

**CONTRACT FOR THE SUPPLY AND DELIVERY
OF MEDICAL LIQUID OXYGEN**

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into by and between:

DR. JOSE FABELLA MEMORIAL HOSPITAL, an agency of the government, with permanent address at corner Lope de Vega and Felix Huertas Streets, Sta. Cruz, Manila, duly established under and by virtue of Philippine Laws, herein represented by its Medical Center Chief II, **Dr. ESMERALDO T. ILEM**, hereinafter referred to as the "**HOSPITAL**";

-and-

INGASCO, INC, a corporation duly organized and existing under and by virtue of Philippine Laws, with business address at 23rd Floor, One Corporate Center, Julia Vargas Ave., cor. Meralco Avenue, Ortigas Center, Pasig City, represented by its President, **RAYMOND M. CHU**, hereinafter referred to as "**INGASCO**";

WITNESSETH:

WHEREAS, it is the thrust of the **HOSPITAL** to provide an improved health care delivery to its patients;

WHEREAS, as a result of the public bidding conducted on 7 March 2016 in accordance with the relevant provisions of Republic Act 9184 and its Implementing Rules and Regulations, the Contract for the Supply and Delivery of Medical Liquid Oxygen was awarded to **INGASCO** through a Notice of Award dated 23 March 2016;

NOW THEREFORE, for and in consideration of the foregoing premises and conditions hereinafter set forth, the parties hereby agree as follows:

1. That **INGASCO** shall supply the **HOSPITAL** with 200,000 cubic meters Liquid Oxygen (estimated quantity) at P17.75 / cubic meter unit cost with minimum purity of not less than 99.5 percent;

2. That **INGASCO** shall provide the hospital with a Medical Liquid Oxygen storage container (Vacuum Insulated Evaporator) Union Carbide TM1500 (capacity: 1500 Gallons) with serial number C1202; Ambient Air Vaporizer (Flow rate: 100 cubic meter per hour) without serial number; Supply Control Manifold and its accessories free of charge.

3. That the above equipment shall remain the sole and exclusive property of **INGASCO** and shall not be refilled by other suppliers. The **HOSPITAL** shall return the same upon termination of this contract;

4. That **INGASCO** shall provide and undertake free of charge for the installation of Medical Liquid Oxygen Equipment and facilities in conformity

CONTRACT FOR THE SUPPLY AND DELIVERY OF MEDICAL LIQUID OXYGEN

Validity: April 15, 2016 to December 31, 2016

Page 1 of 4

INGASCO, INC

RAYMOND M. CHU
President
INGASCO, INC

MERCILYA D. FORTIER
Accountant III
Dr. Jose Fabella Memorial Hospital

ESMERALDO T. ILEM, M.D.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital

with the **HOSPITAL'S** design and specifications: a) Construction of foundation and enclosure; and b) Freight (inland) of LOX container

5. That **INGASCO** shall deliver Medical Liquid Oxygen to the **HOSPITAL** every **Tuesday and Friday between 12:00 midnight to 2:00am or depending on the end-user's requirement/need;**

6. That in the exigency of the service, the **HOSPITAL** may require **INGASCO** to deliver, upon request, additional necessitated bulk of Medical Liquid Oxygen;

7. That the **HOSPITAL** shall allow **INGASCO'S** delivery crew to have an access on the former's premises for twenty-four (24) hours provided that said crew(s) are wearing their company IDs and they are limited to their area of responsibility;

8. That no employee of **INGASCO** shall be allowed to live/stay or roam around in the **HOSPITAL** premises beyond their working time except on emergency cases. Accordingly, strict compliance with Hospital Rules and Regulations is required;

9. That the **HOSPITAL** shall provide a vertical clearance at least 15 feet from the ground along the access road, which is concrete, to withstand 30 tons total load or 20 tons per axle load. The road should be at least eight (8) meters wide and forty-five (45) turning radius on corners;

10. That **INGASCO** shall provide free technical training on the operation of oxygen facilities to duly authorized personnel of the **HOSPITAL;**

11. That **INGASCO** is duty bound to inform immediately the **HOSPITAL** in case the former failed to deliver the required Medical Liquid Oxygen to the latter due to its workers' strike, breakdown of plant and transport equipment or any other form of stoppage of work that may affect the delivery of Medical Liquid Oxygen;

12. That neither party shall be liable to the other for failure to supply or accept delivery of gases if such failure is due to Acts of God/ fortuitous events/ force majeure;

13. That in case **INGASCO** failed to deliver the required Medical Liquid Oxygen needed by the **HOSPITAL** for reasons not mentioned in this Contract the former shall be liable to the one-tenth (1/10) of one percent (1%) of the total value of the Contract or if the Contract has been partially fulfilled within the stipulated time, the total value of undelivered purchase thereof in a year;

14. That in the event **INGASCO** cannot supply bulk Medical Liquid Oxygen due to plant periodic maintenance, **INGASCO** shall supply the **HOSPITAL** with Medical Liquid Oxygen in Cylinder Tank to 1800 psi, 5.66 cu. m. at the contract price of P17.75/ cubic meter;

15. That the cylinder tank allocation shall be mutually agreed upon delivery. The **HOSPITAL** agrees to take care of **INGASCO'S** cylinder tank while in their possession.

16. That the **HOSPITAL** shall allow **INGASCO** upon written notification within five (5) working days to upgrade, downgrade, pull out or remove the Cryogenic

CONTRACT FOR THE SUPPLY AND DELIVERY OF MEDICAL LIQUID OXYGEN

Validity: April 15, 2016 to December 31, 2016

INGASCO, INC

RAYMOND P. CHU
President
INGASCO, INC

MERCILITA D. FORTIER
Accountant III
Dr. Jose Fabella Memorial Hospital

ESMERALDO T. ILEM, M.D.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital

tank, pump on loan, at the **HOSPITAL** premises on the following justifiable reasons: a) for repair and maintenance; b) expiration of contract; and c) any violation of the terms and conditions of this contract;

17. That **INGASCO** shall not be liable for losses and claims (including those of other parties) for death, personal injury or other property damage arising from the misuse or improper handling of **INGASCO'S** cryogenic equipment and gas products;

18. That **INGASCO** warrants to render the **HOSPITAL** or any of its employees/ crew/s free from any or all legal suits by the **INGASCO'S** personnel from claims for compensation or injuries suffered from accidents in connection with the performance of their duties and functions in the **HOSPITAL** premises;

19. That the parties herein agree that all the terms and conditions embodied in all **INGASCO** sales invoices, delivery receipts, incoming receipts and all other sales documents shall form an integral part of this agreement;

20. That no employer-employee relationship exists between **INGASCO** and the **HOSPITAL** and/ or the former's staff or employees by reason of this contract;

21. That both parties herein agree that all and any obligations arising from this agreement shall continuously be binding notwithstanding the fact that the herein duly authorized signatories and representatives may have subsequently resigned/retired or that his/her official relationship with the parties may have ended by any other reasons whatsoever. Neither party shall assign this Contract to another entity without the prior written consent of the other party;

22. That **INGASCO** shall submit a performance bond in the form and amount mandated by Republic Act 9184 and its implementing Rules and Regulations to guarantee full and faithful performance of the herein terms and conditions;

23. **INGASCO** hereby certifies under oath that it is free and clear of all tax liabilities to the government pursuant to **EXECUTIVE ORDER No. 398 s. 2005**. That it shall continue to pay taxes in full and on time and that failure to do so will entitle the **HOSPITAL** to suspend payment for any goods or services delivered by the **INGASCO**.

INGASCO is likewise hereby obligated to regularly present within the duration of the contract, a tax clearance from the BIR, as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

24. That this contract shall take effect on **April 15, 2016** and shall expire on **December 31, 2016**;

25. That the **HOSPITAL** shall have the right to terminate this contract if **INGASCO** cannot afford or cope with the required supply for the daily consumption of Medical Liquid Oxygen of the **HOSPITAL** and if the services of **INGASCO** are found unsatisfactory by giving the latter a written notice thereof within thirty (30) days prior to its effectivity;

INGASCO, INC

RAYMUNDO M. CHU
President
INGASCO, INC

MERCILITA D. FORTIER
Accountant III
Dr. Jose Fabella Memorial Hospital

ESMERALDO T. ILEM, M.D.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital

26. That in case of failure of bidding on the next public bidding, this Contact is automatically extended on month to month basis until such time as the new contract is awarded; and

27. That the venue in case of suit shall be in the proper court of Manila.

IN WITNESS WHEREOF, the parties hereto signed these presents, at the City of Manila, Philippines, on the 12th day of April 2016.

DR. JOSE FABELLA
MEMORIAL HOSPITAL

INGASCO, INC.

By:

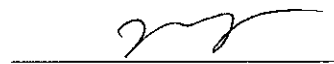
By:


ESMERALDO T. ILEM, M.D.
Medical Center Chief II


RAYMOND M. CHU
President

SIGNED IN THE PRESENCE OF:


MERCILITA D. FORTIER
Accountant III



ACKNOWLEDGMENT

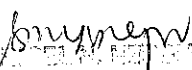
Republic of the Philippines)
QUEZON CITY) S.S.

BEFORE ME, a Notary Public, this APR 13 2016, personally appeared **Dr. Esmeraldo T. Ilem**, with PRC License Card, number 0058587 valid until August 8, 2017 and **Mr. RAYMOND M. CHU**, with his _____ valid until _____, both known to me to be the same persons who executed the foregoing **CONTRACT FOR THE SUPPLY AND DELIVERY OF MEDICAL LIQUID OXYGEN** consisting of four (4) pages, including this page where this acknowledgement is written and acknowledged to me that the same to be their free and voluntary act and deed of the instrumentality which they respectively represent and signed by them and their instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL, on the day and place herein above mentioned.

NOTARY PUBLIC

Doc. No. 340
Page No. 69
Book No. 36
Series of 2016.


ATTY. ROBERTO P. DELA CRUZ
Notary public for and in the City of Metro Manila
JP No. 102 and 103 of 01, 2017
Roll No. 2075; MCLE No. 200170; 01-10-2013
PTR No. 214058; 01-01-2013; Quezon City
IBP No. 10/2013 for 2013 & 2014; Quezon City
3rd Floor, Vegas Building, 2105 Alayunan Avenue
Diliman, Quezon City, 1102, Philippines



Republic of the Philippines
 Department of Health
DR. JOSE FABELLA MEMORIAL HOSPITAL
 Lope de Vega St., Sta. Cruz, Manila
 Telephone Nos.: 734-5561 to 65; 733-8536 to 44



NOTICE OF AWARD
NOA-2016- A- 20

March 23, 2016

INGASCO, INC.

23rd Floor, One Corporate Center,
 Julia Vargas Ave., cor. Meralco Ave.,
 Ortigas Center, Pasig City
 Tel. No. 626-1500
 Fax No. 631-0862

Dear Sir/Madam:

We are happy to inform you that the item listed below is hereby awarded to you as a result of public bidding for the supply and delivery of Medical Liquid Oxygen conducted on March 7, 2016:

ITEM	QUANTITY	UNIT COST	TOTAL AMOUNT
Medical Liquid Oxygen, INGASCO	200,000 cu.m.	P17.75/cu.m.	P3,550,000.00

You are hereby requested to file your Performance Bond within ten (10) calendar days from receipt hereof in an amount equivalent to a percentage of the total contract price based on the schedule below:

Forms of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
a.) Cash, cashier's/manager's check, bank draft/guarantee confirmed by a Universal or Commercial Bank	Five percent (5%)
b.) Irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank	
c.) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	Thirty percent (30%)
d.) Any combination of the foregoing	Proportionate to share of form with respect to total amount of security

Failure to provide the performance security shall constitute sufficient ground for the cancellation of the award and forfeiture of the bid security.

Please acknowledge agreement to the contents of this Notice of Award by signing under the word "CONFORME" and return the original to us within two (2) days from receipt hereof.

Very truly yours,

Alma Mina S. Enrile
Ms. ALMA MINA S. ENRILE
 Chair, Bids and Awards Committee

APPROVED:

ESMERALDO T. ILEM

ESMERALDO T. ILEM, M.D.
 Medical Center Chief II

CONFORME:

MICHAEL ROY F. CUSENIS *SAVER MANALAN* *4/4/16*
 Printed Name and Signature Designation Date

MTJB/mrce



Republic of the Philippines
 Department of Health
DR. JOSE FABELLA MEMORIAL HOSPITAL
 Lope de Vega St., Sta. Cruz, Manila
 Telephone nos. 734-55-61 to 65; 733-85-36 to 44



NOTICE TO PROCEED
NTP - 2016 - A - 20

April 8, 2016

INGASCO, INC.
 23RD Floor, One Corporate Center
 Dona Julia Vargas Ave., cor. Meralco Ave.
 Ortigas Center, Pasig City

Dear Sir/Madam:

Notice is hereby given to **INGASCO, INC.** that delivery may proceed on the procurement of **MEDICAL LIQUID OXYGEN** effective April 15, 2016 to December 31, 2016.

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

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below.

Very truly yours,

ET Ilem

ESMERALDO T. ILEM, MD.
 Medical Center Chief II

on

I acknowledge receipt of this Notice on

APRIL 14, 2016

Name of the Representative of the Bidder

MICHAEL ROY COSENS

Authorized Signature

[Signature]

mtjb/lbp

f



Republic of the Philippines
 Department of Health
DR. JOSE FABELLA MEMORIAL HOSPITAL
 Lope de Vega St., Sta. Cruz, Manila
 Telephone Nos.: 734-5561 to 65; 733-8536 to 44



BAC RESOLUTION
No. 2016 - A - 20

WHEREAS, the Dr. Jose Fabella Memorial Hospital (DJFMH) advertised the Invitation to Re-Bid for the Supply and Delivery of Medical Liquid Oxygen in the newspaper of nationwide circulation, G-EPS and at a conspicuous place at the premises of the DJFMH continuously for seven(7) days;

WHEREAS, in response to said advertisements, only one company, **INGASCO, Inc.**, showed interest and attended the opening of bids conducted on March 7, 2016;

WHEREAS, lone bidder was declared eligible and likewise passed preliminary examination of bids;

WHEREAS, result of Technical Working Group/End-users and BAC's evaluation are as follows:

Bidder	TWG EVALUATION	BAC FINDINGS
INGASCO, Inc.	Complying	LCRB

WHEREAS, upon careful examination, validation and verification of all the eligibility, technical and financial requirements submitted by INGASCO, Inc., its bid was found to be **Responsive**;

WHEREFORE, we, the Bids and Awards Committee resolved as it is hereby resolved to:

- Recommend award for the Supply and Delivery of Medical Liquid Oxygen to the Lone Complying and Responsive Bidder, INGASCO, Inc.;
- Recommend approval of this resolution by the Medical Center Chief II.

RESOLVED this 22nd day of March, 2016 at the Dr. Jose Fabella Memorial Hospital.

The Bids and Awards Committee:

Alma Mina S. Enrile
ALMA MINA S. ENRILE
 Chair

Vicente Paulo M. Perez
VICENTE PAULO M. PEREZ, M.D.
 Vice-Chair

LOURDES C. MENDOZA
 Member

Allan S. Zuniega
ALLAN S. ZUNIEGA
 Member

Ma. Cynthia F. Tan
MA. CYNTHIA F. TAN, MD
 Member

LUZVIMINDA D. ZUNIGA
 Member

APPROVED:

Esmeraldo T. Ilem
ESMERALDO T. ILEM, M.D.
 Medical Center Chief II