



NOTICE OF AWARD AND CONTRACT AGREEMENT
Supply and Delivery of Testing Kits for COVID 19 Response

Contract No.: **PS-CP-MDC-20-03-50**
 Date: **10 June 2020**

ELEMENT TRADE LIMITED

Room 1302, 13/F, Lucky Centre,
 No. 165-171 Wan Chai Road, Wan Chai
 Chai, Hong Kong
 Email: Elementtradeltd@hotmail.com

Attention: **Mark Darwin Refrado**
 Authorized Representative

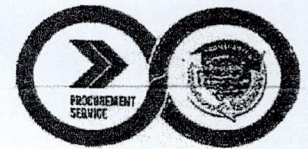
After conducting evaluation of the proposal, the **Procurement Service** has determined your proposal as the Best and Most Responsive Proposal for the **Supply and Delivery of Testing Kits for COVID 19 Response for the Department of Health** based on your **Best and Final Offer** as submitted in response to **RFO No. MDC-RFO-20-03-57** received and evaluated on **10 June 2020** thus, this Notice of Award and Contract Agreement:

Quantity	UOM	Item /Description	Unit Price	Total Price
2,520,000	test	NATCH CS Consumables	P130.00*	P327,600,000.00

**The price includes 2 units of NATCH CS Extraction Machines and 4 units of Sansure PCR Machines, not including NATCH CS consumables.*

Delivery Instructions:

Delivery and Payment Schedule	Delivery Site
<p>Down Payment: Thirty percent (30%) down payment or advance payment of the entire awarded contract price shall be paid to the Company before its delivery of the 1st tranche of the goods (the "Down Payment").</p> <p>That for each delivery thereafter, seventy percent (70%) of the balance contract price shall be paid in progress payments by PS-DBM to the company within three (3) working days from each delivery date, before any next delivery can be made, subject to compliance by the Company with the necessary documentary requirements for payment by PS-DBM.</p> <p>Progress Payment shall be made after acceptance of each delivery in three (3) tranches:</p>	<p>RITM 9002 Research Drive Filinvest Corporate City, Alabang, Metro Manila</p>



1st Tranche: Goods shall be delivered to the Delivery Site within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM. Weight: 25% of the total contract price.

2nd Tranche: Goods shall be delivered to the Delivery Site within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM. Weight: 25% of the total contract price.

3rd Tranche: Goods shall be delivered to the Delivery Site within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM. Weight: 20% of the total contract price.

Each delivery shall be processed only upon formal receipt by the Company of the Progress Payments and the Notice to Deliver from PS-DBM at least one (1) week before the intended date of each delivery.

Standard warranty provisions apply:

1. The Supplier warrants that the Goods supplied under the Contract are new (unused), and that they incorporate all recent improvements in design and materials (latest models), except when the technical specifications required by the Procuring Entity provide otherwise. The Supplier warrants the timely delivery of the items. Any delay or failure to deliver may result in termination of the contract and blacklisting of the entity.
2. The Supplier further warrants that all Goods supplied under this Contract shall have no issue or defect arising from the design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
3. In order to ensure that any manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period of three (3) months from acceptance of the goods. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money or a bank guaranty in an amount equivalent to at least one percent (1%) of every progress payment. Failure to submit the bank guaranty shall automatically revert the warranty security to the option of retention money.
4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified and with all reasonable speed, replace the defective Goods without cost to the Procuring Entity.
5. In case of foreign suppliers, the Procuring Entity shall be allowed to deduct twelve percent (12%) Value Added Tax (VAT) charged by the Philippine Government from the purchase price and one percent (1%) Warranty. In the event that the Supplier or the Procuring Entity is deemed exempted from the payment of VAT, the amount will not be



refunded to the Supplier. Instead, it will be reverted to the Procuring Entity's appropriated funds specific to the project.

6. In case of local suppliers, the Procuring Entity shall be allowed to deduct five percent (5%) Final VAT, one percent (1%) Expanded Withholding Tax and one percent (1%) Warranty.

INSTRUCTIONS: If you have no corrections to the contents of this NOTICE OF AWARD AND CONTRACT AGREEMENT, please sign this instrument immediately upon receipt. Failure to sign this document and revert this document within two (2) days of receipt may result in the cancellation of the award and blacklisting for unjustified refusal of award.

*Very truly yours,

Signature Redacted

LLOYD CHRISTOPHER A. LAO
Head of the Procuring Entity
Procurement Service

The **ELEMENT TRADE LIMITED** through its authorized representative, hereby commits to deliver the requirements consistent with the terms above stated:

MARK DARWIN REFRADO

NAME

Signature Redacted

SIGNATURE

JUNE 11, 2020

DATE