TERMS OF REFERENCE

FOR THE CONSIGNMENT OF DRUGS AND MEDICINES

AND OTHER CONSUMABLE SUPPLIES IN

DR. JORGE P. ROYECA HOSPITAL

For CONSIGNOR

1. The Consignor shall undertake to supply DRUGS AND MEDICINES/MEDICAL SUPPLIES for sale on a consignment basis at the PHARMACY or equivalent project/ unit of the consignee. A consignment order should be issued for this purpose. The said consignment order shall be made an integral part of this agreement.

2. Drugs and medicines, medical supplies for sale on a consignment basis at the Consignees's City Hospital. A monthly Consignment Order shall be issued by the Consignee for this purpose. The said Consignment Order shall be made an integral part of this Agreement. Delivery of the items to the City Hospital Pharmacy, at Dr. Jorge P. Royeca Hospital, Fernandez St., Lagao, General Santos City, shall be done by the Consignor within seven (7) to ten (10) days from receipt of the Consignment Order. Failure to deliver within the specified period without justifiable reason shall cause cancellation of the Consignment Order.

3. Absolutely maintain the price of the consigned goods within two (2) years from the date of the effectivity of contract. After the two (2) years period, in case of price increase due to dollar rate fluctuation, such new rate shall be implemented thirty (30) days after notice of increase and upon approval of both parties.

4. Delivery Receipt shall be issued by the Consignor for every delivery made to the Consignee and shall bear the following information:

A. Name of Consignor as Heading

B. Date of Delivery

C. Delivery receipt number

D. Consignment order number covered

E. Name of Authorized Representative of the Consignor effecting the delivery

F. Item Number

G. Description of the Article:

1 . Generic Name

2 . Dosage form

3 . Strength

4 . Batch Number /Lot Number

5 . Manufacturing Date

6 . Expiration Date

7 . Sub-Packaging Unit

H. Quantity

I. Unit

J. Unit Price

K. Total Price

5. The Delivery Receipt of ANTIBACTERIAL (PARENTERALS) must be supported with a certificate of Analysis or Bioassay coming from UP-PGH OR CENDRES-UST reflecting therein the same batch/lot numbers must appear on the invoice for billing purposes. If the consignor delivered the same batch number /lot number no need to submit the same CERTIFICATE OF ANALYSIS OR BIOASSAY. Submit a notification letter only.

6. No items shall be received with expiration dates less than twelve (12) months from the date of delivery. Any consignor items with expiration less than the prescribed herein shall be immediately invoiced and returned to the Consignor for immediate replacement. A return invoiced shall be issued by the Consignee to this effect stating therein the specific description and quantity of the items and the reason for their return.

7. Should any of the Consignors products be banned by the competent authorities or has expired or has been declared not suited for use, the Consignor has the obligation to so inform the Consignee and recall the items at without any cost to the latter. The Consignee has also the right to so inform the Consignor and cause the withdrawal of banned, reclassified and expired items and items declared unfit for use and consumption without any cost on its part.

8. SENIOR CITIZENS can avail of discount pursuant to Senior Citizens Law which cost shall be proportionately borne by the consignor and the consignee.

9. The consigned items may be subjected to random sampling, inspection and testing by the consignee and other appropriate support agencies and submit the same to the Bureau of Food and Drugs and other regulating agencies to ensure quality of stocks and compliance to specifications without cost on the part of the consignee.

10. The ownership of, and legal and beneficial title to the products shall be the consignor's until the products have been used, dispensed or sold by the consignee. The consignee shall be responsible for the care and custody of the items delivered by the consignor.

11. Deliveries may be made directly to the Consignee's Pharmacy in the presence of the consignor's Inspection Committee Representative. The delivery and replacement of Drugs and Medicines, Medical supplies, shall be on monthly basis.

12. The winning bidders should provide 2 technical persons to the Pharmacy, 2 technical person to CSR and 2 billing clerks to maintain stock inventory and claims.

13. The winning consignors must agree among themselves to provide 1 computer with complete accessories for the Pharmacy, 1 unit for CSR and 1 unit for billing section for recording inventory of their stocks.

14. The winning bidder must provide shelves for storage of stocks.(PHARMACY AND CSR)

15. All drugs and medicines, medical supplies which are not covered by PHIC shall be dispense on cash basis.

16. The winning consignors must agree among themselves to provide aircondioned container vans as storage/warehouse for all consigned items and renovation of the pharmacy area.

17. All accredited consignors declared LCB must bring samples of all items included in their "lot" as part of post qualification.

18. All accredited consignors must provide notarized Certification that the products to be offered have no records of violation.

19. All accredited consignors must provide Certificate of Current Good Manufacturing Practice (CGMP) issued by BFAD (for manufacturers) .In case the prospective Consignors is not a manufacturer, its principal manufacturer's certified true copy of CGMP certificate must still be submitted.

20. All accredited consignors must provide Certificate of Exclusive Distributorship in the COUNTRY/PHILIPPINES only for PARENTERALS ANTIBIOTICS and certificate of sub-distributorships manufacturer, principal or authorized distributors for others items .

21. All accredited consignors must provide BIOASSAY OR CERTIFICATE OF ANALYSIS FROM UP-GH OR CEDRES-UST for PARENTERALS ANTIBIOTICS only.

22. All accredited consignors must provide Certificate that the company existed in the market for 10 years and have existing contract with at least 2 government hospitals.

23. All accredited consignors must provide Certificate of GMP compliance issued by FDA Philippines to the local Pharmaceutical/Manufacturer.

24. All accredited consignors must provide Certificate of Product Registration (CPR)

25. All accredited consignors must provide Importation agreement between the principal manufacturer and local distributors for PARENTERALS ANTIBIOTICS only.

For Consignee

1. Prepare the prescribed Consignment order, which shall be serially numbered and recorded in the appropriate book thru the City Hospital for the delivery.

2 .The Hospital Pharmacy shall provide enough and appropriate storage facilities for the consigned goods and shall observe the "First Expiry First Out" rule in the use and dispensing or sale consigned goods.

3. The consignee shall collect payment of goods from patients based on the approved ordinance or at a minimum mark up of 10% but in no case be higher than the prevailing market price in the local private pharmacies and outlets.

4. The Consignee shall pay the Consignor for the goods solds or used only by the hospital pharmacy and based on the terms stipulated in the Consignment Agreement, within ninety (90) days from the Monthly Sales Report of consigned goods.

5. Neither party shall be liable for any failure to perform its obligations under the consignment system where such failure is due to force majeure or any cause beyond reasonable control of the party. Where applicable, the party affected shall make all reasonable efforts to comply with its obligations or must promptly resume compliance with its obligation. In case of loss arising from pilferage and/ or theft while in the custody of the consignee, the consignee shall be liable for the monetary value of the lost or stolen items. Losses of consigned items before acceptance in writing by the consignee shall be shouldered by the consignor.

6. Maintain stock ledger cards for each item and update on a daily transactional basis for inventory monitoring.

7. The Consignee shall conduct an inventory of goods consigned every end of the month or on every last working day of the month as the case may be, or whatever necessary to determine by the pharmacist-in charge, with the presence of the Inspection Committee and Consignor's representative as part of the team.

8. The consignee must prepare the items to be consigned according to "LOTS" as determined by Therapeutic Committee.

9. The consignee shall introduce additional provisions in the TOR'S, ELIGIBILITIES as needed.

RESPONSIBILITY FOR COST

Each party shall bear their own cost and expenses in carrying out their responsibilities herein unless expressly provided for in this agreement or upon mutual agreement in writing by the parties.

PARTIES RELATIONSHIP TO EACH OTHER

Each party is an independent contractor and no employer-employee relationship or partnership shall be deemed to exist between them.

CONTRACT VALIDITY AND TERMINATION

This agreement shall be valid for a period of not more than four (4) years unless sooner terminated due to valid and justifiable reason ,unless otherwise cancelled and/or terminated by the Consignee upon serving thirty (30) days prior written notice to the Consignor of its intension to terminate the contract: Provided, that the Consignee may only terminate this contract on any reasonable grounds therefore; Provided further, that on the first (1st) year from the effectivity of this contract, it shall be subjected to evaluation by the Consignee to determine if it's still advantageous on the part of the City government to continue the contract with the Consignor until the 6th year, taking into consideration the needs of the Consignee and the manner the Consignor has complied with this agreement: Provided finally ,that termination of this contract on any year after Consignee's findings that it is no longer advantageous on the part of the government to continue the contract to its agreed full year is understood as a valid and justifiable cause for the termination of this Consignment Agreement.

DISPUTE RESOLUTION AND VENUE OF ACTIONS

Any conflict that might arise between the parties shall be amicably settled by them through mutual consultation .To this effect, any party who has grievance to the other shall notify the latter in writing.Should such grievance is not resolved by mutual consultation the aggrieved party shall write the other party of its intention to file action in court.

Venue for actions shall be exclusively in the court of General Santos City to the exclusion of other courts.

FOR LIST OF DRUGS, MEDICINES AND MEDICAL SUPPLIES PLEASE SEE ANNEX 1

FOR ELIGIBILITY FOR CONSIGNOR PLEASE ANNEX 2

FOR OMNIBUS SWORN STATEMENT PLEASE SEE ANNEX 3

FOR IRR OF ORDINANCE NO.20, SERIES OF 2016 PLEASE ANNEX 4

PREPARED BY:

ELAINE L. PANLAQUE, RPH

SECRETARY THERAPEUTIC COMMITTEE

ATTESTED BY:

RYAN OSCAR M. APLICADOR, MD, FPCS, FPSGS, FPALES

CHIEF OF HOSPITAL

Chairman- Therapeutic Committee

NOTED BY:

GABRIEL FRANCIS GLENVILLE N. GONZALEZ

CGDH II (CITY HOSPITAL ADMINISTRATOR)