

CONTRACT FOR THE BIDDING OF ONE (1) LOT PRODUCTION DATABASE SERVER ENHANCEMENT

FEB 25 2014

THIS AGREEMENT made on the ____ day of ____ 2014 between **PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation created and existing by virtue of R.A. 7875, otherwise known as the "National Health Insurance Act of 1995", with office address at 18th Floor, City State Center Building, 709 Shaw Blvd corner Oranbo Drive, Pasig City, represented herein by its **OIC-Executive Vice-President and Chief Operating Officer, RAMON F. ARISTOZA JR.**, (hereinafter called "PHILHEALTH").

-and-

COMCLARK NETWORK AND TECHNOLOGY CORP., a stock corporation, organized and registered with the Securities and Exchange Commission under Sec. Reg. No. A1997-9080, issued on July 14, 1997 and existing under the laws of the Republic of the Philippines, with business address at Reliance Center, Annex 1, #99 E. Rodriguez Jr. Ave., Bo. Ugong, Pasig City represented herein by its **Corporate Sales Group Unit Head, CECIL S. GARCIA**, (hereinafter called "COMCLARK").

WHEREAS, **PHILHEALTH** invited Bids for the *Bidding on the Procurement of One (1) Lot Production Database Server Enhancement* and has accepted a Bid by **COMCLARK NETWORK AND TECHNOLOGY CORP.** for the supply of those goods in the sum of **SIXTEEN MILLION THREE HUNDRED EIGHTY THOUSAND PESOS (PhP16,380,000.00)**, (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) COMCLARK's Schedule of Requirements (**Annex "A"**);
 - (b) COMCLARK's Bid Form (**Annex "B"**);
 - (c) COMCLARK's Technical Proposal (**Annex "C"**);
 - (d) Notice of Award (**Annex "D"**);
 - (e) BAC-ITR Resolution No. **49**, s. 2013 (**Annex "E"**);
 - (f) General Conditions of the Contract (GCC) (**Annex "F"**);
 - (g) Special Conditions of the Contract (SCC) (**Annex "G"**); and
 - (h) Bid Bulletin (**Annex "H"**).
3. In consideration of the payments to be made by **PHILHEALTH** to **COMCLARK** as hereinafter mentioned, **COMCLARK** hereby covenants with **PHILHEALTH** to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract;
4. **PHILHEALTH** hereby covenants to pay **COMCLARK** in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract;
5. The contract price covers the costs of all Deliverable Items and Services and includes all applicable taxes and duties in the Philippines, costs of importation, insurance, transportation and delivery at the time and to the locations specified but

excludes any special handling or hosting charges which may be incurred at **PHILHEALTH's** site and which are for the account of **PHILHEALTH**;

6. The contract price covers all taxes, including the 12% Value-Added-Tax, customs duties, license fees, freight, insurance and other charges which may be imposed on the Product by foreign and local authorities;

Within Forty Five (45) Calendar Days after complete delivery to and acceptance by **PHILHEALTH**, **COMLARK** shall submit the Statement or Billing of Account and other documentary requirements as may be required by the former as condition for payment.

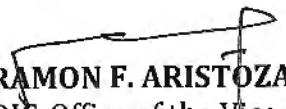
As obligation for the warranty, **PHILHEALTH** shall withhold ten percent (10%) of the total contract price stated in the Whereas Clause hereof, amounting to **One Million Six Hundred Thirty Eight Thousand Pesos (PhP1,638,000.00)** as retention money. **The said amount shall only be released after the lapse of the Three (3) year warranty period.** Otherwise, **COMLARK** may opt to post a special bank guarantee equivalent to the same amount covering the said warranty period.

7. All other terms, conditions and stipulations accompanying this Contract together with all proposals and all mandatory provisions of the Revised Implementing Rules and Regulations of R.A. 9184, shall form an integral part of the contract between the PARTIES hereto.

The PARTIES hereby certify that they have read or caused to be read to them each and every provision of the foregoing Contract and that they had fully understood the same.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

PHILIPPINE HEALTH INSURANCE CORPORATION


RAMON F. ARISTOZA JR. ^H/₂₋₂₀₋₁₄
OIC-Office of the Vice-President
and COO

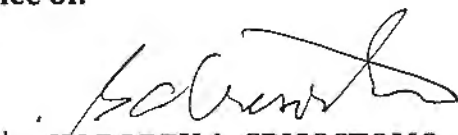
COMCLARK NETWORK AND TECHNOLOGY CORP.

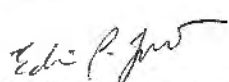

CECIL S. GARCIA
Unit Head, Corporate Sales Group

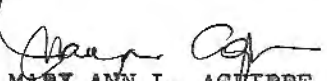
Signed in the presence of:


SVP EDGAR JULIO S. ASUNCION
Chief Legal Executive


⁰²⁻
HANNAH LORRAINE DALISAY
Division Chief
Accounting and Internal
Control Department


SM BOBBY A. CRISOSTOMO
Information Technology
Management Department


EDWIN JOHN P. LAZARO
Witness for **COMCLARK**


MARY ANN L. AGUIRRE
Witness for **COMCLARK**

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG CITY) S.S.

BEFORE ME, this FEB 25 day of 2014, personally appeared the following persons exhibiting to me their respective Government issued ID's, to wit:

RAMON F. ARISTOZA JR.
Philippine Health Insurance Corp.

PHILHEALTH I.D. # 10027198

CECIL S. GARCIA
Comclark Network and Technology Corp.

DRIVERS LICENSE NO.: MD3-87-044379

Known to me to be the same persons who executed the foregoing Contract Agreement consisting of **thirty six (36) pages** including the annexes and this page on which the acknowledgement is written and they acknowledged that the same is their free act and deed and that of the corporations being represented.

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

Doc No. 135
Page No. 76
Book No. 1
Series of 2014

ATTY. JONATHAN J. IBANEZ
Notary Public For Pasig City
Until 31 December 2014
Commission No. 272
IBP No. 952954 / 01-07-14 / Quezon City
PTR No. 9844294 / 01-09-14 / Pasig City
Roll No. 62486
99 E. Rodriguez Jr. Ave., Bldg. Ugong Pasig City

Section VI. Schedule of Requirements

The schedule of services expressed as weeks/months stipulates hereafter a date which is the date of the maintenance service to the project site.

Item Number	Description	Quantity	Total	Delivered, Weeks/Months
	Production Database Server Enhancement	One (1) Lot	One (1) Lot	Within Thirty (30) Calendar Days after the issuance and receipt of the winning bidder of the Notice to Proceed.

Within Forty Five (45) calendar days after the issuance of a

I hereby certify to comply and deliver all the above requirements.

receipt of NTP. As indicated Bid Bulletin No 1 issued as stated therein.

Comclark Network and Technology Corporation

Name of Company/Bidder


Cecil S. Garcia

Signature over Printed Name of Representative

December 6, 2013

Date

NO 011.001

Office of the Secretariat
BAC Central Office

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Bid Form

Date: December 9, 2013
 Invitation to Bid No.: ITB No. PDSE 2013-011- IT

The Chairperson
 Bids and Awards Committee
 PHILHEALTH

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers ^{No. 1} [insert numbers], the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply/delivery/perform One (1) Lot Production Database Server Enhancement in conformity with the said Bidding Documents for the sum stated hereunder:

PARTICULARS	COST per item (Inclusive of VAT)	Total Cost (Inclusive of VAT)
TOTAL (In Words) <u>Sixteen Million Three Hundred Eighty Thousand Only</u>	<u>₱ 16,380,000.00</u>	<u>₱ 16,380,000.00</u>

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in BDS provision for ITB Clause 0 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

Dated this 9th day of December 2013
Cecil S. Garcia Unit Head
 [signature] [in the capacity of]

Duly authorized to sign Bid for and on behalf of Comclark Network and
 Technology Corporation

Section VII. Technical Specifications

SPECIFICATIONS	Statement of Compliance
* Statement of Compliance- Bidders must state here either "Comply" or "Not Comply" against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of "Comply" or "Not Comply" must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of ITB Clause Error! Reference source not found. and/or GCC Clause Error! Reference source not found.	

1. Deliverables	Statement of Compliance
DETAILS AND SPECIFICATIONS OF PRODUCTION DATABASE SERVER ENHANCEMENT: One (1) Lot Production Database Server Enhancement The proponent must deliver the Production Database Server Enhancement, corresponding components, and support. Specifically the proponent must deliver at least one (1) unit SPARC based database server and peripherals with the following specifications:	

Technical Specifications

Form factor	Must fit in a standard 19 inch server rack	COMPLY. The proposed server will fit in a standard 19-inch server rack. Please refer to Appendix A.2 pg 34
	Must have at least eight (8) drive cage	COMPLY. The proposed server – SPARC T5-8 has eight (8) drive cage. Please refer to Appendix A.2 pg 2
	Must have at least sixteen (16) hot pluggable PCIe 3.0 Slots	COMPLY. The SPARC T5-8 has sixteen (16) low-profile PCIe 3.0 slots accessed via a PCIe hot plug carrier. Please refer to Appendix A.1 pg 3
	Can accommodate up to four (4) power supplies	COMPLY. The SPARC T5-8 has four (4) hot-swappable power supplies (2 + 2). Please refer to Appendix A.1 pg 3
	Can accommodate at least 8 physical processors	COMPLY. The SPARC T5-8 can accommodate at eight (8) physical processors. Please refer to Appendix A.2 pg. 2
Processor	Must have at least eight (8) x 3.6 GHz physical processors	COMPLY. The proposed SPARC T5-8 server is configured with eight (8) 3.6GHz

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		SPARC T5 16-core processors. Please refer to Appendix B
	Must have at least 16-cores per physical processors	COMPLY. SPARC T5 processor has 16 SPARC V9 cores. Please refer to Appendix A.3 pg. 2
	Must have 8 threads and 128KB L2 cache per core	COMPLY. SPARC T5 processor has 8 threads per core providing a total of 128 threads per processor. SPARC T5 processor has 128KB Level 2 Unified cache per core. Please refer to Appendix A.3 pg. 2
	Must have shared 8MB L3 cache	COMPLY. SPARC T5 processor has 8MB Level 3 cache. Please refer to Appendix A3 pg. 2
	Must have on-chip encryption accelerators	COMPLY. SPARC T5 processor was designed from the ground up with security as a focus and has Crypto Instruction Accelerators integrated directly into each processor core. Please refer to Appendix A.3 pg. 2
	Must be SPARC based	COMPLY. The SPARC T5-8 is based on SPARC v9 architecture. Please refer to Appendix A.3 pg. 2
Memory	Must have at least two Terabytes (2 TB) physical memory	COMPLY. The proposed SPARC T5-8 is configured with 2 TB of physical memory. Please refer to Appendix B
	At least 1066 DDR3 registered DIMM	COMPLY. The proposed SPARC T5-8 is configured with 2 TB of physical memory using 128 of 16GB DDR3-1066 registered DIMM. Please refer to Appendix B
Storage	Must have at least eight (8) x 600GB 10K rpm 2.5 SAS disk	COMPLY. The proposed SPARC T5-8 is configured with eight (8) 600GB 10K RPM 2.5" SAS-2 drives. Please refer to Appendix B
	Must be hot swappable	COMPLY. Internal disks of SPARC T5-8 are hot-pluggable/hot swappable. Please refer to Appendix A.1
Network Interface	Must have at least one (1) x 4-port 10Gbps and at least two (2) x 2-port 10Gbps NICS	COMPLY. The proposed SPARC T5-8 has a built in four (4) 10GbE (100 Mbps/1 Gbps/10 Gbps) interfaces and is configured with additional two (2) Dual Port 10GbE network adapter cards. Please refer to Appendix B
	Must be downward compatible with the existing Ethernet speeds	COMPLY. The built-in four (4) 10GbE can auto-negotiate to support 100Mbps/1Gbps/10Gbps. The additional two (2) dual port 10GbE network adapter

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		support 1Gbps/10Gbps. Appendix-A.1
	Must have at least four (4) x Dual Rate SFP+ SR modules	COMPLY. The proposal includes four (4) Dual Rate SFP+ SR modules. Please refer to Appendix B
Storage Interface	Must have at least four (4) x 2-port 8Gb Fiber Channel HBA	COMPLY. The SPARC T5-8 is configured with four (4) Dual-port 8GB Fibre Channel Host Adapter Card. Please refer to Appendix B
	Must have at least two (2) x FCOE dual port Adapter with 2 x SFP+ SR module	COMPLY. The proposed SPARC T5-8 is configured with two (2) FCOE dual port adapter with 2 SFP+ SR module. Please refer to Appendix B
Power Supplies	Must have at least four (4) x 3000W hot-swappable redundant power supplies	COMPLY. The SPARC T5-8 is configured with four (4) 3,000 W redundant power supplies. Please refer to Appendix A.1 pg. 3
	Must be single phase 220VAC power input	COMPLY. SPARC T5-8 uses single phase input power operating at 200 – 240 VAC. Appendix A.1 pg 3
Fans	Must have at least ten (10) x redundant hot-swappable fans	COMPLY. SPARC T5-8 server has ten (10) redundant hot-swappable fans. Please refer to Appendix A.2
Management	Must have at least one (1) x 10/100 mbps Ethernet management port, serial management ports, USB Port, and VGA port	COMPLY. SPARC T5-8 has the following ports: - Four external USB 3.0 ports - One internal USB 2.0 port - One RJ45 serial management port - Console 10/100 network port - VGA Port Please refer to Appendix A.1 pg. 3
	Must be able to manage the server remotely regardless of the power state of the server	COMPLY. SPARC T5-8 can be remotely manage regardless of the power state of the server via Oracle ILOM (Integrated Lights Out Manager) Service processor. Please refer to Appendix A.2 pg 24
	Must have the capability to access the management port using CLI or web browser	COMPLY. Access to management port can either be achieved using CLI or web browser. Please refer to Appendix A.2
Virtualization	Must have Virtualization Software for SPARC systems	COMPLY. All SPARC servers have a built-in, no-cost virtualization software (Oracle VM Server for SPARC and Oracle Solaris Zones) for SPARC systems. Please refer to Appendix A.1 pg. 3
	Must be compatible with the proposed server system	COMPLY. The proposed SPARC T5-8 is compatible with the proposed Oracle VM

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		for SPARC. Please refer to Appendix A.1 pg. 3
	Must include unlimited virtualization license and support	COMPLY. All SPARC servers with Oracle Premier Support have a built-in, no-cost virtualization software (Oracle VM Server for SPARC and Oracle Solaris Zones) for SPARC systems. Please refer to Appendix A.1 pg.3
	Must include 128 cores CPU and 2TB activation license if required	COMPLY. Virtualization software built-in with the hardware does not require any activation licenses. As long as the server is under Oracle Premier Support, PHIC has the right-to-use the following software: Oracle VM for SPARC, Oracle Solaris Operating System, Oracle Enterprise Manager Ops Center.
	Must be capable of up to 128 virtual CPU per guest Virtual machine	COMPLY. SPARC T5-8 supports up to 128 virtual CPUs and can be allocated per guest VM. Please refer to Appendix C.1
	Must be capable of up to 2TB virtual memory per guest Virtual machine	COMPLY. SPARC T5-8 supports a 2TB virtual memory per guest VM.
	Must have storage multi-pathing capability and/or software licenses	COMPLY. Solaris Operating System provides I/O multi-pathing that enables multiple access paths for systems that are running the Oracle Solaris OS. Multipathing provides higher availability for storage devices through the use of multipathed connections. This is a feature built-in to Solaris OS and does not require additional software cost. Details of Solaris I/O Multipathing can be found at: http://docs.oracle.com/cd/E26502_01/html/E29008/agkap.html#scrolltoc
	Must support at least Solaris 10 guest operating system	COMPLY. Oracle VM for SPARC supports Oracle Solaris 10 1/13 OS or Oracle Solaris 11.1.10.5.0 OS as guest OS. http://docs.oracle.com/cd/E38405_01/html/E38409/ldomsrequiredsoftwarepatches.html#LDSRNreqdrecommendedsolariisos
	Must support at least Oracle 10g database management system and database options	COMPLY. Oracle VM for SPARC supports Oracle Solaris 10 1/13 OS or Oracle Solaris 11.1.10.5.0 OS as guest OS. Oracle 10g can be run on Solaris 10. Please refer to Appendix D.
	Must have live migration capability	COMPLY. Oracle VM for SPARC has

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		Live Migration capability i.e you can migrate an active domain from one system to another system while the domain continues to run. Live migration uses SSL to encrypt logical domain memory structures as they are securely transferred over the network (as long as both servers have the same architecture). Please refer to Appendix C.1 pg. 1 http://www.oracle.com/technetwork/server-storage/vm/ovm-sparc-livemigration-1522412.pdf
	Must have I/O virtualization capability	COMPLY. Oracle VM for SPARC have I/O virtualization capability. Supports virtual disks, virtual network, virtual switch and virtual network devices. Please refer to Appendix C.1 pg. 1 or http://docs.oracle.com/cd/E38405_01/html/E38406/index.html
	Must have direct I/O capability	COMPLY. Oracle VM for SPARC supports direct I/O capability. Please refer to Appendix C.1 pg. 1 or https://support.oracle.com/epmos/faces/DocumentDisplay?_afLoop=216190282009334&id=1325454.1&_afWindowMode=0&_adf.ctrl-state=17qkdvfyfa_72
	Must have dynamic reconfiguration capability	COMPLY. Dynamic reconfiguration is supported on a virtualized environment. Dynamic reconfiguration is supported for the following resources: - Virtual CPUs - Virtual IO devices - Cryptographic units - Memory - CPU whole cores Please refer to Appendix C.1 pg. 1 to 2 http://docs.oracle.com/cd/E37707_01/html/E29665/resourceconfiguration.htm#dynamicreconfiguration
	Must have core and memory affinity capability	COMPLY. Oracle VM for SPARC have core and memory affinity capability.

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		Please refer to Appendix C.1 pg. 2 or http://docs.oracle.com/cd/E37707_01/html/E29665/cpuallocation.html
	Must have CPU dynamic resource management capability	COMPLY. Oracle VM for SPARC has CPU Dynamic Resource Management capability. Please refer to Appendix C.1 pg. 2 or http://docs.oracle.com/cd/E37707_01/html/E29665/cpuallocation.html#wholecoreconstraintanddm
	Must have physical to virtual conversion software tool or feature	COMPLY. Oracle VM for SPARC has Physical-to-Virtual (P2V) conversion tool that automatically converts an existing physical system to a virtual system that runs the Oracle Solaris 10 or Solaris 11 in a logical domain on a T-series systems. Please refer to Appendix C.1 pg. 2 or http://docs.oracle.com/cd/E38405_01/html/E38406/ldomsp2vooverview.html#scrolltoc
	Must have dynamic reconfiguration capability	COMPLY. Dynamic reconfiguration is supported on a virtualized environment. Dynamic reconfiguration is supported for the following resources: - Virtual CPUs - Virtual IO devices - Cryptographic units - Memory - CPU whole cores Please refer to Appendix C.1 pg. 2 or http://docs.oracle.com/cd/E37707_01/html/E29665/resourceconfiguration.html#dynamicreconfiguration
Compatibility	The proposed server system must be compatible with the existing Fiber Channel switch and Storage system	COMPLY. The proposed server system is compatible with the existing Fiber Channel switch and Storage system. Please refer to Appendix D.
	Must be compatible with at least Solaris 10 operating system and later for SPARC	COMPLY. The SPARC T5-8 is pre-installed with Oracle Solaris 11.1. Minimum version of Oracle Solaris supported as guest domain: Oracle 9/10 + Oracle Solaris 10 1/13 SPARC Bundle. Please refer to Appendix A.2 pg.3
	Must be compatible with the proposed	COMPLY. The proposed SPARC T5-8 is

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	Virtualization Software	certified to run Oracle VM for SPARC. Please refer to Appendix C.2 pg. 1
	Must be 100 percent compatible with the existing Relational Database Management System	COMPLY. The proposed SPARC T5-8 is 100% compatible with the existing Relational Database management system. Oracle certifies its applications against the operating system than the platform. Please refer to Appendix D.
	Must be 100 percent compatible with the proposed enterprise management software, component options, and with the existing management software	COMPLY. The proposed SPARC T5-8 is 100% compatible with Oracle Enterprise Manager Ops Center. Please refer to Appendix E.3 pg. 2
Licenses	Must have enterprise management software (EMS) and all required licenses to manage and monitor the server system and all its components	COMPLY. The proposed solution includes the right-to-use of Oracle Enterprise Manager Ops Center and the necessary licenses to manage and monitor the server systems and its components. Please refer to Appendix E.1
	Must include software license for OS monitoring including CPU, memory, IO trending analysis up to 6 months for server and client agents.	COMPLY. The proposed solution includes the right-to-use of Oracle Enterprise Manager Ops Center and the necessary licenses to manage and monitor the server systems and its components. The Oracle Enterprise Manager Ops Center monitors the physical and virtual systems to provide end-to-end monitoring of the complete stack (CPU, Memory, IO). Ops Center presents a real time look at the health of the environment while offering historical trending when needed. Please refer to Appendix E.1
	Must include software license for Cloud Virtual Data Center with automatic policy for load balancing, and high availability policies	COMPLY. Oracle Enterprise Manager Ops Center includes Virtual Data Centers, which extend server pools to support isolated, secure, custom and tuned environments for end-user accounts. VDC are designed to drive policy-based used of resources. This is a software feature built-in to Oracle Enterprise Manager Ops Center and does not require additional licenses. Please refer to Appendix E.1 pg. 3 or http://docs.oracle.com/cd/E27363_01/doc.121/e25019/features.htm#BABGBCFE
	The EMS must have the capability to manage the proposed virtualization system or can be integrated with the proposed virtualization software	COMPLY. Oracle Enterprise Manager Ops Center manages the entire lifecycle of Physical and Virtual Machines – Oracle VM for SPARC, Oracle VM for x86, Oracle Solaris, Oracle Enterprise Linux and many more. Please refer to Appendix E.1

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	The EMS must be able to manage the Physical servers and virtual servers	COMPLY. Oracle Enterprise Manager Ops Center manages the entire lifecycle of Physical and Virtual Machines – Oracle VM for SPARC, Oracle VM for x86, Oracle Solaris, Oracle Enterprise Linux and many more. Please refer to Appendix E.1
	The EMS must have the capability to discover assets, capable of provisioning operating system, patching, and monitoring of physical and virtual machines	COMPLY. Oracle Enterprise Manager Ops Center manages the entire lifecycle of Physical and Virtual Machines. Lifecycle Management covers the following: - Asset Discovery - Provisioning - Patching - Monitoring Please refer to Appendix E.1
Accessories	Must have rack mount kit and all necessary accessories to mount the server in the existing server rack	COMPLY. By default the SPARC T5-8 is ship with the following: • Fixed rackmount kit • (1) RJ45F to DB9F adapter • (1) RJ45F to DB25M serial port adapter • (2) 4-meter shielded RJ45 to RJ45 cables • Documentation
	Must have power cables and all the required accessories to make the server system functional	COMPLY. The proposed SPARC T5-8 includes power cables and all the required accessories to make the server functional. Please refer to Appendix B.
	Must have at least ten (10) x 10m fiber channel cables that can support at least 10Gbps	COMPLY. The proposal includes ten (10) x15m fiber channel cables that can support at least 10Gbps. Please refer to Appendix B
	Must have at least twenty (20) x 3 meters UTP or STP Cat 6A patch cables capable of supporting 10Gbps or better	COMPLY. The proposal includes twenty (20) x3 meters STP Cat 6A patch cables. Please refer to Appendix B
	The cables must be compatible with the proposed NIC and storage interfaces	COMPLY. The cables are compatible with the proposed NIC and storage interfaces.
Support	The proponent must include three (3) years warranty on parts and service	COMPLY. The proposal includes 3 years warranty on parts and services (Oracle Premier Support).
	Must ensure that critical parts are available anytime	COMPLY. The Oracle Premier Support includes replacement of hardware parts.

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		Please refer to Appendix F.1 pg. 7
	Must be available 24 hours a day 7 days a week	COMPLY. Oracle Premier Support includes 24x7 support. Please refer to Appendix F.2 pg. 2
	Must provide remote diagnostic and online collaboration tool	COMPLY. Oracle Premier Support includes remote diagnostic and online collaboration tools. Please refer to Appendix F.2 pg. 4
	Must provide onsite support and at least four (4) hour response time	COMPLY. Oracle Premier Support includes onsite support. Response time target varies depending on the severity of the problem and the location of the customer. Please refer to Appendix F.1 pg. 13
	Must provide operating system and firmware updates or upgrades	COMPLY. Oracle Premier support includes Program updates, patches, fixes, security patches, and security alerts for operating system software and integrated software (e.g., firmware) Please refer to Appendix F.1 pg. 6
	Must provide security updates and software assurance	COMPLY. Oracle Premier support includes Program updates, patches, fixes, security patches, and security alerts for operating system software and integrated software (e.g., firmware) Please refer to Appendix F.1 pg. 6
	Must provide bug fixes, performance enhancements, and new product functionality	COMPLY. Other than Program updates, patches, fixes, security patches, and security alerts for operating system software and integrated software (e.g., firmware), Oracle Premier Support also includes Major product and technology releases for operating system software and integrated software (e.g., firmware), which includes general maintenance releases, selected ☐ functionality releases, and documentation updates. Please refer to Appendix F.2 pg. 4
	The proponent must install, configure, and ensure that all components are functional which includes, enterprise management software, virtualization software and options, and integration to the existing storage system and enterprise network	COMPLY. The proposal includes Oracle Standard Installation services. Please refer to Appendix G.
2. OTHER REQUIREMENTS		
The winning bidder must ensure that the access of		COMPLY. The proposal includes Oracle

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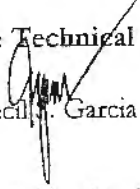
Philhealth to updates, upgrades, patches, knowledge base, and support must be available 24 hours a day, 7 days a week.		Premier Support. Please refer to Appendix F.2 pg. 3
The winning bidder must ensure that experts who will do the on-site support are available 24 hours a day 7 days a week. This will guarantee that they are available in emergency situations such downtime due to hardware failure, firmware error, operating system problem, and other system related problems.		COMPLY. Maintenance support will be delivered directly by Oracle certified engineers.
The winning bidder must allow immediate dispatch of experts 24x7 for on-site support in emergency situations such as system downtime.		COMPLY. Please refer to Appendix F.1 pg. 12 to 13 http://www.oracle.com/html/services-privacy-policy.html <i>Please is next</i>
For on-call support, a one (1) hour response time from the time of the call is required. For on-site support, a response time of not more than 4 hours is required from the time of the call in cases wherein the phone support could not solve the problem. Maximum of 24 hours after receipt of report is required for on-site support.		COMPLY. Oracle Premier Support includes onsite support. Response time target varies depending on the severity of the problem and the location of the customer. Please refer to Appendix F.1 page 13
The winning bidder must shoulder all expenses of their expert personnel who will be providing the on-site support.		COMPLY. This is already covered by our proposal.
3. PROJECT MANAGEMENT		
The winning bidder should provide a Project Management and/or team that will handle the planning, design, installation, transfer, maintenance and/or necessary endeavors before the actual implementation of the project in coordination with Philhealth IT Management Department.		COMPLY. We will provide a Project Management team that will handle the planning, design, installation, transfer, maintenance and/or necessary endeavors before the actual implementation of the project in coordination with Philhealth IT Management Department
The winning bidder must conduct integration workshop to plan-out the schedules and activities before the actual implementation of the project.		COMPLY. We will conduct integration workshop to plan-out the schedules and activities before the actual implementation of the project.
Both parties (Philhealth and the winning bidder) should agree with the formulated plans before the implementation proper.		COMPLY. We will agree with the Philhealth team the formulated plans before the implementation proper.
4. WORKSHOPS AND TECHNOLOGY TRANSFER		
The proponent must provide workshops for Philhealth database administrators/engineers free of charge. The workshop must be conducted by a certified trainor in a certified training center or facility. Specifically, training credits should be provided for the courses in the table below. Such courses can be changed subject to the availability and/or applicability to the requirement of current IT environment:		COMPLY. COMPLY. The proposal includes training credits for 3 courses for 3 participants per course. No. of Participants per Module-Minimum of three (3) participants per course/module not necessarily same participants for each module. We will provide workshops for Philhealth database administrators/engineers free of charge. The workshop must be conducted
Basic and advance	3 personnel	

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technical training for the proposed system		by a certified trainer in a certified training center or facility. Specifically, training	
Basic and advance training for the proposed virtualization system and operating system	3 personnel	credits should be provided for the courses in the table below. Such courses can be changed subject to the availability and/or applicability to the requirement of current IT environment	
Basic and advance training for the proposed enterprise management software	3 personnel	.Please refer to Appendix H. Please refer to Bid Bulletin No. 1 issued as stated therein.	
5. WARRANTY			
5.1 The Production Data Server Enhancement should be covered by three (3) years warranty on parts and services.		COMPLY. The Production Data Server Enhancement includes 3 years warranty on parts and services, which includes parts replacements.	
5.2 The contractor shall ensure inventory of all critical parts of the Production Database Server Enhancement.		COMPLY. There is an inventory of all critical parts of the Production Database Server Enhancement. Oracle will send the replacement part to the location. Please refer to Appendix F1. pg. 14 It includes 3 years warranty on parts and services which includes parts replacement.	
5.3 The contractor must ensure that PHILHEALTH would be given the following: - Parts replacement – FREE for the duration of the warranty period - Preventive Maintenance – FREE at least twice a year for the duration of the warranty period		COMPLY. Oracle Premier Support includes hardware parts replacement. Please refer to Appendix F.1 pg. 14 Preventive maintenance is included in the proposal. See Appendix F.3 pg. 1	
6. DELIVERY PERIOD AND ADDRESSES			
The project shall be delivered at 14 th Floor Room 1406 Citystate Centre Bldg., 709 Shaw Blvd., Pasig City. The bidder must deliver, install, and test the production database server enhancement and all its peripherals not more than thirty (30) days after the effective date of the contract or the purchase order. The equipment/devices and peripherals needed for the project must be delivered at 709 Citystate Center Building, Shaw Boulevard, Pasig City		COMPLY. The project shall be delivered at 14 th Floor Room 1406 Citystate Centre Bldg., 709 Shaw Blvd., Pasig City. The bidder must deliver, install, and test the production database server enhancement and all its peripherals not more than forty five (45) days after the effective date of the contract or the purchase order. The equipment/devices and peripherals needed for the project must be delivered at 709 Citystate Center Building, Shaw Boulevard, Pasig City. Please refer to Bid Bulletin No.1 issued as stated therein	

I hereby certify to comply with all the above Technical Specifications

Comclark Network and Technology
Corporation


Cecilia Garcia

December 6, 2013

Name of Company/Bidder

Signature over Printed Name of
Representative

Date


CERTIFIED TRUE COPY



NOTICE OF AWARD

Date Issued: 22 JAN 2014

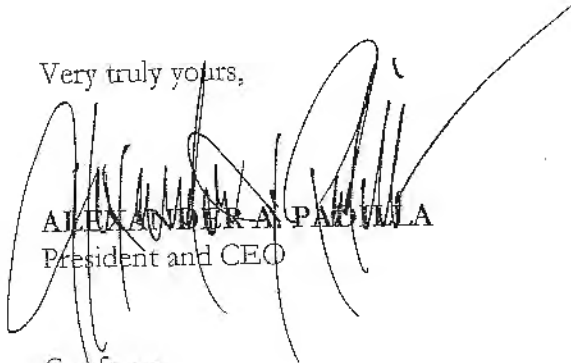
Ms. CECIL GARCIA
COMCLARK NETWORK AND TECHNOLOGY CORP.
Roxas Hi-way, Clark Freeport Zone
Telefax: (02) 667-0896

Dear Ms. Garcia:

We are pleased to notify you that your bid proposal for the bidding on the procurement of *One (1) Lot Production Database Server Enhancement* for the execution of *Comclark Network and Technology Corp.* at the Contract Price equivalent to **Sixteen Million Three Hundred Eighty Thousand Pesos (PhP16,380,000.00)** is hereby accepted.

You are hereby required to provide within ten (10) calendar days the *performance security* in the form and amount stipulated in the Bid Documents of the said procurement. Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,


ALEXANDER A. PADILLA
President and CEO

Conforme:


CECIL GARCIA
Comclark Network and Technology Corp.
Date: 1/22/2014



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

Citystate Centre Building, 709 Shaw Boulevard, Pasig City
Healthline 441-7444 www.philhealth.gov.ph



**BIDS AND AWARDS COMMITTEE FOR INFORMATION TECHNOLOGY
RESOURCES (BAC-ITR)
RESOLUTION NO. 49, S. 2013**

**RESOLUTION RECOMMENDING THE DECLARATION OF COMCLARK
NETWORK AND TECHNOLOGY CORP. AS THE BIDDER WITH THE LOWEST
CALCULATED AND RESPONSIVE BID (LCRB) AND THE AWARD THERETO OF
THE CONTRACT ON THE BIDDING FOR THE PROCUREMENT OF ONE (1) LOT
PRODUCTION DATABASE SERVER ENHANCEMENT**

WHEREAS, on September 23, 2013, the documents on the bidding for the procurement of One (1) Lot Production Database Server Enhancement were received from the Physical Resources and Infrastructure Department (PRID) including its approved Request and Issue Voucher (RIV), Approved Budget for the Contract (ABC), Terms of Reference (TOR) and Matrix of Canvass;

WHEREAS, the Invitation to Bid (ITB) No. PDSE 2013-011-IT on the bidding for the procurement of One (1) Lot Production Database Server Enhancement with an ABC of Nineteen Million Eight Hundred Thousand Pesos (PhP19,800,000.00) was advertised on November 20, 2013 at the Philippine Star and was posted at the Phil-GEPS and PhilHealth Corporate website and at conspicuous places located at the PhilHealth Head Office on November 20- December 8, 2013;

WHEREAS, in response to the said invitation, two (2) bidders secured the bidding documents, namely Sandz Solutions Phils., Inc. and Comclark Network and Technology Corp.;

WHEREAS, a pre bid conference was held on November 27, 2013 to address the issues and clarifications raised by the prospective bidders and thereafter a bid bulletin was issued on December 2, 2013;

WHEREAS, the Opening of Bids was held on December 9, 2013, wherein Comclark Network and Technology Corp. was adjudged as the proponent with the Lowest Calculated Bid (SCB) amounting to Sixteen Million Three Hundred Eighty Thousand Pesos (PhP16,380,000.00). Consequently, the BAC-ITR instructed the Technical Working Group (TWG) concerned to proceed with the post-qualification of the aforementioned bidder;

WHEREAS, the TWG conducted an evaluation on December 13 until 16, 2013 and presented its report in the BAC-ITR meeting held on December 16, 2013 to communicate to the Committee that the bid proposal of Comclark Network and Technology Corp. was found to be compliant with the eligibility, technical and financial requirements of PhilHealth;

WHEREAS, the BAC-ITR concurred with the recommendation of the TWG to declare Comclark Network and Technology Corp. as the bidder with the Lowest Calculated and Responsive Bid;

NOW, THEREFORE, premises considered, the BAC-ITR resolves, as it is hereby resolved, to recommend to the President and CEO the award of the contract on the bidding for the procurement of One (1) Lot Production Database Server Enhancement to **COMCLARK NETWORK AND TECHNOLOGY CORP.**

BAC-ITR Resolution- Award of Contract to Comclark Network and Technology Corp.

Signed this 16th day of December 2013 at Pasig City


SVP EDGAR JULIO S. ASUNCION

Chairperson

on leave

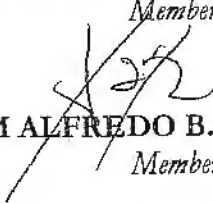
OIC-VP LIEZEL P. LAGRADA

Vice-Chairperson

on official business

SM MARIO S. MATANGUIHAN

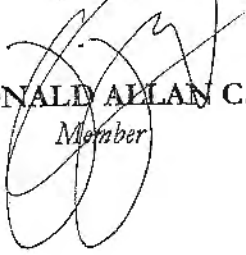
Member


SM ALFREDO B. PINEDA II

Member

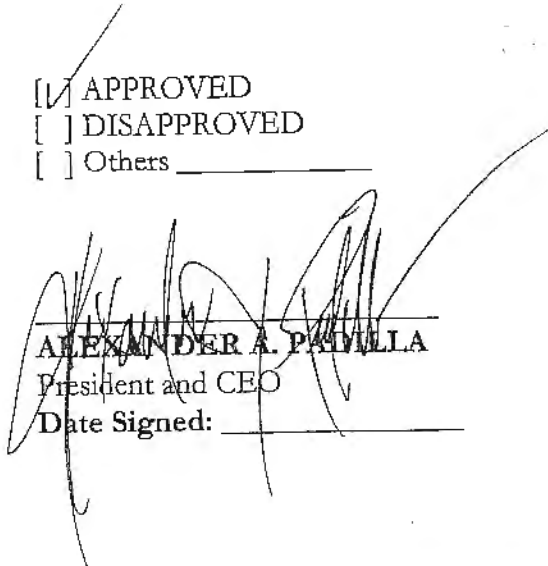

SM MA. SOPHIA B. WARLEZ

Member


OIC-SM RONALD ALLAN C. PABLO

Member

☒ APPROVED
☐ DISAPPROVED
☐ Others _____


ALEXANDER A. PAYALLA

President and CEO

Date Signed: _____

RESOLUTION RECOMMENDING THE DECLARATION OF COMCLARK NETWORK AND TECHNOLOGY CORP. AS THE BIDDER WITH THE LOWEST CALCULATED AND RESPONSIVE BID (LCRB) AND THE AWARD THERETO OF THE CONTRACT FOR THE BIDDING ON THE PROCUREMENT OF ONE (1) LOT PRODUCTION DATABASE SERVER ENHANCEMENT

BAC-ITR Resolution- Award of Contract to Comclark Network and Technology Corp.

Section IV. General Conditions of Contract

1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) "SCC" means the Special Conditions of Contract.
- (g) "The Procuring Entity" means the organization purchasing the Goods, as named in the SCC.
- (h) "The Procuring Entity's country" is the Philippines.
- (i) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The "Funding Source" means the organization named in the SCC.
- (k) "The Project Site," where applicable, means the place or places named in the SCC.
- (l) "Day" means calendar day.
- (m) The "Effective Date" of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.
- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

- (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
- (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
- (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
- (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
- (v) "obstructive practice" is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

6. Scope of Contract

6.1. The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.

6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

7. Subcontracting

7.1. Subcontracting of any portion of the Goods, if allowed in the BDS, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.

- 7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29.

10. Payment

- 10.1. Payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in GCC Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. Unless otherwise provided in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment and Terms of Payment

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2. For Goods supplied from abroad, the terms of payment shall be as follows:

- (a) On Contract Signature: Ten percent (10%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
- (b) On Delivery: Seventy percent (70%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.
- (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

11.3. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
 - (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
 - (b) The Supplier has no pending claims for labor and materials filed against it; and
 - (c) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such

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reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.
- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.
- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. **Warranty**

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from 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.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least ten percent (10%) of the final payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. 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 in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. **Delays in the Supplier's Performance**

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. **Liquidated Damages**

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of

duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the SCC.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor. Such events may include, but not

limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:

- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
- (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of *force majeure* is deemed to have ceased; or
- (c) The Supplier fails to perform any other obligation under the Contract.

- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

- 23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.

25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:

- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
- (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
- (b) Drawing up or using forged documents;
- (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
- (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
 - (i) that this Contract is being terminated for any of the ground(s) aforementioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and

(iv) special instructions of the Procuring Entity, if any.

- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. **Assignment of Rights**

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

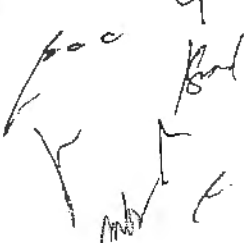
29. **Contract Amendment**

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. **Application**

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.




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Section V. Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is <i>Philippine Health Insurance Corporation</i> .
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is: Philippine Health Insurance Corporation Corporate Operating Budget for CY 2013 in the amount of <i>Nineteen Million Eight Hundred Thousand Pesos (PhP19,800,000.00)</i>
1.1(k)	The Project Site is <i>at PhilHealth Head Office</i>
5.1	The Procuring Entity's address for Notices is: EDGAR JULIO S. ASUNCION, Senior Vice-President, Chief Legal Executive, and BAC-ITR Chairperson, Room 1002, 10th Floor CityState Centre, 709 Shaw Boulevard, Pasig City
6.2	Delivery of the Goods and Services shall be made by the Supplier in accordance with the terms specified in Section VI. Delivery and Documents – The Delivery terms of this Contract shall be as follows: One (1) Lot Production Database Server Enhancement shall be delivered to Room 1503, 15th Floor Citystate Centre Bldg., 709 Shaw Blvd., Bgy. Oranbo, Pasig City. Risk and title will pass from the Supplier to PhilHealth upon receipt and final acceptance of the Goods at their final destination.” Delivery of the Goods and Services shall be made by the Supplier in accordance with the terms specified in Section VI. Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are as follows: Upon delivery of the Goods and Services to the Project Site, the Supplier shall notify PhilHealth and present the following documents to PhilHealth: (i) Original and four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount; (ii) Original and four copies delivery receipt/note, railway receipt, or truck receipt; (iii) Original Supplier's factory inspection report; (iv) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate; (v) Original and four copies of the certificate of origin (for imported Goods); (vi) Delivery receipt detailing number and description of items received signed by the authorized receiving personnel; (vii) Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site; and (viii) Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site. Incidental Services – The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements: (a) performance or supervision of on-site assembly and/or start-up of the supplied Goods; (b) furnishing of tools required for assembly and/or maintenance of the supplied Goods; (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods; (d) performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not

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The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

Packaging -

The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.

PHILIPPINE HEALTH INSURANCE CORPORATION

Contract Description

Final Destination

Gross weight

Any special lifting instructions

Any special handling instructions

Any relevant HAZCHEM classifications

A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.

The Goods supplied under this Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The Goods remain at the risk and title of the Supplier until their final acceptance by the Procuring Entity.

PhilHealth accepts no liability for the damage of Goods during transit. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to PhilHealth until their receipt and final acceptance at the final destination.

The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.

NO FURTHER INSTRUCTIONS



BID BULLETIN NO. 1

**BIDDING FOR THE PROCUREMENT ONE (1) LOT PRODUCTION DATABASE SERVER
ENHANCEMENT**

In accordance with Republic Act 9184, this bid bulletin is hereby issued amending and/or to clarify the following provisions of the Philippine Bidding Documents on the *Bidding for the Procurement of One (1) Lot Production Database Server Enhancement (ITB No. PDSE 2013-011-IT)*, viz:

PROVISIONS/QUERIES	AMENDMENT / CLARIFICATION
On page 6: VII TECHNICAL SPECIFICATIONS 5. ELIGIBLE BIDDERS The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) or a commitment from a Universal or Commercial Bank to extend a credit line in its favor if awarded the contract for this Project (CLC). The NFCC, computed using the following formula, must be at least equal to the ABC to be bid: $NFCC = [(Current\ assets\ minus\ current\ liabilities)\ (K)]$ minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract for this Project. Where: K = 10 for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.	EQUIVALENT OF K = 10
On page 40: VI SCHEDULE OF REQUIREMENTS Within <u>Thirty (30) Calendar Days</u> after the issuance and receipt of the winning bidder of the Notice to Proceed.	Within <u>Forty Five (45) Calendar Days</u> after the issuance and receipt of the winning bidder of the Notice to Proceed.
On page 45: WORKSHOPS AND TECHNOLOGY TRANSFER The proponent must provide workshops for Philhealth database administrators/engineers free of charge. The workshop must be conducted by a certified trainer in a certified training center or facility. Specifically, training credits should be provided for the courses in the table below. Such courses can be changed subject to	NO. OF PARTICIPANTS PER MODULE - Minimum of three (3) participants per course/module not

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info@philhealth.gov.ph

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the availability and/or applicability to the requirement of current IT environment.		necessarily same participants for each module.
Basic and advance technical training for the proposed system	3 personnel	
Basic and advance training for the proposed virtualization system and operating system	3 personnel	
Basic and advance training for the proposed enterprise management software	3 personnel	
On page 46: DELIVERY PERIOD AND ADDRESSES The project shall be delivered at 14 th Floor Room 1406 Citystate Centre Bldg., 709 Shaw Blvd., Pasig City. <u>The bidder must deliver, install, and test the production database server enhancement and all its peripherals not more than thirty (30) days after the effective date of the contract or the purchase order.</u> The equipment/devices and peripherals needed for the project must be delivered at 709 Citystate Center Building, Shaw Boulevard, Pasig City.		<u>The bidder must deliver, install, and test the production database server enhancement and all its peripherals not more than FORTY FIVE CALENDAR (45) days after the effective date of the contract or the purchase order.</u>

REMINDERS:

The BAC-ITR would like to remind the Bidder/s to double check the eligibility requirements prior to submission of bid proposals.

THIS BID BULLETIN NO. 1 (ITB NO. PDSE 2013-011-IT) SHALL FORM PART OF THE ELIGIBILITY AND TECHNICAL BID PROPOSAL TO BE SUBMITTED ON 9 DECEMBER 2013. THUS, THIS SHOULD BE SUBMITTED AS PART OF THE BID PROPOSAL ON THE SAID DATE.

The deadline for submission of bid proposals will be on 9 December 2013, 1:30 p.m. Likewise, Opening of Bids will commence on the said date and time.

Those bidders who obtained the bidding documents for this project and would not submit their respective bid proposals on 9 December 2013 must submit a letter of non-participation stating their reasons at the Office of the Secretariat for the Bids and Awards Committees. The letter of non-participation must be submitted to SBAC on or before 5:00 p.m. of 9 December 2013.

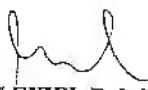
Issued this 2nd day of December 2013.


SVP EDGAR JULIO S. ASUNCION
Chairperson

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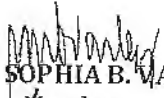
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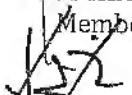
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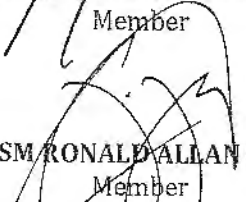

OIC VP LEIZEL P. LAGRADA
Vice-Chairperson

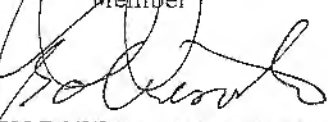
on official business

SM MARIO S. MATANGUIHAN
Member


SM MA. SOPHIA B. MARLEZ
Member


SM ALFREDO B. PINEDA II
Member


OIC SM RONALD ALLAN PABLO
Member


OIC SM BOBBY A. CRISOSTOMO
Member

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