

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

**CY 2024 SERVICE AGREEMENT FOR THE CLEANING SERVICES OF AIR-
CONDITINING UNITS**

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into this MAY 07 2024 day of _____, 2024 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-

18 DEGREES AIR COOLING SOLUTION INC. a corporation duly organized and existing under the laws of the Republic of the Philippines, with address at Door 5, BAGSI Building, Dacudao Ave., Loyola St., Davao City represented in this Act by **MR. FRANZ MARLO P. HINONG** its Service Department Head, 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

1. **CONTRACTOR** agrees to provide the following services to **CLIENT**:

- 1.1 Shall provide duly licensed and experienced staff to conduct cleaning services during 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 **CONTRACTOR** free of charge within seven (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.

2. For and in consideration of the services to be rendered under this Contract, **CLIENT** shall pay **CONTRACTOR** the amount of the actual services rendered during the transaction. The **CLIENT** shall pay the **CONTRACTOR** with the total contract price not to exceed **Sixty One Thousand Eight Hundred Pesos Only (Php 61,800.00)** inclusive of all kinds of taxes, fees, charges and other legal exactions.

DESCRIPTION	QUANTITY	UNIT	PRICE/UNIT
ACU CLEANING SERVICES			
a. 5.0TR Ceiling Mounted ACU	5	Unit	P 1,450.00
b. 4.0TR Wall Mounted ACU	1	Unit	P 1,000.00
c. 2.5TR Wall Mounted ACU	1	Unit	P 900.00
d. 2.0TR Wall Mounted ACU	5	Unit	P 900.00
e. 1.5TR Wall Mounted ACU	2	Unit	P 900.00

3. **CONTRACTOR** hereby agrees that there shall be no escalation of the contract price during the term of this Contract. **CLIENT** shall pay **CONTRACTOR** at least two (2) weeks after receipt from **CONTRACTOR** of the corresponding invoices.
4. **CONTRACTOR** shall issue a transaction slip/receipt/invoice for the cleaning services rendered given to the **CLIENT**.
5. This Contract shall be effective beginning on May and shall continue in full force and effect until December 2024 . 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. 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. 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;
7. **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.
8. **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.

Handwritten signature

Handwritten signature

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;

9. **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;
10. 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;
11. 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 resolved amicably. In case of failure, Rules on Alternative Dispute Resolution (ADR) under R.A. No. 9285 shall apply;
12. 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 courts in Taguig City, Metro Manila or Davao City to the exclusion of other courts and that writs of attachment, injunction, replevin, seizure, etc. issued thereby may be served and enforced anywhere in the Philippines;
13. 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;
14. **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

Dee... ..

[Signature]

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 _____, 2024.


DEPARTMENT OF ENERGY
(CLIENT)

18 DEGREES AIR COOLING SOLUTIONS, INC.
(CONTRACTOR)

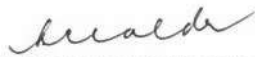
By:

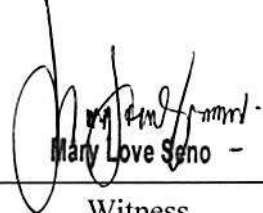
By:


NILO J. GEROCHE
Director
Mindanao Field Office


FRANZ MARLO P. HINDONG
AUTHORIZED REPRESENTATIVE

SIGNED IN THE PRESENCE OF:


HELEN C. ROLDAN
DOE Accounting
OFF No. 01-24-06-170
OFF Date: June 5, 2024
OOR No. 02-10101-2024-06-07073
P61,800.00 ✓


Mary Love Seno - 18 DEGREES ACCOUNTING
Witness

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) S.S.

DAVAO CITY)

BEFORE ME, a Notary Public in and for the _____ on this ____ day of
01 JUL 2024 2023, personally appeared:

NILO J. GEROCHÉ, 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-

MR. FRANZ MARLO P. HINONG with
~~PRC#~~ 0073360 issued at Davao City in
his capacity as Authorized Representative of **18 DEGREES**
AIR COOLING SOLUTION 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 2024 Contract for the Cleaning Services of Air-conditioning Units by and between the Department of Energy and 18 DEGREES AIR COOLING SOLUTIONS INC. consisting of six (6) pages including this page on which this acknowledgement 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. 90 ;

Page No. 19 ;

Book No. 1 ;

Series of 2024.

ATTY. REMLE ANNE M. ESTACIO
Notary Public

Notarial Commission No. 2023-269-2024
valid until December 31, 2024

TIN 761-195-144 • Roll of Attorneys No. 76244

PTR No. 9426447 • Davao City • 01/04/2024

IBP OR No. 382276 • Pasig City • 12/30/2023

MCLE Compliance No. VIII-0002432; Valid until April 14, 2028