

**CONTRACT ON THE BIDDING FOR ONE (1) LOT STORAGE SYSTEM
ENHANCEMENTS AND SUPPORT FOR PRODUCTION SITE
(IB No. SSESPS 2019-016-IT)**

MAY 03 2021

THIS AGREEMENT made and entered into this _____ day of _____ 2020, in the City of _____, Metro Manila, by and between:

PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH), 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. PHILHEALTH is represented in this Agreement by its President and Chief Executive Officer (CEO), **ATTY. DANTE A. GIERRAN, CPA** who is authorized to sign this agreement under Corporate Order No. 2018-0026 on the New Delegation and Signing Authority (DSA) in the Head Office and Regional Offices, copy attached hereto as Annex "J";

-and-

SANDZ SOLUTIONS PHILIPPINES, INC., a stock corporation, organized and registered with the Securities and Exchange Commission 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**"), duly authorized for this purpose as evidenced by SANDZ Secretary's Certificate, copy attached hereto as Annex "K";

WHEREAS, PHILHEALTH invited Bids on the Bidding for the **Procurement of One (1) Lot Storage System Enhancements and Support for Production Site** and has accepted a Bid by **SANDZ SOLUTIONS PHILIPPINES, INC.** for the supply of those goods in the sum of, **THIRTY NINE MILLION EIGHT HUNDRED NINETY EIGHT THOUSAND EIGHT HUNDRED THIRTY EIGHT PESOS (PhP39,898,838.00)** (hereinafter called "**the Contract Price**"),

On October 23, 2019, PhilHealth caused the publication of an Invitation to Bid for the procurement of One (1) Lot Storage System Enhancements and Support for Production Site with an Approved Budget of the Contract (ABC) in the amount of Thirty Nine Million Nine Hundred Seventy One Thousand Four Hundred Twenty Seven Pesos and Ninety Four Centavos Pesos (PhP39,971,427.94) in accordance with its 2020 Annual Procurement Plan.

One bidder submitted its bid on or before November 19, 2019. After opening the bids, Sandz Solutions Philippines, Inc. was declared eligible and as having submitted the Single Calculated Bid (SCB).

PhilHealth subjected Sandz Solutions Philippines, Inc. to post-qualification and after such proceedings, Sandz Solutions Philippines, Inc.'s bid in the amount of Thirty Nine Million Eight Hundred Ninety Eight Thousand Eight Hundred Thirty Eight Pesos (PhP39,898,838.00) was found to be the Single Calculated and Responsive Bid.

PhilHealth subsequently issued the Notice of Award to Sandz Solutions Philippines, Inc. which the latter accepted on July 14, 2020.

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' Schedule of Requirements (**Annex "A"**);
- (b) SANDZ' Bid Form (**Annex "B"**);
- (c) SANDZ' Technical Proposal and its Appendices (**Annex "C"**);
- (d) Notice of Award (**Annex "D"**);
- (e) BAC-ITR Resolution No. 17, s. 2020 (**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"**).
- (j) Corporate Order No. 2018-0026 (**Annex "J"**);
- (k) SANDZ Secretary's Certificate (**Annex "K"**).

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 within the warranty period 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. 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 Nine Hundred Ninety Four Thousand Nine Hundred Forty One Pesos and Ninety Centavos (PhP1,994,941.90)** 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 .

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 next four years. **SANDZ** may submit it in separate special bank guarantee per year. However, submission of the said special bank guarantees shall be made on a one-time basis. Failure to submit the required special bank guarantee shall be a ground for blacklisting.

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.

ATTY. DANTE A. GIERRAN, CPA
President and Chief Executive Officer


SANDZ SOLUTIONS PHILS., INC.


JENNIFER JOY G. ORTIZ
Director- Sales and Operations

Signed in the presence of:

DR. ARTURO C. ALCANTARA
Acting Chief Information Officer
Information Management Sector

NELSON S. DE VERA
Acting Senior Manager
Information Technology Mgt. Dept.


Algeline R. Olila
Witness for SANDZ


MARIA ANGELA FUERTES
Witness for SANDZ

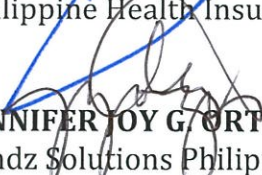
ACKNOWLEDGEMENT

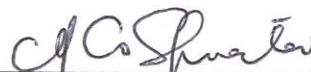
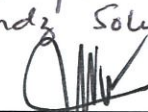
REPUBLIC OF THE PHILIPPINES)
CITY OF CITY OF MANILA) S.S.

MAY 03 2021

BEFORE ME, this ____ day of _____ 2020, personally appeared the following persons exhibiting to me their respective Government issued ID's, to wit:


ATTY. DANTE A. GIERRAN, CPA
Philippine Health Insurance Corp.

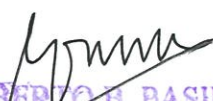

JENNIFER JOY G. ORTIZ
Sandz Solutions Philippines, Inc.


MARIA ANGELA FUERTES
Sandz Solutions Phils. Inc.

Algeline R. Olila
Sandz Solutions

Known to me to be the same persons who executed the foregoing Contract Agreement consisting of **three hundred seventy (370) 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. 10
Series of 2020


ATTY. GILBERTO B. PASIMANERO
Notary Public Until Dec. 31, 2021
Notarial Commission No. 2020-030
IRP # 092331 Pasig - 10-7-2019
PTR # 9823042 MIA 1-4-2021
Roll # 25473, TIN # 108-098-349
MCLE Compl. No. VL-0011418 until 1-12-2022