

TSS

## ELEVATOR MAINTENANCE SERVICE AGREEMENT

### 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 Administrative Director, **SOFIA C. YANTO**, 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. 2013-20 dated 4/10/2013 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 Fourteen Thousand Three Hundred Eight Pesos (P14,308.00) 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)   | 5. Contact cleaner                   |
| 2. Cotton Waste                   | 6. Cable tie for minor repair        |
| 3. Sand Paper                     | 7. Rope anti-twist and clips         |
| 4. Oil (except gear & buffer oil) | 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 **Fourteen Thousand Three Hundred Eight Pesos (P14,308.00)** 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 April 15, 2013 until ~~March 31~~ <sup>APRIL 14</sup>, 2014.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this \_\_\_ day of \_\_\_\_\_, 2013 in the DBM, Malacanang, Manila Philippines.

DEPARTMENT OF BUDGET AND MANAGEMENT

By:

*[Signature]*  
SOFIA C. YANTO  
Director, AS

JARDINE SCHINDLER ELEVATOR CORPORATION

By:

*[Signature]*  
RICARDO ESPINOSA  
Managing Director

SIGNED IN THE PRESENCE OF:

*[Signature]*

*[Signature]*  
JESUS BERNARDO PALMA  
El Director

Funds Available:  
*[Signature]*  
ESPERANZA Q. IGNACIO  
Chief Accountant

OR# 2013-3-442  
3/27/2013

**ACKNOWLEDGEMENT**

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

**APR 15 2013**

**BEFORE ME**, a Notary Public for and in the City of Manila, Philippines on this \_\_\_\_\_ day of \_\_\_\_\_, 2013, personally appeared the following:

NAME	CTC & VALID ID	DATE & PLACE OF ISSUE
SOFIA C. YANTO	DEM ID # 3807 Passport#	Manila
RICARDO ESPINOSA	Passport#XX3437515	DFA 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 \_\_\_\_\_ ( ) pages including this page and its Annexes, signed by the parties and their material witnesses.

WITNESS MY HAND AND SEAL this **APR 15 2013** day of \_\_\_\_\_, 2013.

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Page No. 40  
Book No. XII  
Series of 2013

**APR 15 2013**

**ATTY. ISMAEL E. PEREN**  
NOTARY PUBLIC - CITY OF MANILA  
UNTIL DECEMBER 31, 2013  
PTR NO. 0260829-11/22/11-MLA.  
IBP NO. 069988-12/06/11-MLA.  
TIN NO. 188-660-51TROLL NO. 28924  
ROLL COMPLIANCE NO. 0009513  
**CITY OF MANILA**

*h*

*[Signature]*

*[Signature]*

*[Signature]*  
5



**ASIA INSURANCE (PHILIPPINES) CORPORATION**  
*(Formerly Asia Traders Insurance Corporation)*

Manila Office: 15/F, Tysons Plaza, Plaza Lorenzo Ruiz,  
 Binondo, Manila, Philippines 1006 P.O. Box 722  
 Tel. No. (632) 241 3201; Fax No. (632) 241 6297

Makati Office: 15/F, Chatham House, 114 Valero St., M.A. Prudencio Bldg.,  
 Salcedo Village, Makati City, Philippines  
 Tel. No. (632) 645 3220; Fax No. (632) 645 2900

AIPC BOND NO. G(16)-02322/NSMBP2

Rate	3.456000 %
Premium	1,814.40
Doc Stamp	257.00
EVAT	217.73
SF/NF	200.00
LGT	3.63
<b>TOTAL</b>	<b>2,492.76</b>

# SURETY BOND

---00000---

**KNOW ALL MEN BY THESE PRESENTS:**

That we, **JARDINE SCHINDLER ELEVATOR CORPORATION** of 8<sup>th</sup> Floor, Pacific Star Building, Corner Sen. Gil Puyat Avenue and Makati Avenue, Makati City as Principal, and the **ASIA INSURANCE (PHILS.) CORPORATION**, duly organized and existing under and by virtue of the laws of the Philippines with principal office at Plaza Lorenzo Ruiz, Binondo Manila, Philippines, as Surety, are held and firmly bound unto the **DEPARTMENT OF BUDGET AND MANAGEMENT**, in the amount of **PESOS: FIFTY TWO THOUSAND FIVE HUNDRED ONLY (P52,500.00)**, Philippine Currency for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The Conditions of this Obligation are as follows:

WHEREAS, the above-bounden Principal has entered into an agreement with the above Obligee to undertake the "CONTRACT FOR THE MAINTENANCE OF THE TWO (2) SCHINDLER S3300 AP ELEVATORS INSTALLED AT BONCODIN HALL", as per Notice of Award dated April 10, 2013, a copy of which is hereto attached for reference;

Provided, however, that the liability of the Surety Company under this bond shall be proportionately decreased by the percentage of completion of the work and materials used in this project;

WHEREAS, this bond is conditioned to guarantee actual damages in relation to the faithful compliance of the Principal to complete the above-mentioned project. Provided, however, that the liability of the Surety under this bond shall in no case EXCEED the amount of PESOS: FIFTY TWO THOUSAND FIVE HUNDRED ONLY (P52,500.00), Philippine Currency;

This Bond is "CALLABLE ON DEMAND".

==00( NOTHING FOLLOWS )00==

WHEREAS, the afore-mentioned obligee requires said principal to give a good and sufficient bond in the above stated sum to secure the full and faithful performance on his/her part of said undertakings.

NOW, THEREFORE, if the Principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements stipulated above, then this obligation shall be null and void: otherwise it shall remain in full force and effect.

Liability of **ASIA INSURANCE (PHILIPPINES) CORPORATION** under this bond will expire on **APRIL 14, 2014** and this Bond will deemed automatically cancelled fifteen (15) days after its expiration, unless **ASIA INSURANCE (PHILIPPINES) CORP.** is notified in writing within period of any existing obligation thereunder. It is hereby further agreed and understood that no action, at law or equity shall be brought against the Surety under this bond unless the same is brought before a competent Court within one year from the date said written notice of any existing obligations is received by the Surety, as herein stipulated.

IN WITNESS WHEREOF, we have set our hands and signed our names on this 6<sup>th</sup> day of May, 2013 in the City of Manila, Philippines.

**JARDINE SCHINDLER ELEVATOR CORP.**  
 (Principal)

By:

*Ricardo B. Espinosa*  
**RICARDO B. ESPINOSA**  
 Managing Director

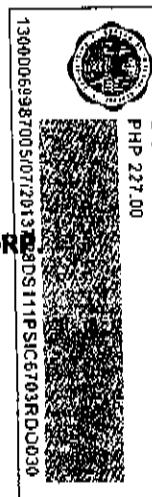
**ASIA INSURANCE (PHILIPPINES) CORP.**  
 TIN 000-740-925  
 (Surety)

By:

*Leonides S. De Leon*  
**LEONIDES S. DE LEON**  
 Manager, Surety

Witness to Principal

*Isaiah S.T. Dizon*  
**ISAIAH S.T. DIZON c/o AIPC**  
 Witness to Surety



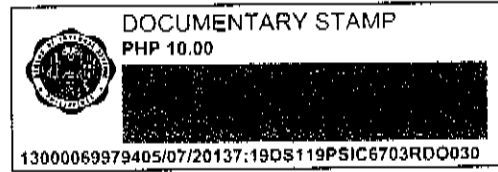


**ASIA INSURANCE (PHILIPPINES) CORPORATION**  
*(Formerly Asia Traders Insurance Corporation)*

Manila Office : 15/F, Tyena Plaza, Plaza Lorena Ruiz  
 Bnondo, Manila, Philippines 1006 P.O. Box 722  
 Tel. No. (632) 241 5201; Fax No. (632) 241 5257

Makati Office : 15/F, Chatham House, 118 Valero cor. V.A. Rufino Six  
 Salcedo Village, Makati City, Philippines  
 Tel. No. (632) 845 3223; Fax No. (632) 888 2309

AIPC BOND NO. G(16)-02322/NSMBP2



# ACKNOWLEDGEMENT

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

In the City of Manila, Philippines, this 6<sup>th</sup> day of May, 2013 personally appeared before me:

**RICARDO B. ESPINOSA** with Passport No. XX4347515 issued at Manila on August 13, 2009, in his capacity as **Managing Director of JARDINE SCHINDLER ELEVATOR CORPORATION** with Corporate Community Certificate No. 00055364 issued at Makati City on January 16, 2013;

**LEONIDES S. DE LEON** with Social Security System No. 33-1310799-8 in his capacity as **Manager, Surety of ASIA INSURANCE (PHILIPPINES) CORPORATION** with Tax Identification No. 000-740-925;

who executed the foregoing document, which they confirmed and ratified, declaring the same to be their free and voluntary act and deed and as well as the free and voluntary act and deed of the corporations represented herein.

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 Page No.       :   83  
 Book No.       :   VI  
 Series of       :   2013

**ATTY. ROMEO M. MONFORT**  
 NOTARY PUBLIC  
 PTR No. 1404731  
 Issued on January 07, 2013 at Manila  
 Until December 31, 2014  
 IBP No. 849227  
 Roll No. 27932  
 MCLE No. III-0020722

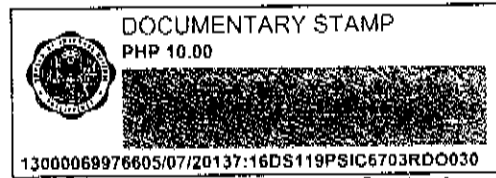


**ASIA INSURANCE (PHILIPPINES) CORPORATION**  
*(Formerly Asia Traders Insurance Corporation)*

Manila Office : 15/F, Typhoon Plaza, Plaza Lorenzo Ruiz  
 Binondo, Manila, Philippines 1006 P.O. Box 722  
 Tel. No. (832) 241 5201; Fax No. (832) 241 6257

Makati Office : 15/F, Chatterbox House, 116 Valero cor. V.A. Rufino St.  
 Salcedo Village, Makati City, Philippines  
 Tel. No. (832) 845 3223, Fax No. (832) 880 2309

AIPC BOND NO. G(16)-02322/NSMBP2



# AFFIDAVIT OF JUSTIFICATION

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

**LEONIDES S. DE LEON** of the ASIA INSURANCE (PHILIPPINES) CORPORATION, having been duly sworn, states and deposes that the said ASIA INSURANCE (PHILIPPINES) CORPORATION, is a corporation duly organized and existing under and by virtue of the laws of the Philippines and duly authorized to execute and furnish surety bonds for all purposes within said country and that it is actually worth the amount specified in the foregoing undertaking, to wit: **PESOS: FIFTY TWO THOUSAND FIVE HUNDRED ONLY (P52,500.00), Philippine Currency** over and above all just debts and obligations and property exempt from execution, and that it has no pending obligation demandable and outstanding in any amount to the Government or any of its agencies as of the last day of the month proceeding the date the bond is issued or posted.

**Asia Insurance (Philippines) Corporation**  
 TIN - 000740-925

By:

**LEONIDES S. DE LEON**  
 Manager Surety

SUBSCRIBED AND SWORN to before me this 6<sup>th</sup> day of May, 2013 at Manila, Philippines, affiant exhibiting to me his Social Security System No. 33-1310799-8;

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 Series of : 2013

**ATTY. ROMEO M. MONFORT**  
 NOTARY PUBLIC  
 PTR No. 1404731  
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 Until December 31, 2014  
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 Roll No. 27932  
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Republika ng Pilipinas  
Republic of the Philippines  
Kagawaran ng Pananalapi  
Department of Finance  
**KOMISYON NG SEGURO**  
INSURANCE COMMISSION

**KATIBAYAN NG PAGKAMAYKAPANGYARIHAN**  
CERTIFICATE OF AUTHORITY

**ITO AY PATUNAY** na ang **ASIA INSURANCE (PHILIPPINES) CORPORATION**  
(This is to certify that  
**NG LUNGSOD NG MAYNILA, PILIPINAS**

na isang pang **DI-BUHAY**  
*NON-LIFE*  
**(FIRE, MARINE, CASUALTY & SURETY)** except Customs Bonds

na kompanya ng seguro ay nakatugon sa lahat ng mga kailangang itinakda ng batas  
*insurance company, has complied with all requirements of law*

ng Pilipinas kagmay sa gayong mga kompanya ng seguro, kung kaya pinagkakalooban  
*of the Philippines relative to such insurance companies, and it is hereby granted*

nitong **KATIBAYAN NG PAGKAMAYKAPANGYARIHAN** upang makipagnegosyo ng  
*this CERTIFICATE OF AUTHORITY to transact*

uri ng seguro na itinakda sa itaas hanggang ikalabindalawa ng hatinggabi, ng ikatatlumpung  
*the class of insurance business above set forth until twelve o'clock midnight, on the thirtieth*

araw ng Hunyo, taong dalawampung libo't labing-tatlo  
*day of June, year 2013*


maliban kung agad na bawiin o pigilin ng may makatuwirang dahilan.  
*unless sooner revoked or suspended for cause.*

Bilang **KATUNAYAN NITO**, inilagda ko ang aking pangalan  
*(In WITNESS WHEREOF, I have hereunto subscribed my name*

at ikinintal ang Opisyal na Tatak ng aking Tanggapan  
*and caused my Official Seal to be affixed,*

sa Lungsod ng Maynila, Pilipinas. Ito ay may bisa  
*at the City of Manila, Philippines. This becomes*

simula ika-isa ng Hulyo 2012.  
*effective on 1 July 2012.)*

  
**EMMANUEL F. DOOC**  
Insurance Commissioner

**CERTIFIED TRUE COPY:**  
**ASIA INSURANCE (PHILIPPINES) CORP.**

Authorized Signature

\*AO No. 34 issued on  
April 2, 1946

Date Issued: 



REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
Malacañang, Manila

**NOTICE OF AWARD**

April 10, 2013

**MR. RICARDO ESPINOSA**

*Managing Director*  
Jardine Schindler Elevator Corporation  
8<sup>th</sup> Floor, Pacific Star Building  
Corner Makati Avenue and  
Sen. Gil Puyat Avenue  
Makati City  
Philippines

ORIGINAL RECEIVED

By: *Ricardo B. Espinosa*  
Designation: *Managing Director*  
Office: .....  
Date: .....

**Dear Mr. Espinosa:**

Based on Department of Budget and Management Bids and Awards Committee Resolution No.2013 -20, we are pleased to inform you that the contract for the Maintenance of the two (2) Schindler S3300 AP Elevators installed at Boncodin Hall is hereby awarded to your company in the amount of One Hundred Seventy Five Thousand Pesos (Php 175,000.00) for the twelve-month service.

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, within ten (10) days after the receipt of this notice.

Very truly yours,

**FLORENCIO B. ABAD**

*Secretary*



Republic of the Philippines  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
Malacañang, Manila

## **NOTICE TO PROCEED**

April 15, 2013

**MR. RICARDO ESPINOSA**  
Managing Director  
Jardine Schindler Elevator Corporation  
8<sup>th</sup> Floor, Pacific Star Building  
Corner Makati Ave. and Sen. Gil Puyat Ave.  
Makati City

Dear Mr. Espinosa:

Please be notified that the attached Contract for the Maintenance of the two (2) Schindler S3300 AP Elevators installed at Boncodin Hall has been approved.

You may, therefore, commence work upon receipt of this Notice to Proceed. In this regard, your Office shall coordinate with our General Services Division in executing the said service, in accordance with the terms and conditions of this Contract.

Thank you very much,

Very truly yours,

  
**ATTY. SOFIA C. YANTO**  
*Director, Administrative Service*

Conforme:

  
\_\_\_\_\_  
Mr. Ricardo Espinosa