

**CONTRACT ON THE BIDDING FOR ONE (1) LOT ENTERPRISE BACKUP ENHANCEMENT**

**(IB No. EBE 2019-009-IT)**

**DEC 19 2019.**

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2019, in the City of ~~CITY OF MAKATI~~ Metro Manila, by and between:

**PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation duly created by virtue of R.A. 7875, as amended by R.A 9241 and R.A. No. 10606 or the "National Health Insurance Act of 2013", with principal office address at 17th Floor, City State Center Building, 709 Shaw Blvd corner Oranbo Drive, Pasig City, represented herein by its **President and Chief Executive Officer (CEO)**, **BGEN. RICARDO C. MORALES, AFP (RET) FICD**, (hereinafter called "**PHILHEALTH**").

**-and-**

**SANDZ SOLUTIONS PHILIPPINES, INC.**, a stock corporation, organized and registered with the Securities and Exchange Commission under Sec. Reg. No. A200016079, issued on October 16, 2000, and existing under the laws of the Republic of the Philippines, with business address at 6/flr. CYA Land Bldg. 110 Rada St. Legaspi Village, Makati City, represented herein by its **Director - Sales and Operations**, **JENNIFER JOY G. ORTIZ**, (hereinafter called "**SANDZ**").

**WHEREAS**, **PHILHEALTH** invited Bids on the Bidding for the **Procurement of One (1) Lot Enterprise Backup Enhancement** and has accepted a Bid by **SANDZ SOLUTIONS PHILIPPINES, INC.** for the supply of those goods in the sum of, **THIRTY FOUR MILLION NINE HUNDRED SEVENTY EIGHT THOUSAND NINE HUNDRED EIGHTY PESOS (PhP34,978,980.00)** (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) SANDZ's Schedule of Requirements (**Annex "A"**);
  - (b) SANDZ's Bid Form (**Annex "B"**);
  - (c) SANDZ's Technical Proposal and its Appendices (**Annex "C"**);
  - (d) Notice of Award (**Annex "D"**);
  - (e) BAC-ITR Resolution No. 54, s. 2019 (**Annex "E"**);
  - (f) General Conditions of the Contract (GCC) (**Annex "F"**);
  - (g) Special Conditions of the Contract (SCC) (**Annex "G"**);
  - (h) Bid Bulletin No. 1 (**Annex "H"**);
  - (i) Performance Security (**Annex "I"**).
3. In consideration of the payments to be made by **PHILHEALTH** to **SANDZ** as hereinafter mentioned, **SANDZ** 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 **SANDZ** 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, including the 12% Value Added Tax (VAT), customs

**BGEN. RICARDO C. MORALES, AFP (RET) FICD**  
President and Chief Executive Officer

**JENNIFER JOY G. ORTIZ**  
Director - Sales and Operations  
Sandz Solutions Phils., Inc.

**BGEN. AUGUSTUS H. DE VILLA MD AFP (RET)**  
Acting Executive Vice-President and COO

**JOVITA V. ARAGONA**  
SVP - Chief Information Officer  
Information Management Sector

**ARCHMEDES VILLASIN**  
Acting Division Chief IV, MCD  
Comptrollership Department

WITNESS for SANDZ SOLUTIONS PHILS., INC.  
Ronaldo Velasco  
Sales Director

WITNESS for SANDZ SOLUTIONS PHILS., INC.  
Azelina R. Olla  
Accountant

duties, license fees, freight, insurance, cost of importation and delivery at the time and locations specified and other charges which may be imposed on the Product by foreign and local authorities

6. SANDZ hereby covenants to deliver in favor of PHILHEALTH the **One (1) Lot Enterprise Backup Enhancement** and the services related thereto, in accordance with the technical specifications as stated in attached Annexes of this Contract;

7. **Within Sixty (60) Calendar Days** after complete delivery to and acceptance by PHILHEALTH, SANDZ shall submit the **STATEMENT OF BILLING ACCOUNT** and other documentary requirements as may be required by the former as condition for payment. PHILHEALTH shall thereafter pay the sum of **Thirty Three Million Two Hundred Thirty Thousand Thirty One Pesos (PhP33,230,031.00) only**, which is ninety five percent (95%) of the total contract price;

As obligation for the warranty, PHILHEALTH shall withhold **five percent (5%) of the total contract price as retention money** or as obligation for "Warranty" in an amount equivalent to **One Million Seven Hundred Forty Eight Thousand Nine Hundred Forty Nine Pesos (PhP1,748,949.00) only** said amount shall only be released after the lapse of the **three (3) years warranty period** for non-expendable supplies as required under Section 62 (Warranty) of the Revised IRR of R.A. 9184 .

SANDZ, however, may opt to post the required retention money equivalent to five percent (5%) of the total contract price for the first year, which may be released after the lapse of the warranty for the first year and upon posting of a **special bank guarantee equivalent to at least five percent (5%) of the total contract price** for the second year, to be renewed on the third year. Failure to submit the required special bank guarantee for the third year shall be a ground for blacklisting;

8. The contracting parties undertake to comply with **Office Order No. 0018-2015 entitled "Reiteration of PhilHealth No Gift Policy Revision (1)"** which is deemed incorporated into this contract. No PhilHealth personnel shall solicit, demand, or accept, directly or indirectly, any gift from any person, group, association, or juridical entity, whether from the public or private sector, at anytime, on or off the work premises where such gift is given in the course of official duties or in connection with any transaction which may affect the functions of their office or influence the actions of directors or employees, or create the appearance of a conflict of interest;

9. The parties and any or all of their staff or representatives who will be involved in this project shall be required to sign a mutual Non-Disclosure Agreement and maintain strict confidentiality on any information accessed from the PhilHealth database or provided by PhilHealth. This condition shall apply even after the contract ends. SANDZ shall not disclose any proprietary or confidential information relating to PhilHealth or to this agreement without prior written consent from the latter.

10. 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.

BGEN. RICARDO C. MORALES, AFP  
(RET) FIC 577  
President and Chief Executive Officer  
PhilHealth

JENIFER JOY G. ORTIZ  
Director for Sales and Operations  
Sand Solutions Phils., Inc.

BGEN AUGUSTUS H. DE VILLA MD  
AFP (RET)  
Acting Executive Vice-President and COO

JOVITA V. ARAGONA  
SVP-Chief Information Officer  
Information Management Sector

ARCHIMEDES V. VILLASIN  
Acting Division Chief, AICD  
Comptrollership Department


WITNESS for SANDZ SOLUTIONS  
PHILS., INC.  
Romualdo Velasco  
Sales Director

WITNESS for SANDZ SOLUTIONS  
PHILS., INC.  
Alegria R. Oñia  
Account Manager

PHILIPPINE HEALTH INSURANCE CORP.


SANDZ SOLUTIONS PHILS., INC.

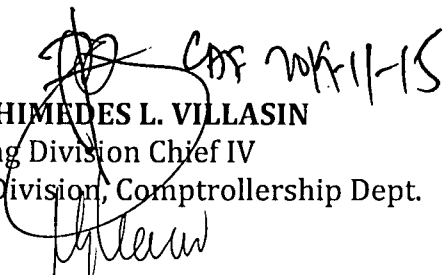
  
BGEN. RICARDO C. MORALES, AFP (RET)  
President and Chief Executive Officer (CEO)


  
JENNIFER JOY G. ORTIZ  
Director-Sales and Operations


Signed in the presence of:

  
BGEN AUGUSTUS R. DEVILLA MD AFP (RET)  
Acting Executive Vice-President and COO

  
JOVITA V. ARAGONA  
SVP- Chief Information Officer  
Information Management Sector

  
ARCHIMEDES L. VILLASIN  
Acting Division Chief IV  
AIC Division, Comptrollership Dept.

  
Romualdo Velasco - Sales Director  
Witness for SANDZ SOLUTIONS  
PHILS., INC.

  
Argeline R. Villa - Account Manager  
Witness for SANDZ SOLUTIONS  
PHILS., INC.

**ACKNOWLEDGEMENT**

REPUBLIC OF THE PHILIPPINES)  
CITY OF ~~CITY OF MAKATI~~ S.S.

BEFORE ME, this \_\_\_ day of DEC 19 2019 2019, personally appeared the following persons exhibiting to me their respective Government issued ID's, to wit:

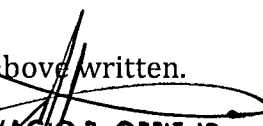
BGEN. RICARDO C. MORALES, AFP (RET) FICD \_\_\_\_\_  
Philippine Health Insurance Corp.

JENNIFER JOY G. ORTIZ \_\_\_\_\_  
Sandz Solutions Phils., Inc.

Known to me to be the same persons who executed the foregoing Contract Agreement consisting of **eight hundred ninety six (896) 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. 444  
Page No. 90  
Book No. XL  
Series of 2019

  
ATTY. GERVACIO B. ORTIZ JR.  
Notary Public City of Makati  
Until December 31, 2020  
IBP No. 05729-Lifetime Member  
MCLE Compliance No. VI-0024312  
Appointment No. M-183-(2019-2020)  
PTR No. 7333104 Jan. 3, 2019  
Makati City Roll No. 40091  
101 Urban Ave. Campos Fueda Bldg.  
Brgy. Pio Del Pilar, Makati City