



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

Contract No.: **PS-CP-MDC-20-03-43**
Date: **05 June 2020**

MARK DARWIN REFRADO

Authorized Representative

ELEMENT TRADE LIMITED

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

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-20-03-46** received and evaluated on **04 June 2020** thus, this Notice of Award and Contract Agreement:

Quantity	UOM	Item /Description	Unit Price	Total Price
164,062 (3,937,488 tests)	kit	SANSURE, Novel Coronavirus (2019-nCoV) Nucleic Acid Diagnostic kit (PCR-Fluorescence Probing), 24 tests/kit ¹	₱22,032.00 ²	₱3,614,613,984.00

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¹48 tests/kit packaging may be used to comply the 3,937,488 tests

² Price includes Twenty (20) Sansure PCR Machines and ten (10) SansureNatch Machines (not including Natch Machine consumables)



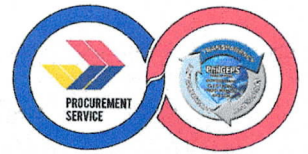
Delivery Instructions:

Item	Quantity to be Delivered	Delivery and Payment Schedules
SANSURE, Novel Coronavirus (2019-nCoV) Nucleic Acid Diagnostic kit (PCR-Fluorescence Probing), 24 tests/kit	164,062 kits (3,937,488 tests)	<p>Payment Terms shall be as follow:</p> <p>Down Payment:Thirty percent (30%) down payment of the total contract price of the goods shall be paid by PS-DBM to Element Trade Limited before the delivery of the 1stTranche.</p> <p>Progress Payment shall be made by PS-DBM within three (3) working days upon acceptance of each delivery in four (4) tranches:</p> <p>1stTranche:Delivery of goods shall be ready for pick-up FOB from any port in the People's Republic of China within seven (7) Calendar Days (CDs) upon receipt of Notice to Deliver from PS-DBM. Weight: 20% of the total contract price.</p> <p>2ndTranche:Delivery of goods shall be ready for pick-up FOB from any port in the People's Republic of China within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM and payment to Element Trade Limited of the above 20% Progress Payment. Second tranche shall not be due until such</p>



		<p>ProgressPayment has been made. Weight: 20% of the total contract price.</p> <p>3rd Tranche:Delivery of goods shall be ready for pick-up FOB from any port in the People's Republic of China within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM and payment to Element Trade Limited of the above 20% Progress Payment. Third tranche shall not be due until such Progress Payment has been made. Weight: 20% of the total contract price.</p> <p>4thTranche:Delivery of goods shall be ready for pick-up FOB from any port in the People's Republic of China within seven (7) CDs upon receipt of Notice to Deliver from PS-DBM and payment to Element Trade Limited of the above 20% Progress Payment. Upon acceptance of this fourth tranche of delivery, the last progress payment shall be made within the period specified above. Weight: 10% of the total contract price.</p>
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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.

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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 Refrardo

NAME

Signature Redacted

SIGNATURE

6/5/20

DATE