

**Republic of the Philippines  
DEPARTMENT OF ENERGY**  
Energy Center, Rizal Drive  
Bonifacio Global City (BGC)  
Taguig City, Metro Manila

**CY 2023 CONTRACT FOR ELEVATOR MAINTENANCE SERVICES**

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into this            day of            2023 at Bonifacio Global City (BGC), Taguig City, Metro Manila by and between:

JUN 6 9 2023

The **DEPARTMENT OF ENERGY (DOE)**, a government agency created under Republic Act (R.A.) No. 7638, as amended, with principal office address at Energy Center, Rizal Drive, Bonifacio Global City (BGC), Taguig City, Metro Manila, represented in this Act by its Director of Administrative Services, **ELISA B. MORALES**, hereinafter referred to as the “**CLIENT**”;

- and -

**CONCEPCION-OTIS PHILIPPINES, INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 14<sup>th</sup> Floor, Petron Mega Plaza Building, Gil Puyat Avenue, Makati City, represented in this Act by its Chief Operating Officer, **JUAN ANTONIO GATUSLAO**, hereinafter referred to as the “**CONTRACTOR**”.

**CLIENT** and **CONTRACTOR** are hereinafter collectively referred to as “**PARTIES**” and individually as “**PARTY**”.

WITNESSETH: That -

WHEREAS, **CLIENT** is in need of the services of a duly licensed and reputable company to maintain its one (1) unit “**GOLDSTAR**” elevator installed at the lobby of its Annex Building located inside the Energy Center, Rizal Drive, Bonifacio Global City (BGC), Taguig City, Metro Manila;

WHEREAS, **CONTRACTOR** is the exclusive distributor for the Marketing, Furnishing, Installation, and Servicing of OTIS Equipment including Goldstar/Sigma in the Republic of the Philippines as indicated in its Certificate of Distribution and Service dated 13 November 2022 effective for three (3) years thereafter;

WHEREAS, **CONTRACTOR** offered to furnish the above services needed by **CLIENT** and **CLIENT** is willing to accept said offer of **CONTRACTOR**;

WHEREAS, upon the recommendation of **CLIENT's** Bids and Awards Committee (BAC) through its BAC Resolution No. 044 dated 07 March 2023 and approved by the Department's Undersecretary, this Contract has been awarded to **CONTRACTOR** through the use of the Alternative Method of Procurement (AMP), in particular, Direct Contracting, pursuant to Section 50 (c) of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 otherwise known as the Government Procurement Reform Act;

NOW, THEREFORE, for and in consideration of the foregoing premises, and their mutual covenants hereinafter set forth, the **PARTIES** have agreed as follows:

1. **CONTRACTOR** agrees to provide the services of competent and qualified elevator servicemen to conduct regular monthly inspection and examination of **CLIENT's** Goldstar elevator herein described below, and hereinafter referred to as the EQUIPMENT, for the purpose of undertaking preventive maintenance measures such as but not limited to cleaning, adjustment and lubrication of all machinery, controllers, doors, locks, guide rails, guide shoes, ropes, and safety appliances of the same including switches, fuses, and electrical wirings, including providing the necessary lubricants (except gear oil) particularly greases and cotton wastes, free of charge:

ONE (1) UNIT "GOLDSTAR" ELEVATOR, LVP-20(1364)-CO60-5/5

Manufacturing No.	: 94BE04180E01
Control System	: Sigma Korea Microprocessor
Operation System	: Digital
Class	: MVP
Capacity	: 1350 kgs. (20 persons)
Speed	: 60 mpm
No. of stops/openings	: five (5) stops/opening

**CONTRACTOR** shall supply, deliver, install and commission one (1) door sensor as replacement of the old unit.

2. **CLIENT** agrees to give **CONTRACTOR** thirty (30) days advance notice in case of transfer, sale or conveyance of the ownership, possession or administration of the building and premises where the EQUIPMENT is installed;
3. **CLIENT** shall immediately report to **CONTRACTOR** any abnormal operation and/or stoppage of the EQUIPMENT and **CONTRACTOR** agrees to immediately provide the necessary servicemen to correct the abnormal operation and/or stoppage to ensure safe and smooth operation of the EQUIPMENT, taking into consideration all relevant circumstances, including but not limited to:
  - a. The proximity and accessibility of the premises and the EQUIPMENT;
  - b. Weather condition; and
  - c. Safety of **CONTRACTOR's** servicemen not being endangered by reason of attending to such breakdown or faulty operation and/or stoppage.
4. **CLIENT** agrees to defray the cost of replacement parts and **CONTRACTOR** agrees not to charge the cost of necessary labor for such replacement and repairs. The cost of materials and labor for works requiring changes and/or alterations, deviations or additions to the original designs of the EQUIPMENT and its accessories and the following major repairs as enumerated below shall be for the account of **CLIENT**:
  - a. Worn gear, main and secondary sheaves, bearings, brakes, motors, inverters, and door operators, including hydraulic oil;
  - b. Car and hoist-way equipment;
  - c. Trailing cables and electrical wirings; and
  - d. Car enclosure, car flooring, hoist-way enclosure, hoist-way, door panels, frames, sills, cylinders, plungers, and jack casing including switch buttons, lenses, diffusers, etc.

**CONTRACTOR**, however, must secure first **CLIENT's** written approval through a Job Order of the former's quotation/s for the necessary labor and replacement parts before the actual initiation of work;

5. This Contract for Elevator Maintenance Services shall be effective for a period of ten (10) months starting on **01 March 2023** until **31 December 2023** or to start

within the specified date indicated in the pertinent Notice to Proceed (NTP) to be issued by the **Procurement Management Division (PMD)** of **CLIENT** after the Contract has been signed by the **PARTIES** and notarized. This shall be effective within the afore-cited period unless sooner terminated by either **PARTY** upon thirty (30) days prior written notice. Notwithstanding the foregoing, in the event that **CLIENT** or **CONTRACTOR** is prevented from doing business due to war, civil commotion, strikes, acts of God, force majeure, or any other cause beyond its control, this Contract shall be deemed suspended and its duration extended for a period equal to the period of suspension thereof, unless, **CLIENT** terminates this Contract by reason of such force majeure causes;

6. For and in consideration of the services to be rendered by **CONTRACTOR** to **CLIENT** in accordance with this Contract, **CLIENT** shall pay the **CONTRACTOR** the monthly amount of **EIGHTEEN THOUSAND FIVE HUNDRED TWENTY PESOS and SEVENTY CENTAVOS ONLY (P18,520.70)** or a total amount of **ONE HUNDRED EIGHTY-FIVE THOUSAND TWO HUNDRED SEVEN PESOS (Php185,207.00)** inclusive of any and all kinds of fees, charges, and taxes, for the whole contract period covering 01 March 2023 to 31 December 2023 or as computed thereafter reckoned from the effectivity date as indicated in the NTP. **CONTRACTOR** shall submit monthly bills on or before the second day of the month for the services rendered on the preceding month, together with all the supporting documents including a Certificate from **CONTRACTOR** and acknowledged by **CLIENT's** General Services Division (GSD) concerned personnel that such services have been rendered including on-call (emergency services) for a particular month where payment is claimed;
7. All regular services shall be undertaken by **CONTRACTOR** during **CLIENT's** regular working hours in accordance with existing government regulations. Any overtime service done beyond the regular working hours at **CLIENT's** request shall be paid an additional sum at overtime rates in accordance with existing government rules and regulations. **CONTRACTOR** agrees to provide necessary emergency services to **CLIENT** on top of the regular monthly inspection whenever trouble develops with the EQUIPMENT provided that **CLIENT** notifies **CONTRACTOR** at the earliest time possible. Further, **CONTRACTOR** shall not charge the labor cost incurred during such services;

8. **CONTRACTOR** hereby warrants that under normal circumstances, replacement parts installed and/or any repair done by **CONTRACTOR** which are for **CLIENT's** account are covered by a six (6) months warranty, and that any damage therefore within this period shall be replaced or repaired immediately without cost to **CLIENT**. This warranty, however, does not cover situations where the damage or malfunction or dysfunction of the elevator is caused or brought about by gross negligence, fraud, bad faith, malice or wanton attitude of **CLIENT** or from any other cause beyond **CONTRACTOR's** control. Unless duly authorized in writing, no person or serviceman is authorized to modify this Contract or bind **CONTRACTOR** by making any promise, warranty or representation not contained in this Contract;
9. The **PARTIES** herein agree that **CONTRACTOR** may assign whatever interest or right it may have under this Contract to any third party upon prior notice and consent of **CLIENT**;
10. 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;
11. **CONTRACTOR** warrants that it or any of its officials or representatives has/have 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** has, or its officials or representatives have exerted or utilized any unlawful influence on any employee/official of **CLIENT** to solicit or secure this Contract through an agreement to pay commission, percentage, brokerage or contingent fee. **CONTRACTOR** hereby agrees that breach of any of these warranties shall be sufficient ground for **CLIENT** at its discretion either to terminate or cancel this Contract or deduct such commission, percentage, brokerage or contingent fees from the TCP without prejudice to **CONTRACTOR's** or any other person's civil or criminal liability under the Anti-Graft Law and other applicable laws;
12. **CONTRACTOR** is an independent business organization and all its servicemen assigned to perform the required services herein shall be deemed to be

employees of **CONTRACTOR**, and in no case shall be deemed to be employees of **CLIENT**. Should any of the servicemen assigned to perform the required services shall commit any act which may be prejudicial to the interest of **CLIENT**

or be found to be incompetent or negligent in the performance of their functions, **CONTRACTOR** shall immediately discharge or replace the servicemen concerned. **CONTRACTOR** binds itself to comply strictly with the Rules and Regulations pertaining to **CONTRACTOR's** servicemen's offenses as stated in Annex "A" hereof;

13. It is agreed that it is the sole responsibility of **CONTRACTOR** to comply with all existing as well as future laws, rules and regulations concerning employment of labor insofar as they apply to its servicemen assigned to **CLIENT**.

Pursuant to this Agreement, **CONTRACTOR** shall hold **CLIENT** free and harmless from any and all liabilities, claims or actions arising from such labor laws, rules and regulations as well as from any accidents that befall its servicemen assigned to **CLIENT** while in the performance of their duties.

In case of labor disputes involving its servicemen assigned to **CLIENT**, **CONTRACTOR** agrees to save **CLIENT** free and harmless from any expenses incurred in connection with said labor disputes. In the event that **CLIENT** will incur liabilities and/or expenses in connection with said labor disputes, **CLIENT** has the right to immediately proceed against any payment that may be due or owing to and/or the Performance Bond of **CONTRACTOR** as provided in the next succeeding paragraph;

14. Any or all taxes, duties, fees and charges and 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 it deems necessary, from its payments to **CONTRACTOR** under this Contract pursuant to the requirements of laws;

15. It is expressly agreed upon that in the event of breach of any provision of this Contract by **CONTRACTOR**, or of a valid claim of **CLIENT** against **CONTRACTOR**, **CLIENT** shall have the irrevocable authority to retain or automatically set-off and apply without notice all funds, credits, payments,

securities, money and/or accounts receivable which are in control and possession of **CLIENT** that may be due or owing to **CONTRACTOR**;

16. **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;
17. Nothing in this Contract shall be construed to mean that **CONTRACTOR** is assuming any responsibility for accident and/or damages (consequential or otherwise) to person/s or properties in the operation of the above-described elevator except for accident and/or damages directly caused by the negligence or omission of **CONTRACTOR** and/or its servicemen in the performance of the works under this Contract. Likewise, if **CONTRACTOR** and/or its servicemen have contributed in any manner in sustaining such loss or damage above-cited, **CONTRACTOR's** liability shall be limited to such contributory fault or negligence. **CONTRACTOR** hereby agrees to indemnify **CLIENT**, its guests or personnel for any death or injury that may be suffered, or pay or replace the value of property lost or damage as the case may be, not later than thirty (30) calendar days after a formal claim has been filed against it by **CLIENT**;
18. **CONTRACTOR** warrants that it shall obtain and maintain all necessary permits and licenses required by national or local authorities, or by civilian or military authorities, in order to continue operating legally;
19. 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 in order to enforce any of its rights hereunder, the defaulting **PARTY** shall pay the other **PARTY** a reasonable compensation for attorney's fees which shall not, in any event, be less than twenty percent (20%) of the amount due and demandable, plus expenses of litigation. The **PARTIES** hereto agrees that venue for purposes thereof shall be laid exclusively with the proper courts in

Taguig City, Metro Manila with the exclusions of other courts and that the writs of attachment, injunction, replevin, seizure, etc. issued thereby may be served and enforced anywhere in the Philippines; and

20. 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.

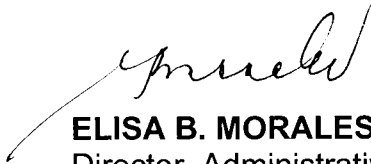
IN WITNESS WHEREOF, the **PARTIES** hereto have signed this instrument on the date and at the place first above written.

**DEPARTMENT OF ENERGY  
(CLIENT)**

**CONCEPCION-OTIS  
PHILIPPINES, INC.  
(CONTRACTOR)**

By:

By:



**ELISA B. MORALES**  
Director, Administrative Services



**JUAN ANTONIO GATUSLAO**  
Chief Operating Officer

Signed in the Presence of:



**Engr. JERICO O. BRAGADO**  
Chief, General Services Division



**JAYSON GALURA**  
Senior Manager



**HELEN C. ROLDAN**  
OIC-Chief, Accounting Division

CAF No. 01-23-06-109  
CAF Date: June 2, 2023  
Regular Agency Fund  
P 185, 27.00



**ACKNOWLEDGMENT**

Republic of the Philippines)  
)S.S.  
Taguig City, Metro Manila )

BEFORE ME, a Notary Public in and for \_\_\_\_\_ Philippines,  
this \_\_\_th day of \_\_\_\_\_ 2023 personally appeared the following:  
JUN 09 2023

**ELISA B. MORALES**, with Driver License No. N25-99-059351  
in his capacity as Director for Administrative Services of the  
**DEPARTMENT OF ENERGY**.

- and -

**JUAN ANTONIO GATUSLAO** with Driver License No. F01-84-  
011876 in his capacity as Chief Operating Officer of  
**CONCEPCION-OTIS PHILIPPINES, INC.**

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 own free and voluntary  
act and deed and that of the office or corporation which they respectively represent.

This instrument refers to CY2023 Elevator Maintenance Services Contract  
between the Department of Energy and Concepcion-Otis Philippines, Inc. and consists  
of nine (9) pages including this page on which this acknowledgment is written and all  
pages hereof had been signed by the **PARTIES** and their witnesses, and stamped with  
my notarial seal.

WITNESS MY HAND AND SEAL on the date and place first above written.

Doc. No. 17 ;  
Page No. 1 ;  
Book No. VIII ;  
Series of 20 23 .

**ATTY. ROLAND E. LAS PINAS**  
Notary Public - City of Manila  
Notarial Commission No. 2023/016  
Until Dec 31, 2024  
240-C.A.H. Lanson St., Samp. Mia  
Roll of Attorney No. 84035  
PTR No. 0822024/JAN 3, 2023/ MLA.  
IBP Membership No. 243549 / 06/20/2022  
MCLE Exempted G.B.O 1s. 2008

Contract NO. 2023-0101-5744-0039  
FMD-QT-16,270A, 2023, Rev. 2