

CONTRACT ON THE RE-BIDDING FOR ONE (1) LOT NETWORK SYSTEM ENHANCEMENTS AND SUPPORT (IB No. NSYSES2 2019-003-IT)

THIS AGREEMENT made and entered into this 16th day of December 2019, in the 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-

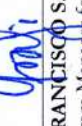
JOINT VENTURE OF NERA (PHILIPPINES), INC. a stock corporation, organized and registered with the Securities and Exchange Commission under Company Reg. No. A1997-7661, issued on April 20, 1997, **AND SECUR LINKS NETWORK & TECHNOLOGIES, INC.** a stock corporation, organized and registered with the Securities and Exchange Commission under Company Reg. CS200311389, issued on May 22, 2003 and existing under the laws of the Republic of the Philippines, with principal business address at 26th Floor Circuit Corporate Center One, A.P Reyes Ave., Brgy. Carmona, Makati City, represented herein by its Infocomm Manager for Government, Transport and Utilities (GTU) Business, **FRANCISCO S. BAYBAY** (hereinafter called "NERA-SECUR LINKS JV").

WHEREAS, PHILHEALTH invited Bids on the Re-Bidding for the **Procurement of One (1) Lot Network System Enhancements and Support** and has accepted a Bid by **JOINT VENTURE OF NERA (PHILIPPINES), INC. AND SECUR LINKS NETWORK & TECHNOLOGIES, INC.** for the supply of those goods in the sum of, **THIRTEEN MILLION SIX HUNDRED EIGHTY NINE THOUSAND SEVEN HUNDRED SEVENTY FOUR PESOS AND EIGHTEEN CENTAVOS (PhP13,689,774.18)** (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) Nera-Secur Links JV's Schedule of Requirements (**Annex "A"**);
 - (b) Nera-Secur Links JV's Bid Form (**Annex "B"**);
 - (c) Nera-Secur Links JV's Technical Proposal and its Appendices (**Annex "C"**);
 - (d) Notice of Award (**Annex "D"**);
 - (e) BAC-ITR Resolution No. 39, 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 **NERA-SECUR LINKS JV** as hereinafter mentioned, **NERA-SECUR LINKS JV** 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 **NERA-SECUR LINKS JV** in consideration of the provision of the goods and services and the remedying of defects therein, the


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


FRANCISCO S. BAYBAY
 Infocomm Manager for GTU Business
 Nera-Secur Links JV


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 L. VILLASIN
 Acting Division Chief IV, AICD
 Comprollership Department


 WITNESS for NERA-SECUR
 LINKS JV


 WITNESS for NERA-SECUR
 LINKS JV

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 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. **NERA-SECUR LINKS JV** hereby covenants to deliver in favor of **PHILHEALTH** the **One (1) Lot Network System Enhancements and Support** 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**, **NERA-SECUR LINKS JV** 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 **Thirteen Million Five Thousand Two Hundred Eighty Five Pesos and Forty Seven Centavos (PhP13,005,285.47) 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 **Six Hundred Eighty Four Thousand Four Hundred Eighty Eight Pesos and Seventy One Centavos (PhP684,488.71) only** said amount shall only be released after the lapse of the five (5) years warranty period for non-expendable supplies as required under Section 62 (Warranty) of the Revised IRR of R.A. 9184 .


NERA-SECUR LINKS JV, 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 to fifth year. Failure to submit the required special bank guarantee for the succeeding 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. **NERA-SECUR LINKS JV** 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;


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


FRANCISCO S. BAYBAY
Infocomm Manager for CITU Business
Nera-Secur Links JV


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


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


ARCHIMEDES L. VILLASIN
Acting Division Chief IV, AICD
Computership Department


WITNESS for NERA-SECUR
LINKS JV


WITNESS for NERA-SECUR
LINKS JV

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 CORP.

NERA-SECUR LINKS JV

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

FRANCISCO S. BAYBAY
Infocomm Manager for GTU
Business

Signed in the presence of:

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

Witness for **NERA-SECUR LINKS JV**

Witness for **NERA-SECUR LINKS JV**

ACKNOWLEDGEMENT

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

BEFORE ME, this 16th day of DECEMBER 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.

DRIVERS' LICENSE NO. N03-82-677032

FRANCISCO S. BAYBAY
NERA-SECUR LINKS JV

PH PASSPORT NO. P6142691A
EXPIRES ON 21 FEB-2023

Known to me to be the same persons who executed the foregoing Contract Agreement consisting of **ninety-eight (98) 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.

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Book No. IV
Series of 2019

RELINDA GRACE G. GERVASIO
Notary Public
Appointment No. M-487
Commission until December 31, 2019
Roll of Attorneys No. 71684
PTR No. 7336146; 1-5-2019; Makati City
IBP No. 057847; 12-27-2018; Makati City Chapter
MCLE Compliance Certificate No. VI-0028826; 10-02-2019
23rd Floor, Multinational Bancorporation Centre
6905 Ayala Avenue, City of Makati