

Contract Agreement Form

THIS AGREEMENT made the 21st day of March 2013 between **PhilHealth Regional Office VII** of the Philippines (hereinafter called "the Entity") of the one part and **Trends and Technologies Inc.** of 3rd Floor Ongtiak Business General Maxilom Avenue Cebu City (hereinafter called "the Supplier") of the other part:


WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., **Procurement of Various IT Equipment** and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of **Seven Hundred Thirty Seven Thousand Pesos Only (P 737,000.00)** (hereinafter called "the Contract Price").

WHEREAS, the supplier agrees to deliver directly the following inclusive of all taxes, broken down as follows:


QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1 unit	Network Switch Layer 3	P 170,000.00	P 170,000.00
9 units	VPN Router	P 63,000.00	P 567,000.00

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.:

 Annex (a) the Bid Form and the Price Schedule submitted by the Bidder;
Annex (b) the Schedule of Requirements;
Annex (c) the Technical Specifications;
Annex (d) the General Conditions of Contract;
Annex (e) the Special Conditions of Contract;
Annex (f) the Entity's Notification of Award and
Annex (g) the Terms of Reference.

3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract

4. The Entity hereby covenants to pay the Supplier 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.
- 

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.

TRENDS and TECHNOLOGIES INC.
(SUPPLIER)

By:


AILYN S. ROMERO
Authorized Representative

**PHILIPPINE HEALTH
INSURANCE CORPORATION**
(ENTITY)

By:


WILLIAM O. CHAVEZ
Regional Vice President

Signed in the presence of:



Witness


JOSETTE E. BACALSO
Fiscal Controller IV

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
City of _____) S. S.


BEFORE ME, personally appeared:

<u>NAME</u>	<u>RES. CERT. NO.</u>	<u>DATE/PLACE OF ISSUE</u>
AILYN S. ROMERO	_____	_____
WILLIAM O. CHAVEZ	00699361	Feb. 25, 2013

Known to me and to me known to be the same person who executed the foregoing Contract of Service and acknowledged that the same his free act and deed.

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

Doc. No. 121
Page No. 25
Book No. 43
Series of 2013.


WILFREDO M. SENTILLAS
NOTARY ~~Notary~~ Public CITY OF CEBU
NOTARIAL COMMISSION NO. 037-06
JAN. 19, 2004 - 2014
EXPIRE UNTIL DEC. 31, 2013
IBP NO. 912052-2/27/13-CEBU
PTR NO. 2007072-2/27/13-CEBU
ROLL NO. 29544

Date: January 8, 2013
Invitation to Bid No. : 12-12-011

To: **PhilHealth Regional Office VII**
6th Floor Golden Peak Tower,
Gorordo Ave cor Escario St., Cebu

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Number, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply **Procurement of Various IT Equipment** in conformity with the said Bidding Documents for the sum of **Seven Hundred Thirty Seven Thousand Pesos Only (Php737,000.00)** or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

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 18.2** and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below.

Name and address
Of agent

Amount and
Currency

Purpose of
Commission or gratuity

NONE

NONE

NONE

(If none, state "None")

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 **8th** day of **January** 20**13**.

Ailyn S. Romero
(Signature)

Account Manager
(in the capacity of)

Duly authorized to sign Bid for and on Behalf of **TRENDS & TECHNOLOGIES, INC.**

TRENDS & TECHNOLOGIES, INC.

"Market Leadership Through Total Customer Satisfaction"

Manila | Cebu | Davao | Hanoi | Ho Chi Minh

January 08, 2012

PHILHEALTH- REGION VII
6/F, Golden Peak Hotel & Suites, Gorordo Ave.
Corner Escario St., 6000 Cebu City

Attention: **JOCELYN DIVINAGRACIA**
BAC SECRETARIAT

Subject: **FINANCIAL PROPOSAL FOR VARIOUS IT EQUIPMENTS**

Dear Ma'am,

Thank you for choosing Trends and Technologies, Inc. as your Technology Partner.

The need of your company has been carefully planned and discussed with the following crucial factors considered: Cost-effectiveness, Investment protection, Scalability and Adaptation to new technologies.

As a leading Solutions Provider and Systems Integrator in the Philippines, education and continued development is of top priority to keep abreast of the latest technological developments. Certifications are likewise acquired to ensure that quality, professional service is given to you, our Business Partners. We possess the following partnership levels with our Principals:

- Aspect Software – Platinum Partner
- Avaya – sole local Platinum Partner
- Bluecoat – Premiere Partner
- **Cisco Systems –sole local Gold Partner**
- Computer Associates – Enterprise Solutions Provider (ESP)
- Emerson Network Power – Network Solutions Partner
- F5 - Gold Partner
- **Fortinet - Gold Partner**
- McAfee – Premiere Partner
- Verint Software – Platinum Partner

Platinum and Gold partners have achieved the highest level of credibility and the broadest range of expertise across multiple technologies, access to world-class products and service programs, technical support, productivity tools, and training. We are prepared to deliver intelligent, integrated network solutions that meet your business needs.



TRENDS & TECHNOLOGIES, INC.

"Market Leadership Through Total Customer Satisfaction"

Manila | Cebu | Davao | Hanoi | Ho Chi Minh

Why Choose Trends- VISMIN?

Apart from the high level partnerships we have with our major principals, we are the biggest Systems Integrator in VISMIN in terms of manpower, reach and skill sets.

We have a 24x7 Global Helpdesk system available for you. For complex and/or large projects we will provide you with a dedicated Project Manager to ensure the timely and efficient use of resources needed for project completion. Prior to delivery and installation, we will test your equipments to ensure that they are in good working condition. Learning services will also be provided to you as part of our technology transfer program and allow you to control your network with first-level support.

We recognize that you have choices for your IT needs. This proposal manifests our assurance why you should be confident about TTI. If you have any further questions or clarifications, please don't hesitate to contact the undersigned through (032)-253-7175, 412-GOLD (4653), fax number 232-4789. We are looking forward to building a strong partnership with you.

TRENDS & TECHNOLOGIES, INC.

"Market Leadership Through Total Customer Satisfaction"

Manila | Cebu | Davao | Hanoi | Ho Chi Minh

I. BILL OF MATERIALS

Item	Product Description	Qty	Unit Price	Ext Price
CISCO LAYER 3 SWITCH (WS-C2960S-24TS-L)				
1.0	WS-C2960S-24TS-L Catalyst 2960S 24 GigE, 4 x SFP LAN Base	1	170,000.00	170,000.00
1.1	CON-PSRT-2960S2TS PRTNR SS 8X5XNBD Cat 2960S Stk 24 GigE, 4xSFP LAN Base	3	-	-
1.2	C2960S-STACK Catalyst 2960S FlexStack Stack Module optional for LAN Base	1	-	-
1.3	CAB-STK-E-0.5M Cisco FlexStack 50cm stacking cable	1	-	-
1.4	CAB-ACE AC Power Cord (Europe), C13, CEE 7, 1.5M	1	-	-
1.5	CAB-CONSOLE-USB Console Cable 6 ft with USB Type A and mini-B	1	-	-
TOTAL AMOUNT FOR LAYER 3 SWITCH			170,000.00	170,000.00
FORTIGATE VPN ROUTER (FG-60C)				
2.0	FG-60C-BDL-US Dual 10/100 WAN ports, 10/100 DMZ port, 5-port 10/100/1000 internal switch, Internal Storage and ExpressCard slot. Bundle Includes: 8X5 Hardware Return and Replace, Firmware Upgrades, 8x5 Enhanced Support, AV, IPS, Web Content Filtering and AS for 12 Months	9	40,000.00	360,000.00
2.1	FC-10-00068-900-02-24 FortiGate-60C 8x5 Bundle Renewal Includes: 8X5 Hardware Return and Replace, Firmware Upgrades, 8x5 Enhanced Support, AV, IPS, Web Content Filtering and AS for 24 Months	9	23,000.00	207,000.00
TOTAL AMOUNT FOR VPN ROUTER			63,000.00	567,000.00

TRENDS & TECHNOLOGIES, INC.

"Market Leadership Through Total Customer Satisfaction"

Manila | Cebu | Davao | Hanoi | Ho Chi Minh

3.0	Rackmount Monitor	1	0	0
4.0	Printer Dot Matrix	1	0	0
5.0	Printer Scanner	3	0	0
6.0	LAN tone tracer	1	0	0
7.0	Punch Tool	1	0	0
8.0	Crimping Tool	1	0	0
9.0	Fuser Assembly	3	0	0
10.0	Metal Film	3	0	0
11.0	Swing Plate Assembly	3	0	0
12.0	IP Camera	4	0	0
13.0	Fabricated Patch Cord Colored	250	0	0
14.0	Portable Scanner/Copier	1	0	0
15.0	Wifi Router	10	0	0
16.0	Computer Desktop with Monitor	3	0	0

II. SERVICE ENTITLEMENT

DESCRIPTION OF HARDWARE & SUPPORT SERVICES FOR THREE (3) YEARS		ENTITLEMENT
Telephone Technical Support	HELPDESK	02-811-8181 or 032-2537175 helpdesk@trends.com.ph (Contact Numbers of Principal Engineers shall be provided as an alternative)
	Response Time	30 minutes
Engineering Services	Service Availability	8x5
	Response Time (on-call)	Within 1 hour
	Response Time (on-site)	Within 24 hours
Manufacturer's Support Services	Software Support	Covered
	Hardware Support	Covered

TRENDS & TECHNOLOGIES, INC.

"Market Leadership Through Total Customer Satisfaction"

Manila | Cebu | Davao | Hanoi | Ho Chi Minh

III. TERMS AND CONDITIONS:

Pricing: In Philippine Peso, Landed CEBU CITY, **VAT INCLUSIVE.**

Validity: Ex-stock, subject to prior sales. Otherwise please allow us 30-45 days after receipt of Purchase Order. TTI will impose 20% cancellation of Purchase Order. This offer is valid for 120 calendar days from the date of this proposal.

Include: Supply, Delivery, Installation and Configuration of the above mentioned item(s).

Payment: 30 Days.

Warranty: Three (3) Years Warranty for Hardware and Services.

If you have any further questions or clarifications, please don't hesitate to contact us through (02)-8118181; (032)-253-7175, 412-GOLD (4653), fax number 253-4789. We are looking forward to building a strong business partnership with you.

Sincerely yours,

Ailyn Romero
Account Manager
Mobile: 09178688219
Email: a.sromero@trends.com.ph

CERTIFIED TRUE COPY

Schedule of Requirements

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

[illegible]

PHILIPPINE HEALTH INSURANCE CORPORATION (PHIC)

Regional Office No. 7 (PhRO-7)

Cebu City

Technical Specifications

Item	Specification	Statement of Compliance
		<p>Bidders must state here either "Comply" or "Not Comply" against each of the individual parameters of each Specification stating the corresponding performance parameters 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.</p> <p>Bidders should likewise indicate the "BRAND" to be offered, if item to be offered is branded. 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 3.1 (a.2) and /or GCC Clause 2.1 (a.2).</p>
		Comply
1	Network Switch Layer 3	Comply
2	VPN Router	Not Comply
3	Rackmount Monitor	Not Comply
4	Printer Dot Matrix	Not Comply
5	Printer Scanner	Not Comply
6	LAN tone tracer	Not Comply
7	Punch Tool	Not Comply
8	Crimping Tool	Not Comply
9	Fuser Assembly	Not Comply
10	Metal Film	Not Comply
11	Swing Plate Assembly	Not Comply
12	IP Camera	Not Comply
13	Fabricated Patch Cord Colored	Not Comply
14	Portable Scanner/ Copier	Not Comply
15	WIFI Router	Not Comply
16	Computer Desktop with Monitor	

Ailyn S. Romero

Bidder Representative/
Authorized Signature

Trends and Technologies, Inc.
Name of Company

CERTIFIED TRUE COPY

TECHNICAL SPECIFICATIONS

GENERAL CONDITIONS OF THE 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

4

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 **Error! Reference source not found.**
- 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 **Error! Reference source not found..**

- 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 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 **Error! Reference source not found.**; 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 **Error! Reference source not found.** 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 **Error! Reference source not found..**
- 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 Error! Reference source not found.**;
- (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.

Special Conditions of Contract

(SCC)

GCC Clause	Information and Requirements
1.1 (g)	<p>Definition of PROCURING ENTITY:</p> <p>The PROCURING ENTITY is Philippine Health Insurance Corporation (PHIC) Regional Office No. 7 (PhRO-7).</p>
1.1 (i)	<p>Definition of Supplier:</p> <p>The Supplier is the winning bidder with the Lowest Calculated and Responsive Bid, who is to be named at the time of contract award.</p>
1.1 (j)	<p>Definition of Funding Source:</p> <p>The Government of the Philippines (GOP) through COB 2012 in the amount of <i>Philippine Pesos One Million Five Hundred Five Thousand Five Hundred Pesos Only (P1,505,500.00)</i>.</p>
1.1 (k)	<p>Definition of Project Site:</p> <p>The Project Site is:</p> <p>the place of the winning bidder with the Lowest Calculated and Responsive Bid, who is to be named at the time of contract award</p>
5.1	<p>Notices</p> <p>The PROCURING ENTITY's address for Notices is:</p> <p>PhilHealth Regional Office VII, 6th Floor Golden Peak Tower, Gorordo Ave. cor Escario Sts., Cebu City</p>
6.2	<p>Scope of Contract:</p> <p>The delivery terms applicable to this Contract are delivered to:</p> <p>PhilHealth Regional Office VII, 6th Floor Golden Peak Tower, Gorordo Ave. cor Escario Sts., Cebu City</p> <p>Risk and title will pass from the Supplier to the PROCURING ENTITY upon receipt and final acceptance of the GOODS at their final destination.</p> <p>Delivery of the GOODS 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:</p> <p>For GOODS supplied from within the Philippines or by domestic Suppliers:</p> <p>Upon delivery of the GOODS to the Project Site, the Supplier shall notify the PROCURING ENTITY and present the following documents to the PROCURING ENTITY:</p> <ul style="list-style-type: none"> (i) All records under the temporary custody of the supplier (whether processed or unprocessed) together with the corresponding transmittal lists; (ii) Delivery receipt detailing number and description of items received signed by the authorized receiving personnel; (iii) Certificate of Acceptance and certification that the services has been rendered signed by the PROCURING ENTITY's representative after fifty two (52) calendar days; and (iv) Billing statement every delivery of goods signed by the PROCURING ENTITY's

	<p>representative.</p> <p>For purposes of this Clause the PROCURING ENTITY's Representatives are:</p> <p>Brilla J. Albao ITO II</p>
9	<p>Prices:</p> <p>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-A.</p>
10.1	<p>Payment</p> <p>No further instructions.</p>
10.4	No further instructions.
13.1	<p>Performance Security</p> <p>No further instructions.</p>
13.4	No further instructions.
13.4 (c)	No further instructions.
16.1	<p>Inspection and Tests</p> <p>None.</p>
17.4 and 17.5	The period for correction of defects in the warranty period is stated on the Terms of Reference.
19.1	<p>Liquidated Damages</p> <p>The applicable rate is one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay.</p> <p>The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.</p>
20.4	<p>Settlement of Disputes:</p> <p>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."</p>
21.1	<p>Liability of the Supplier</p> <p>No additional provision.</p>



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

Regional Office VII

8th Floor Golden Peak Hotel and Suites, Gorordo Avenue corner Escario Street, 6000 Cebu City
Healthlines: (032) 233-7407, 233-3270, 233-3289, 233-7519, 233-7523 info.pro7@philhealth.gov.ph



Notice of Award

March 11, 2013

Ailyn S. Romero

Senior Account Manager - Vismin
Trends and Technologies Inc.
3rd Floor Ongtiak Business
General Maxilom Avenue
Cebu City

Dear Sir / Madame:

We are happy to notify you that your Bid dated January 8, 2013 for the **Procurement of Various IT Equipment**, for the Contract Price equivalent to **P 737,000.00**, as corrected and modified in accordance with the Instructions to Bidders, is hereby accepted.

You are hereby required to provide within ten (10) days the performance security in the form and the amount stipulated in the Instructions to Bidders. Failure to provide the performance security shall constitute sufficient ground for cancellation of the award.

Very truly yours,

William O. Chavez
Regional Vice President

Conforme:

Ailyn S. Romero
(Name of Representative of Bidder)

(Signature of Representative of Bidder)

Date : 3/13/13

TERMS OF REFERENCE

BULK PURCHASE OF VARIOUS IT EQUIPMENT

I. Introduction

The Philippine Health Insurance Corporation (PHIC), a government owned and controlled corporation, formed by virtue of Republic Act No. 7875, also known as the National Health Insurance Act of 1995, an act instituting a National Health Insurance Program, was mandated to:

1. Provide all citizens of the Philippines with the mechanism to gain access to health services;
2. Established the National Health Insurance Program to serve as the means to help the people pay for health care services; and
3. Prioritize and accelerate the provision of health services to all Filipinos, especially that segment of the population who cannot afford such services.

II. Project Description

Philhealth Regional Office (PRO-VII) needs to acquire VARIOUS IT EQUIPMENT to augment the needs of growing numbers of employees that needs IT resources, to replace the unserviceable as well as to upgrade the obsolete equipments in order to have the best equipment so we could offer a good service to our clients and to our stakeholders.

The general specifications of the various IT equipment are expressed in functional terms in addressing the need of our Corporation. The specifications also provide sufficient information that are both cost-effective and appropriate as solutions for the I.T. needs of PRO-VII.

III. Approved Budget for the Contract

3.1 The approved budget for the contract to be bid is as follows:

Description & Qty.	Qty	Unit Cost	Total Amount Per APP Amendments 2012	TOTAL AMOUNT
Network Switch Layer3	1	180,000.00	180,000.00	Php 1,505,500.00
VPN Router	9	65,000.00	585,000.00	
Rackmount Monitor	1	150,000.00	150,000.00	
Printer Dot Matrix	1	43,000.00	43,000.00	
Printer Scanner	3	5,000.00	15,000.00	
LAN tone tracer	1	20,000.00	20,000.00	
Punch Tool	1	5,000.00	5,000.00	
Crimping Tool	1	10,000.00	10,000.00	
Fuser Assembly	3	20,000.00	60,000.00	
Metal Film	3	5,000.00	15,000.00	
Swing Plate Assembly	3	5,000.00	15,000.00	
IP camera	4	10,000.00	40,000.00	
Fabricated Patch Cord Colored	250	250.00	62,500.00	
Portable Scanner /Copier	1	60,000.00	60,000.00	
WIFI Router	10	6,500.00	65,000.00	
Computer Desktop with Monitor	3	60,000.00	180,000.00	

3.2 Bid proposals should reflect the price per unit which should not exceed the approved unit cost as stated herein. Bid proposals that exceed the unit cost and / or total approved budget of the contract shall be automatically rejected.

3.3 Awarding of bid proposals shall be based on the lowest price per item.

IV. SUPPLY, DELIVERY, AND TESTING SCHEDULE

- 4.1 The delivery and installation period to PRO-VII office shall be forty-five (45) calendar days from the date of receipt of Notice to Proceed. All expenses for the delivery of the IT equipment shall be at the expense of the winning bidder. A penalty of one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of

- 4.2 All user manuals, technical materials, system manuals, troubleshooting and installation guide should be provided.
- 4.3 The vendor/supplier must indicate the details of installation for the entire project. Both parties will determine the schedule of installation and implementation of other services in this procurement. Implementation will immediately commence upon the issuance of the Notice to Proceed. The winning proponent shall guarantee the installation and testing of the equipment within the specified project plan as agreed by both parties.

V. TECHNICAL ASSISTANCE

- 5.1 The vendor/supplier should be able to provide a technical team and dedicated personnel who will be tasked with the supply, delivery, configuration, installation, testing and maintenance of the project. This team shall be composed of a project manager and support staff (all reference should be listed to validate information).
- 5.2 During the period of the project, the proponent's team should successfully provide technical assistance for hardware supply, maintenance and support.
- 5.3 The winning vendor/supplier should coordinate with Ms. Brilla J. Albao or Mr. Nigel T. Catao of PRO-VII regarding the technical support and other matters after awarding of project in order to facilitate a faster response with the needed support.

VI. WARRANTY AND AFTER SALES SUPPORT

- 6.1 The winning vendor/supplier should warrant that the hardware supplied are free from defects due to design or workmanship for at least a period of three (3) years from the date of acceptance and the items shall be free from any apparent defects or bugs prior to acceptance .
- 6.2 A three (3) year warranty for all hardware components and peripherals shall take effect upon the issuance of a letter of acceptance from PRO7-ITMS officer. The warranty feature also includes services, labor and on-site applied thereon. That all units delivered were sealed with a warranty sticker and such sticker shall be replaced after the said unit has gone repair by a technical representative represented by both parties.
- 6.3 For After Sales Support, the supplier should be able to present a certification from the manufacturer, the list of certified service engineers. The supplier shall designate a certified service engineer (company name, contact person and phone number) out of the list provided by

manufacturer. All service units should be of equal/ superior specification to that of the delivered units.

- 6.3.1 An eight (8) hours a day and five (5) days a week (8x5) on-call and on-site support must be made available to PHIC. If any of the delivered IT equipment malfunctions, the PHIC IT officer shall forward the encountered problem to the designated certified service engineer via e-mail/ facsimile and helpdesk (phone).

<i>The Service Response Time</i>			<i>Issuance of Service Unit (SU)</i>	
On-Call	On-Site	Remarks	Replacing the Unit thru SU	Remarks
8am-5pm	5pm, next business day (On site cut-off period)	The on-site service engineer should be able to provide re commendation within the cut-off period. Penalty shall be imposed if lapses occurred after the cut-off period	Within 48 hours after the On Site cut-off period of the Service Response Time	A penalty shall be imposed if lapses occurred after 48 hours cut-off Period

- 6.3.2 The winning supplier should be able to provide a service report (indicating all events during the period of after sales support) twice a month, in a form of mail and e-mail addressed to PRO7-ITMS officer during the warranty period.

VII. LIQUIDATED DAMAGES AND PENALTIES FOR LATE DELIVERY AND SERVICES

- 7.1 In case/s when the supplier fails to satisfactorily deliver the goods within the specified delivery schedule, the supplier shall be liable for damages for the delay and shall pay the procuring entity liquidated damages, an amount equal to one-tenth (1/10) of one percent(1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the procuring entity concerned.
- 7.2 A strict implementation of 1% penalty of the unit price of the defective item shall be imposed for every day of delay on service response time/issuance of service unit. To properly monitor or validate the performance of the service engineer, he/she is required to provide a service/ job order form indicating the current date, time and the transaction transpired in the PHIC office (where the support service from the supplier is conducted). As soon as the engineer had checked and declared that the defective unit/s cannot be repaired within the service response time or on-site cut-off period, the service units should be made available within the next 48 hours. Any movement of service unit/s and malfunctioned/repared unit/s shall be charged against the account of the winning supplier. The assigned service engineer should be able to determine on-site if defective equipment/s is/are under warranty or not. But, once the defective unit/s has/have been pulled-out by the service engineer or the supplier's representative, the said unit/s will be declared as repairable and all cost shall be charged to the winning supplier. If the malfunctioned unit cannot be repaired after 15 working days from the time the said unit had been pulled-out for repair, the said unit shall be replaced with a new unit (should be of equal or higher specification).

VIII. DETAILS AND SPECIFICATIONS OF VARIOUS IT EQUIPMENT

(Separate sheet)

X. Trainings / Installation

-The vendor must setup/install VPN for LHIO and VLAN for Regional Office7 in coordination with PRO7 ITMS for the data needed.

-The vendor must provide technical trainings free of charge prior to the actual installation of VLAN and VPN configuration. The trainings shall focus on the technology used by the equipment and its applications and must include hands-on exercise(s). The following courses are listed below:

Course Title	Venue	Duration	Participants
VLAN CONFIGURATION	Philhealth	3 Days	4
VPN CONFIGURATION	Philhealth	3 Days	4

X. Documentation

The bidder must provide user and system manuals and technical materials of each device. Complete documentation of software and licenses, utility and recovery disks must also be provided including the inventory of the desktop pc components and serial numbers.

XI. Acceptance

PHILHEALTH technical personnel must review and approve the installation and testing conducted by the vendor based on the test and actual results submitted. All deliverables mentioned above should be checked by PHILHEALTH and complied by the vendors before the final acceptance and turn over of the project.

XII. Delivery Addresses and Date

The winning bidder must **deliver** the various IT equipments and software not more than forty-five (45) calendar days from the date of receipt of Notice to Proceed, to the following address: Philippine Health Insurance Corporation-Regional Office VII, 6th floor Golden Peak Hotel, Gorordo Avenue, corner Escario Street, Cebu City.

XIII. OTHER TERMS AND CONDITIONS:

- The Supplier must have an Office in Metro Cebu to facilitate faster after sales support to avoid incurring long distance calls and facsimile and said office must be operational for at least 6 months before the start of bidding process.
- The Supplier must be duly registered with PhilHealth and remitting the monthly premium contributions of its registered employees to the Philippine Health Insurance Corporation per PhilHealth Office Order No. 13 series of 2009.

Prepared by:


BRILLA J. ALBAO
ITO -II

Approved by:


WILLIAM O. CHAVEZ
Regional Vice President