevators," 800 kg load capacity,
1.0 mps speed serving four (4) stops/opening in line.

B. Service

JSEC undertakes to provide the following services:

- (a) a regular and systematic examination of the installation in accordance with all pertinent regulations and when necessary the lubrication and adjustment (other than rope shortening) of all machinery, controllers, gates, doors, locks, guide rails, guide shoes, ropes and safety appliances. This service will not include cleaning of elevator car interiors or equipment other than equipment within elevator shaft(s) or machine room(s). This work will be performed, once a month during JSEC's normal working hours.
- (b) the supply of the following **FREE OF CHARGE**:
 - 1. Grease (except major repair)
 - 2. Cotton Waste
 - 3. Sand Paper
 - 4. Oil (except gear & buffer oil)
 - 5. Contact cleaner
 - 6. Cable tie for minor repair
 - 7. Rope anti-twist and clips
 - 8. Screws and bolts for minor repair
- (c) to provide a 24-hour hotline emergency number 811-54-38 and respond within four (4) hours if report is made during JSEC ordinary working hours i.e. 8:00 a.m. to 5:00 p.m. Monday to Saturday, excluding holidays, or within six (6) hours, if report is made outside of JSEC's ordinary working hours from receipt of report by DBM or any of its representatives on any breakdown or faulty operation of the Installation. Upon arrival at the site of installation, JSEC representative must take any and all action necessary to ensure the safety and release of passengers, if any, and the proper functioning of the installation.
- (d) in order to provide additional security to the passengers of the installation, JSEC shall train designated personnel of the DBM in the basic procedures of manual release of trapped passengers within seven (7) working days from effectivity of the contract.
- (e) request by the DBM of work outside the coverage of this contract shall follow the rules on amendment to order under the contract implementation guidelines for the procurement of goods, supplies and materials issued by the Government Procurement Policy Board as Annex "D" of the Implementing Rules and Regulation of Republic Act No. 9184 and will entitle JSEC to make a reasonable extra charge to be borne and paid by the DBM.

C. Payment

In consideration of provision by JSEC of the Services, the DBM shall pay JSEC the sum of **Twelve Thousand Nine Hundred Ninety Two Pesos (P12,992.00)** per calendar month inclusive of all costs and taxes only upon completion and acceptance by the DBM through the Director of Administrative Service of JSEC's Services.

For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. No. 9184 and its IRR.

D. Other Provisions

1. **Access.** During JSEC's normal working hours the DBM shall afford it full access to the installation for the due performance of this Agreement. JSEC's personnel entering the DBM's premises pursuant to this Agreement will comply any reasonable direction of the DBM or of any authorized officer of the DBM relating to such access.
2. **Notification.** The DBM undertakes to inform JSEC of any equipment malfunction as soon as the DBM, its authorized representatives or agents has either constructive or actual knowledge of such malfunction.
3. **Unauthorized Contractors.** The DBM undertakes that during the subsistence of this Agreement it will not allow or permit any person not authorized by JSEC in writing to do any work whatsoever in connection with the service maintenance or repair to the installation or any part thereof.
4. **Government Fees.** The DBM undertakes to pay all fees or charges payable to any instrument of government or to any other duly constituted authority relating to the use or operation of the Installation, or otherwise in connection with this Agreement.
5. **Quotations for Works of Repair.** JSEC will provide the DBM with a written quotation of extra charges for his confirmation and acceptance in writing prior to any repair works being put in hand. Any defective parts shall be turned over to the DBM to be re-used and/or disposed in accordance with relevant government disposal rules and regulations.
6. **Availability of Stock parts.** JSEC maintains a reasonable level of stock parts necessary for routine maintenance and emergency repairs. However, nothing in this Agreement shall be construed as an undertaking warranty or guarantee by JSEC that it is or at any time be able to supply any materials or component parts to service maintain or repair the Installation, other than those materials necessary for the carrying out of the Service in accordance with this Agreement.
7. **Payment of extra charges.** JSEC will from time to time submit to the DBM an account of any extra charges payable under any provision of this Agreement and the amount of each such account shall be due and payable by the DBM within 30 days from the date of issue.

8. **Intellectual Property Rights.** JSEC may install additional equipment and/or software to enhance the functionality of the control software installed in the Equipment ("Control Software") if appropriate to connect with JSEC's service equipment, which additional equipment and/or software shall at all times belong to JSEC and which JSEC may remove on termination of this Contract. The DBM grants JSEC the right electronically to connect its service equipment to the Equipment and full access to read, use and update the data produced by the Control Software.
9. **Limitation of Liability.** Both parties must at all times exercise the diligence of a good father of a family. In case of loss, damage or injury, the party at fault shall bear all costs and such other consequences.
10. **Performance Security.** The performance security posted in favor of the DBM shall be forfeited in the event it is established that JSEC is in default in any of its obligations under the contract. The other provisions on performance security under Section 39 of the Revised IRR of RA No. 9184 shall be applicable to this Contract.
11. **Termination of Contract.** This Contract may be terminated by DBM either due to default of JSEC, or for other causes in accordance with the provision of the Guidelines on Termination of Contracts issued through Government Procurement Policy Board (GPPB) Resolution No. 018-2004 dated December 22, 2004.

The contract may be terminated by JSEC solely for unjustifiable refusal on the part of DBM to make payment for services rendered by the JSEC.

12. **Notices.** Any written notice required to be served by one party upon under the terms of this Agreement shall be made by way of registered mail or by facsimile to the recipient at the address set out in this Agreement.

In the event that any written notice and/or request or reminder for payment together with any or all supporting documents necessary for processing of the monthly maintenance fee will be lost by the DBM or his duly authorized representatives for reasons not due to the fault, negligence or omission on the part of JSEC's employees and the said missing documents could not be found despite reasonable search, JSEC shall upon the request of the DBM provide another set of the missing documents for DBM's file and records.

13. **Essential Repairs.** If in the opinion of JSEC it is necessary to effect essential repairs or replacements which relate to the safety of the installation which are not within JSEC's obligations under this Agreement, it shall notify the DBM of same and request prompt written instructions from the DBM for the immediate carrying out of such repairs or replacements at the DBM's expense. If the DBM fail to give such written instructions within 7 days of being so requested, JSEC shall at its option be entitled to suspend the Service.
14. **Non-Assignment.** This Agreement shall not be assigned or transferred by either party without the prior written consent of the other party.



15. **Applicable Laws.** The implementation of this Contract is further governed by the Contract Implementation Guidelines for the Procurement of Goods, Supplies and Materials issued by the GPPB as Annex "D" of the IRR of R.A.No. 9184 as well as such other laws and issuances applicable to this Contract.

16. **Entire Agreement.** This Agreement sets out the entire agreement between JSEC and the DBM as to the servicing of the Installation.

This Agreement cannot be changed, amended or modified without the express written consent of both parties

This Agreement shall take effect March 1, 2012 until December 31, 2012.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 29th day of February, 2012 in the DBM, Malacanang, Manila Philippines.

**DEPARTMENT OF BUDGET
AND MANAGEMENT**

By:

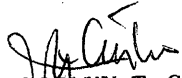

FLORENCIO B. ABAD
Secretary

**JARDINE SCHINDLER
ELEVATOR CORPORATION**


By:


RICARDO ESPINOSA
Managing Director

SIGNED IN THE PRESENCE OF:


JOCELYN T. CENTENO
Chief Administrative Officer


JESUS BERNARDO PALMA, III
PLM-EI Director

Funds Available:

ESPERANZA Q. IGNACIO
Chief Accountant

06/11/12 2012-2-2012

2/27/2012

A C K N O W L E D G E M E N T

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

BEFORE ME, a Notary Public for and in the City of Manila, Philippines on this 29th day of February, 2012, personally appeared the following:


NAME	CTC & VALID ID	DATE & PLACE OF ISSUE
FLORENCIO B. ABAD	CTC# 30036286 DBM ID No. 3706	26 Jan. 2012/Basco Batanes
RICARDO B. ESPINOSA	CTC # 000180707 Passport # XX 4847515	17 Jan. 2012/Makati City 13 Aug. 2009/OFA Manila

known to me to be the same persons who executed the foregoing Agreement and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This Agreement refers to **ELEVATOR MAINTENANCE SERVICE AGREEMENT** consisting of seven(7) pages including this page and its Annexes, signed by the parties and their material witnesses.

WITNESS MY HAND AND SEAL this 29th day of February, 2012.

Doc. No. 273 ;
Page No. 57 ;
Book No. 1 ;
Series of 2012


MARIA LIBERTY D. MORALES
NOTARY PUBLIC-MANILA
COMMISSION SERIAL NO. 2011-134
UNTIL DECEMBER 31, 2012
ROLL NO. 58360, IBP NO. 227457
PTR NO. 0362361/Manila-Jan. 9, 2012
LEGAL SERVICE, DBM
MABINI HALL, MALACAÑANG
MANILA

ACKNOWLEDGEMENT

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

01 MAR 2012

BEFORE ME, a Notary Public for and in the City of Manila, Philippines on this _____ day of _____, 2012, personally appeared the following:


NAME	CTC & VALID ID	DATE & PLACE OF ISSUE
RICARDO B. ESPINOSA	XX4347515	13 Aug. 2009/DFA Manila
JARDINE SCHINDLER ELEVATOR CORP.	CTC #000180707	17 Jan. 2012/Makati City

known to me to be the same persons who executed the foregoing Agreement and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This Agreement refers to **ELEVATOR MAINTENANCE SERVICE AGREEMENT** consisting of seven (7) pages including this page and its Annexes, signed by the parties and their material witnesses.

WITNESS MY HAND AND SEAL this _____ day of _____, 2012.

01 MAR 2012


HELENE D. GO
 Appointment No. M-175
 Notary Public for Makati City
 Until December 31, 2012.
 18th 19th & 17th Floor, Liberty Center
 104 H.V. dela Costa Street
 Salcedo Village, Makati City
 Roll of Attorneys no. 28874
 PTR 3184898/Makati City/01-10-2012
 IBP 874167/Makati City/01-02-2012

Doc. No. 222 ;
Page No. 96 ;
Book No. W ;
Series of 2012





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACANANG, MANILA



NOTICE OF AWARD

February 27, 2012

MS. BETTY PULIDO

Jardine Schindler Elevator
8th Floor, Pacific Star Building,
Cor. Sen. Gil Puyat Avenue
Makati City

Dear Ms. Pulido:

Based on the Department of Budget and Management Bids and Awards Committee Resolution No. 2012-03, we are pleased to inform you that the contract for the Maintenance of two (2) Schindler S3300 AP Elevators at DBM Boncodin Hall is hereby awarded to your company with a monthly maintenance fee of Twelve Thousand Nine Hundred Ninety Two Pesos (P12,992.00).

In this regard, you are hereby required to post a performance security in the amount and form stipulated in Section 39 of the Implementing Rules and Regulations of Republic Act No. 9184 prior to signing of the contract.

Very truly yours,

FLORENCIO B. ABAD

Secretary

ORIGINAL RECEIVED

By: LARRY J. MALIXI
Designation:
Office:
Date: 27 FEBRUARY 2012

FAXED - 2/27



Jardine Schindler



Schindler

**DEPARTMENT OF BUDGET
AND MANAGEMENT (DBM)
BONCODIN HALL, GENERAL SOLANO STREET
SAN MIGUEL, MANILA**

Attention: **DIR. VIRGINIA G. GARIEL**
Director of Admin. Service

Thru : **MS. TESS GAPAC**

From **BETTY PULIDO**
Telephone 811-5438 Ext. # 109
E-mail betty.pulido@ph.schindler.com
Reference No DBM-7040626-L2012-012
Date 12 January 2012
Subject **2012 MAINTENANCE FEE**

Dear Valued Client,

This refers to our letter dated 10 November 2011 and our telephone conversation with Ms. Gapac regarding the above subject.

As requested, please be informed that we can not retain the current maintenance fee. However, we can reduce the requested price adjustment. Your revised monthly fee will be Php12,992.00 per month inclusive of VAT effective 1st of February 2012.

We thank you for your kind attention and attached is the copy of our Elevator Maintenance Agreement for signature of your authorized representative.

Faithfully yours,
For and on Behalf of
JARDINE SCHINDLER ELEVATOR CORP.


BETTY PULIDO
EI Contracts Manager

Department of Budget and Management
RECEIVED
JAN 13 2012
Office of the Director, AS
EZ: Nu CONTROL NO. _____

Jardine Schindler Elevator Corporation
8th Floor, Pacific Star Building,
Cor: Sen. Gil Puyat Ave and
Makati Ave, Makati City
Philippines
Tel (632) 811 5438
Fax (632) 843 1419
www.schindler.ph

Cebu Branch:
Unit 1-E Marison Condominium
Rosal corner Tojong Streets
Lahug, Cebu City
Tel (032) 234 0438
Tel/Fax (032) 234 0436
24Hrs. Service Call (032) 412-2527

Jointly owned by
Jardines and Schindler



Cert. No.PH10/0448