

ELEVATOR PREVENTIVE MAINTENANCE SERVICE AGREEMENT

KNOWN ALL MEN BY THESE PRESENTS:

This Agreement, entered into this MAY 10 2018 day of QUEZON CITY, 2018 at Mandaluyong City, Philippines by and between:

ELEVATORING SPECIALIST PHILIPPINES, INCORPORATED (ESP INC.), a Corporation duly established and existing under the laws of the Republic of the Philippines, with main office located at 284 Malapantao Street Barangay Barangka Itaas Mandaluyong City, represented herein by its Managing Director, Luz de Luna, duly authorized for the purpose and hereinafter referred to as **ESP INC.**;

- AND -

OWWA, a Corporation duly established and existing under the laws of the Republic of the Philippines with office located at 7TH St., cor F.B Harrison, Manila, represented herein by its Administrator, Hans Leo J. Cacdac, duly authorized for the purpose and hereafter referred to as **OWWA**;

WITNESSETH That:

WHEREAS, OWWA is the owner of three (3) units OTIS brand and one (1) unit BLT Brand Elevator for OWWA located at 7TH St., cor F.B Harrison, and Solana St. Intramuros Manila City, respectively,

ONE (1) unit BLT Elevator, 4 floors located at OWWA Development Center, Intramuros, Manila

TWO (2) units OTIS Elevator, 10 floors located at OWWA Center Bldg., Pasay City

ONE (1) unit OTIS Elevator, 9 floors located at OWWA Center Bldg., Pasay City

WHEREAS, ESP Inc. is willing, able agreeable and amenable to furnish the services required and called by OWWA under the terms and conditions hereinafter set forth;

WHEREAS, OVERSEAS WORKERS WELFARE ADMINISTRATION is in need of and requires the servicing and maintenance of the above describe elevator and is willing, agreeable to secure the services of ESP Inc. for such purpose under the terms and conditions hereafter set forth;

WHEREAS, ESP Inc. has an adequate technical expertise to perform the service, maintenance and repairs on the above- described elevator.

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties to this Agreement hereby and by these presents mutually agree and stipulated as follows:

**ARTICLE I
MAINTENANCE SERVICE COVERAGE**

(1) The service under this contract shall consist of:

Monthly inspection, adjustment and when necessary, lubricate and adjust all machinery, controllers, doors, locks, guide shoes, and safety appliances of the same. Regular inspection of hoisting and governor ropes, gear box, guide rails, switches and electrical wirings for elevator unit. This service shall include cleaning of machine room and elevator pit. Adjustment of hosting and governor ropes if necessary.

(2) In addition, ESP Inc. shall furnish a replacement supply of the following, free of charge:

- | | |
|-------------------------------|--------------|
| a. Lubrication oil and grease | e. Sandpaper |
| b. WD 40 Lubricant | f. Rugs |
| c. Contact Cleaner | g. Gloves |
| d. Electric Tape | |

Luz de Luna

(3) To send at OWWA's request as soon as reasonably possible any time skilled and competent technician(s) of ESP Inc. to attend to, investigate and report any breakdown or faulty operation of the Elevator, taking into consideration the following:

- 3.1 The proximity and accessibility of the Premises and the Elevator;
- 3.2 Weather condition; and
- 3.3 The safety of ESP Inc. Technician(s) not being endangered by reason of attending to such breakdown or faulty operation.

(4) In case of emergency, to send as reasonably possible its skilled and competent technician(s) to take any action necessary to render the installation safe. ESP Inc. will, in this connection, train specifically designated personnel of OWWA in the basic procedures of manual released of trapped passengers.

(5) To carry out at manual intervals (or whenever reasonably required) a survey of the Elevator by a qualified ESP Inc. representative advising on any repair, alteration or change which is beyond the scope of this Agreement.

(6) To issue requisite annual certificates attesting to the condition of the elevator/s installation signed and sealed by a professional mechanical engineer, for the compliance purposes to acquire elevator operation permits.

**ARTICLE II
PERIOD OF SERVICE AGREEMENT**

(1) This Agreement shall be for a period of Nine (9) Month commencing on April 01, 2018 and end on December 31, 2018 and maybe renewed upon mutual agreement of the parties hereto.

(2) In case of the expiration of this contract and neither party signifies his / their intention to terminate the same thirty (30) days prior to such expiration, it is understood that this contract is renewed for the same period and under the same terms and conditions; any increase shall be subject to OWWA's written approval.

(3) Either party has the right to terminate this Agreement after giving thirty (30) days advance written notice with just cause to the other party.

**ARTICLE III
TIME OF SERVICING**

(1) All inspection and repair services shall be done once every month in a regular 8 hours working day of ESP Inc. If overtime becomes necessary, the prevailing minimum wage overtime rates per technician shall be applied and paid by OWWA as additional service fee.

(2) Twenty-four (24) Hours emergency call-back service will be provided between regular inspections should trouble develop with the Elevator and OWWA will notify ESP Inc. at the earliest time possible.

**ARTICLE IV
RESPONSIBILITIES OF THE OWNER**

(1) ESP Inc. may, at its discretion, render assistance to OWWA in respect of the same upon the request of OWWA, subject to the payment by OWWA of an extra charge to be reasonably determined by both parties.

(2) OWWA shall be solely liable for all the licenses, dues or fees or charges payable to the government, national or local as OWWA and/ or user of the Elevator.

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**ARTICLE V
SERVICE FEE**

OVERSEAS WORKERS WELFARE ADMINISTRATION shall pay to ESP Inc. a service fee in the amount of **THIRTY THREE THOUSAND SEVENTEEN AND 60/100 PHILLIPINE PESOS (PhP 33,017.60)** for Four (4) elevator units for Nine (9) Months, VAT included.

Preventive Maintenance Services fee per Elevator (per Month)	PhP 7,370.00
Total number of elevators	4
TOTAL Monthly Preventive Maintenance Services Fee (Net of Taxes)	PhP 29,480.00
Number of months inclusive of engagement	9
TOTAL Preventive Maintenance Service Fee (exclusive of taxes)	PhP 265,320.00
Plus : 12% VAT	PhP 31,838.40
TOTAL CONTRACT AMOUNT (inclusive of taxes)	PhP 297,158.40
Amount due to ESP Inc. Payment for first month of engagement payable through check upon signing of the contract	PhP 33,017.60

Payment of **THIRTY THREE THOUSAND SEVENTEEN AND 60/100 PESOS (PhP 33,017.60)** applicable to first month upon signing of the contract.

Monthly payment payable in the 1st week of the month.

The total Service & Maintenance Fee provided above is based on the total number of elevator units.

The Additional Service & Maintenance Fee (VAT EX) plus applicable taxes (12% VAT) shall be added to the TOTAL CONTRACT AMOUNT provided above.

(2) Service Fee or payment for parts purchased or any other charges not covered under the Service Agreement shall be payable to ESP Inc. within seven (7) days upon receipt of invoice.

(3) The parties hereby agree that in case of default in payment as defined in ARTICLE VI (1), the unpaid amount shall bear interest at the rate of Twelve percent (12%) per annum, plus a penalty of one percent (1%) per month, both interest and penalty compounded monthly, to cover collection, accounting and administrative costs. Both interest and penalty shall be computed from the date of default until full payment of all sums outstanding, without prejudice to the right of ESP Inc. to terminate this Agreement. In the event that ESP Inc failed to provide billings/Statement of Account on time, the aforementioned provision on penalties and interest shall not be applicable and/or enforceable.

(4) Likewise, OVERSEAS WORKERS WELFARE ADMINISTRATION may terminate agreement without the need to pay remaining unused term should the lack of proper maintenance from ESP Inc. was established.

**ARTICLE VI
DEFAULT OF BOTH PARTIES**

(1) In the event that OVERSEAS WORKERS WELFARE ADMINISTRATION fails to pay when due any of its financial obligations under this Agreement or it breaches any provisions hereof, ESP Inc. has the option to **UNILATERALLY**:

- A. Terminate this Agreement in it's entirely, or
- B. Suspend maintenance of the Elevator until such time as the obligations OVERSEAS WORKERS WELFARE ADMINISTRATION have been fully paid.

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(2) Notwithstanding the termination of this Agreement due to the abovementioned reason, OVERSEAS WORKERS WELFARE ADMINISTRATION shall remain liable to pay the unpaid Service Fees, spare parts, materials and other amounts due, plus interest and penalty thereon, until such time that the said amounts have been fully paid by OVERSEAS WORKERS WELFARE ADMINISTRATION.

(3) In the event that ESP Inc. fails to conduct proper maintenance of the elevator OVERSEAS WORKERS WELFARE ADMINISTRATION may terminate without the need to pay remaining services fees and/or unused term.

**ARTICLE VII
WAIVER OF LIABILITIES**

(1) Nothing in this contract shall be construed to mean that ESP Inc. is assuming any responsibility for accident and/or damages (consequential or otherwise) to person/s or properties in the operation of the above- describe Elevator except for the accident of the damages directly caused by the negligence of ESP Inc. or its employees in the performance of the work under this contract.

(2) Should OVERSEAS WORKERS WELFARE ADMINISTRATION engage the services of any other company/firm/individual for the same purpose herein mentioned, ESP Inc. shall be free from any and all responsibilities and liabilities that might result as a consequence thereof.

(3) This contract shall be the sole and entire agreement between the parties herein and any and all previous agreement in connection hereto are deemed abrogated

**ARTICLE VIII
MISCELLANEOUS PROVISIONS**

(1) ESP Inc. shall notify OVERSEAS WORKERS WELFARE ADMINISTRATION the period within which the repairs of replacements must be carried out. OVERSEAS WORKERS WELFARE ADMINISTRATION shall allow ESP Inc. to carry out such repair or replacement work during the period specified in such notice on a best effort basis

(2) OVERSEAS WORKERS WELFARE ADMINISTRATION undertakes not to allow or permit any person not authorized by OVERSEAS WORKERS WELFARE ADMINISTRATION to do any work on the Elevator during the effectiveness of this Agreement.

(3) ESP Inc. may remove such parts of the Elevator to its premises for testing and/or replacement of parts, as ESP Inc. considers necessary, with the written approval of.

(4) In the event of force majeure and acts of God, the parties may rescind this agreement should they become unable to fulfill their responsibilities as set forth in this contract, upon giving the other party thirty (30) days prior written notice thereof.

In case of expropriation or force majeure referred to above, the parties hereby unconditionally relieve and release each other from any and all liability under this contract, in connection with or arising out of such calamities, without prejudice to whatever recourse each may have against the person or entity responsible for such fortuitous event, if any, on account of damage done or caused to its properties.

To constitute force majeure/fortuitous event, all of the following elements must concur: (a) the cause of the unforeseen and unexpected occurrence or of the failure of the Party to comply with its obligations must be independent of the will of the Party, (b) it must be impossible to foresee the event that constitutes caso fortuito or, if it can be foreseen, it must be impossible to avoid; (c) the occurrence must be such as to render impossible for the Party to fulfill its obligations in a normal manner, and (d) the Party must be free from any participation in the aggravation of the injury or loss.

Notwithstanding the foregoing, force majeure shall include but is not limited to, acts of God, acts of government, strikes, lock outs, riots, civil commotion, acts of war, emergency, general chaos, inclement weather, landslides/landslips, earthquakes.

**ARTICLE IX
OBSERVANCE OF RULES AND REGULATIONS**

(1) OVERSEAS WORKERS WELFARE ADMINISTRATION undertakes to obey and comply with all ordinances, regulations, by-laws, rules and requirements of any government or other competent authority relating to the Elevator and to indemnify ESP Inc. against any lost, damage or liability that ESP Inc. may incur as a result of any breach thereof. If any modification is required to be made in respect of

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any part of the Elevator as a result of a change in relevant laws, the cost thereof shall be borne by OVERSEAS WORKERS WELFARE ADMINISTRATION.

**ARTICLE X
AMENDMENTS**

(1) No provision of this Agreement maybe amended, changed, altered or modified expects in writing and signed by the parties.

**ARTICLE XI
LEGAL ACTION**

In case of violation of any condition of this contract by any party and legal action to enforce its rights in instituted, it is mutually understood that the venue of any legal action shall be in the City of Mandaluyong, Philippines and the offending party shall pay attorney's fees, interests, damages and cost of suit in addition to such claims as imposed by the Court.

IN WITNESS WHEREOF, the parties have hereunto affixed their signature on the date and at the place first above written.

**OVERSEAS WORKERS WELFARE
ADMISTRATION**

**ELEVATORING SPECIALIST
PHILIPPINES INC. (ESP INC.)**

By:

BRIGIDO J. DULAY
Deputy Administrator for Operations

By:

Ms. Luz De Luna
Managing Director

SIGNED IN THE PRESENCE OF:

Ma. Carmina M. Aranda

KAREN JOY E. PARCUDYAO
CIC, Accounting Division
#297, 155-50
1-2-9
4/13/2018

REPUBLIC OF THE PHILIPPINES)
MANDALUYONG CITY) S.S

BEFORE ME, a Notary Public for and in QUEZON CITY, this MAY 10 2018 day of _____, 2018 personally appeared the following:

NAME	PASSPORT NO.	PLACE OF ISSUE/ EXPIRATION DATE
Luz S. De Luna	EC7158216	DFA MANILA / APR. 10, 2021
Hans Leo J. Cacadac	_____	_____

All known to me and to me known to be the same persons who executed the foregoing instrument and acknowledgment to me that the same is of their free and voluntary act and deed.

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

NOTARY PUBLIC

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Page No. 47 :
Book No. XVIII :
Series of 2018

ATTY. ROGELIO B. BOLIVAR
NOTARY PUBLIC QUEZON CITY
AM Adm. Not. Com. NP-060 1-12-17 until 12-31-2018
IBP O.R. No. 1038374 Jan. 2017 up to Dec 2018
PTR O.R. No. 5522486 C 1-3-18
Roll No. 33832 / TIN # 129-871-009
MCLE No V-0009296 valid from 04/15/2016 until 04/14/2019 Pasig
Address: 31-F Harvard St. Cubao, Q.C.