

Republic of the Philippines
DEPARTMENT OF ENERGY
3rd Floor Tolentino 2020 Bldg., Candelaria Ave.,
Ecoland, Matina, Davao City

**CY 2023 SERVICE AGREEMENT FOR THE CLEANING SERVICES OF AIR-
CONDITIONING UNITS**

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into this _____ day of 10 OCT 2023, 2023 by and
between:

The **DEPARTMENT OF ENERGY (DOE)**, a government agency created under Republic Act (R.A.) No. 7638, as amended thru its Mindanao Field Office, with office address at 3rd Floor Tolentino 2020 Bldg., Candelaria Ave., Ecoland, Matina, Davao City, represented herein by its Director for Mindanao Field Office, **NILO J. GEROCHE**, hereinafter referred to as the "**CLIENT**";

-and-

AIR PROSYSTEMS, INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with address at RBDB Bldg., Dizon Road, Bacaca, 19-B, Población District, Davao City represented in this Act by **Ms. JONALYN B. MADERA** its Service Manager, hereinafter referred to as the "**CONTRACTOR**".

The **CLIENT** and **CONTRACTOR** are hereinafter collectively referred to as "**PARTIES**" and individually as "**PARTY**".

WITNESSETH: That

WHEREAS, CLIENT is in need of a duly licensed company to provide maintenance services – cleaning services for its assigned air-conditioning units (ACU);

WHEREAS, CONTRACTOR, being a duly licensed company, which provides ACU cleaning services requirements of **CLIENT**;

WHEREAS, CONTRACTOR had submitted the lowest calculated and responsive bid for the said supply of cleaning services.

NOW, THEREFORE, for and in consideration of the foregoing premises, and of the mutual covenants and stipulations herein below set forth, the **PARTIES** herein have agreed, as they do hereby agree as follows:



1. **CONTRACTOR** agrees to provide the following services to **CLIENT**:
 - 1.1 Shall provide duly licensed and experienced staff to conduct cleaning services the scheduled maintenance of the **CLIENT**;
 - 1.2 Shall conduct general check-up for any worn-out parts and provide an ideal recommendation that will ensure the safety worthiness of the ACUs;
 - 1.3 Agrees to provide **CLIENT** with cleaning services with corresponding supply of Labor and Tools for the following air-conditioning units:
 - a. 5 units 5.0TR Ceiling Mounted ACU
 - b. 1 unit 4.0TR Wall Mounted ACU
 - c. 1 unit 2.5TR Wall Mounted ACU
 - d. 5 units 2.0TR Wall Mounted ACU
 - e. 2 units 1.5TR Wall Mounted ACU
 - 1.4 **CLIENT** may increase or decrease the number of ACUs listed above for the said cleaning services when the situation so demands of which the **CLIENT** shall also duly inform **DEALER** of such increase or decrease. Thus, charges will be based on actual services rendered by the **DEALER**.
 - 1.5 Back jobs found within 15 calendar days shall be replaced/facilitated by the **CONTRACTOR** free of charge within 7 calendar days upon notification.
 - 1.6 Perform cleaning services during regular office hours, Mondays through Fridays, from 8:00 a.m. to 5:00 p.m.
 - 1.7 The **CONTRACTOR** shall issue a transaction slip/receipt/invoice for the cleaning services rendered given to the **CLIENT**.

2. **Prices.**

The **CONTRACTOR** hereby agrees that there shall be no escalation of the Contract price during the term of this Contract, except under extraordinary circumstances and upon prior approval of the GPBB in accordance with Section 61 of RA 9184 and its IRR;

3. **Payment**

- 3.1 The **CLIENT** shall pay the contractor with the total contract price of Thirty One Thousand One Hundred Pesos Only (Php 31,100.00) inclusive of any and all kinds of taxes, fees, charges, and other legal exactions. The payment for the services rendered under this Contract shall be paid by the **CLIENT** to the **CONTRACTOR** on a per transaction basis.

DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT
ACU CLEANING SERVICES			
a. 5.0TR Ceiling Mounted ACU	5	Unit	P 1,400.00
b. 4.0TR Wall Mounted ACU	1	Unit	P 950.00
c. 2.5TR Wall Mounted ACU	1	Unit	P 950.00
d. 2.0TR Wall Mounted ACU	5	Unit	P 950.00
e. 1.5TR Wall Mounted ACU	2	Unit	P 950.00

3.2 The **CLIENT** shall pay **CONTRACTOR** at least two (2) weeks after receipt from **CONTRACTOR** of the corresponding invoices;

4. Term

This Contract shall be effective beginning on 1 August 2023 and shall continue in full force and effect until 31 December 2023;

5. Force Majeure

5.1 In the event **CLIENT** is prevented from doing business due to war, civil commotion, strike and labor dispute among **CLIENT's** employees, Acts of God, force majeure or any other cause beyond its control, this Contract shall be deemed suspended during the existence of any of the foregoing causes.

5.2 Upon the termination or cessation of the force majeure condition, this Contract shall be deemed effective and its duration extended for the time of suspension thereof, unless **CLIENT** terminates this Contract by reason of such force majeure causes by giving **CONTRACTOR** seventy-two (72)-hours prior written notice.

6. Rescission and Termination

The **PARTIES** expressly agree that the services rendered herein are extremely vital to **CLIENT**, such that in the event of any cause or reason beyond the control of **CONTRACTOR**, such as strikes, lockouts or labor disputes among **CONTRACTOR's** employees which may otherwise disrupt or prevent **CONTRACTOR** from performing or rendering the services herein, **CLIENT** shall have the right to terminate this Contract by giving **CONTRACTOR** seventy-two (72)-hours prior written notice;

6.1 **CLIENT** hereby reserves the right to rescind, terminate or abrogate this Contract with **CONTRACTOR** upon seventy-two (72)-hours prior written notice to the latter in any of, but not limited to, the following instances:

- a) submission of falsified or forged license as well as other falsified documents and reports; and
- b) breach by **CONTRACTOR** of its obligations and the terms and conditions under this Contract.

7. The **CONTRACTOR** warrants that it or any of its officials or representatives, has not given or promised to give any money or gift to any employee/official of **CLIENT** to influence the decision regarding the awarding of this Contract, nor **CONTRACTOR** or its officials or representatives have exerted or utilized any unlawful influence on any employee/office of **CLIENT** to solicit or secure this Contract through an agreement to pay a commission, percentage, brokerage, or contingent fee. **CONTRACTOR** hereby agrees that breach of these warranties shall be sufficient ground for **CLIENT**, at its discretion, to terminate or cancel this Contract, or deduct such commission, percentage, brokerage, or contingent fees from the Contract price without prejudice to **CLIENT's** or any other person's civil or criminal liability under the Anti-Graft Law and other applicable laws;

8. **CONTRACTOR** warrants that it shall obtain and maintain the necessary permits, licenses and safety standards required by national and local authorities, or by civilian or military authorities, in order to continue operating legally;

9. Any taxes, duties, fees, charges and all other legal exactions arising by virtue of this Contract shall be for the account of **CONTRACTOR**. It is further understood that **CLIENT** shall deduct and withhold the applicable withholding taxes, if any and if deemed necessary, from its payments to **CONTRACTOR** under this Contract pursuant to the requirements of law;

10. **Settlement of Disputes**

10.1 All disputes arising between the **PARTIES** as to the interpretation, operation or effect of any clause in the Agreement or any other difference between the **PARTIES** shall first be resolved amicably. In case of failure, the Rules on Alternative Dispute Resolution (ADR) under R.A. No. 9285 shall apply;

10.2 As much as possible, disputes shall be settled amicably between the **PARTIES**. However, in the event either **PARTY** to this Contract shall take judicial action, the **PARTIES** agree that venue for purposes thereof shall be laid exclusively with the

proper court Davao City to the exclusion of other courts and that writ of attachment, injunction, replevin, seizure, etc. issued thereby may be served and enforced anywhere in the Philippines:

11. Breach of Contract

In case of breach or violation of any terms and conditions of this Contract, **CONTRACTOR** shall pay **CLIENT** an equivalent amount of One Tenth of One Percent (0.1%) of the TCP per day of violation thereon exclusive of attorney's fee and cost of the suit in case of litigation;

12. Assignment of Rights

The Contractor shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

13. The **CONTRACTOR** is aware that **CLIENT** is a government agency and as such is subject to certain legal requirements and procedures not normally required of private corporations. **CONTRACTOR**, nevertheless, agrees that whenever such legal requirements and procedures apply to this Contract and affect its validity, effectivity or implementation, this Contract shall be considered amended accordingly so as to enable **CLIENT** to comply with such requirements. For its part, **CLIENT** undertakes to exert its best efforts to immediately comply with the requirements in a most equitable manner consistent with good faith; and

15. If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

IN WITNESS WHEREOF, the **PARTIES** hereto have signed this Contract in Davao City this _____ day of _____, 2023.

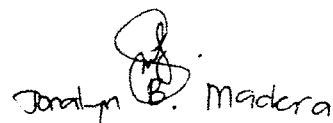
**DEPARTMENT OF ENERGY
(CLIENT)**

**AIR PROSYSTEMS, INC.
(CONTRACTOR)**

By:

By:


NEO J. GEROCHE
Director
Mindanao Field Office


Jeraldyn B. Madera

SIGNED IN THE PRESENCE OF:

herald
HELEN C. ROLDAN
DOE Accounting

DATE: 01-23-09 3:45A
CAF DATE: Sept. 19, 2007
regular agency fund
\$ 31, 100.00

Jul
Flordelasa O. Sevelo
Witness

(E)

Flordelasa O. Sevelo

ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public in and for the _____ on this OCT 24 day of _____, 2023, personally appeared:

NILO J. GEROCHE, with Taxpayer's Identification No. **133-506-525** issued at Davao City, in his capacity as Director for Mindanao Field Office of the **DEPARTMENT OF ENERGY**.

-and-

JONALYN B. MADERA with Company ID No. **00-0110** issued at Davao City in her capacity as Service Manager of **AIR PROSYSTEMS, INC.**

both known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed and that of the office and corporation which they respectively represent, and that they are duly authorized to sign the same.

This instrument refers to CY 2023 Contract for the Cleaning Services of Air-conditioning Units by and between the Department of Energy and Air Prosystems, Inc. consisting of seven (7) pages including this page on which this acknowledgment is written and have been signed by the **PARTIES** and their instrumental witnesses and stamped with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place written above.

Doc No. 463 ;
Page No. 94 ;
Book No. 4 ;
Series of 2023.

ATTY. ARSENIO E. CABALLERO JR.
Notary Public
Until Dec. 31, 2024
PTR # 1778640-C-2023
Serial No. 202-059-2024
BSP Lifetime No. 004870-05/16/17
Roll No. 67074



(E)

Handwritten signature or mark on the right margin.