REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO ST., SAN MIGUEL, MANILA

BIDDING DOCUMENTS

FOR

DBM NETWORK REFRESH

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

SECTION I. INVITATION TO BID
DBM Network Refresh

1. The Department of Budget and Management (DBM) through the authorized appropriations under the FY 2015 General Appropriations Act intends to apply the sum of **Fourteen Million Four Hundred Fifty Thousand Pesos (P14,450,000.00)** being the Approved Budget for the Contract (ABC) to payments under the contract for the Project, **"DBM Network Refresh (2 Lots)."** Bids received in excess of the ABC shall be automatically rejected at bid opening.

2. The DBM now invites bids for the Project, **"DBM Network Refresh (2 Lots)"** for one year. Delivery of the goods shall be in accordance with the Delivery Schedule under Section VI. Schedule of Requirements. Bidders should have completed, within two (2) years from the date of the Pre-bid Conference, contracts similar to the relevant Lot of the Project worth at least fifty percent (50%) of the ABC for said Lot. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders (ITB). **Bidders may participate for any one or both Lots (Lot 1 and Lot 2).**

LOT NO.	NAME OF PROJECT	ABC
1	Security Hardening and Optimization (Supply, Delivery and Installation of Firewall and Components, Active Devices, and Modules)	P11,200,000.00
2	Licenses and Subscription – CISCO Core Switch, Fortinet and VMWare	P 3,250,000.00

3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary "pass/fail" criterion as specified in the Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184, otherwise known as the "Government Procurement Reform Act."

4. Interested bidders may obtain further information from the DBM-Bids and Awards Committee (BAC) Secretariat and inspect the Bidding Documents at the address given below during office hours from 9:00 a.m. to 4:00 p.m.

5. A complete set of Bidding Documents may be acquired by interested bidders on February 23, 2016 from the address below and upon payment of a non-refundable fee in the amount of :

LOT NO.	BID DOCS PRICE
1	P25,000.00
2	P5,000.00
TOTAL	P30,000.00

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the DBM, provided that bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

6. The DBM will hold a Pre-bid Conference on March 1, 2016, 10:00 a.m. for Lot 1 and Lot 2 at the BAC Conference Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila, which shall be open to all interested parties.

7. Bids must be delivered to the address below on or before March 15, 2016, 10:00 a.m. for Lot 1 and Lot 2. All bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in the ITB Clause 18.

Bid opening shall be on March 15, 2016, 10:00 a.m. for Lot 1 and Lot 2 at the BAC Conference Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila. Bids will be opened in the presence of the bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.

8. The DBM reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.

9. For further information, please refer to:

DBM-BAC Secretariat
BAC Conference Room
Department of Budget and Management
Ground Floor, DBM Building III, General Solano St., San Miguel, Manila
Telefax No. 791-2000 local 3121
Email address: **vumali@dbm.gov.ph**

ATTY. SOFIA C. YANTO
Chairperson, DBM-BAC

CHECKLIST OF ELIGIBILITY AND TECHNICAL DOCUMENTS FOR SUBMISSION

(1) Eligibility Documents

☐ Registration Certificate from SEC/DTI/CDA
   - Securities and Exchange Commission (SEC) - for partnerships/corporations; or
   - Department of Trade and Industry (DTI) - for sole proprietorship; or
   - Cooperative Development Authority (CDA) for cooperatives.

☐ Valid and Current Mayor's Permit

☐ Tax Clearance per Executive Order No. 398, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR)

☐ Statement of all Ongoing Private and Government Contracts, Including Contracts Awarded but not yet Started, if any

☐ Statement of Single Largest Completed Contract, which is similar in nature, within two (2) years prior to Pre-bid Conference

   ☐ Photocopy of Single Largest Completed Contract or Purchase Order (at least 50% of the ABC)

   ☐ Certificate of Completion or Acceptance from the Bidder's client or Official Receipt

☐ Audited Financial Statement stamped "received" by the BIR
   or its duly accredited and authorized institutions, for the preceding calendar year

☐ Net Financial Contracting Capacity (NFCC) computation

(2) Technical Documents

☐ Bid Security in any of the following forms:
   - Cash or cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank (2% of the ABC); or
   - Surety bond (5% of the ABC) with a Certificate from the Insurance Commission;
   - Any combination of the foregoing; or
   - Bid Securing Declaration

☐ Compliance with Section VI. Schedule of Requirements

☐ Compliance with Section VII. Technical Specifications

☐ Omnibus Sworn Statement

☐ Authority of the Signatory

Section II. Instructions to Bidders

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A. General

1. Scope of Bid

1.1. **The procuring entity named in the** BDS (hereinafter referred to as the "Procuring Entity") wishes to receive bids for supply and delivery of the goods as described in Section VII. Technical Specifications (hereinafter referred to as the "Goods").

1.2. The name, identification, and number of lots specific to this bidding are provided in the BDS. The contracting strategy and basis of evaluation of lots is described in ITB Clause 28.

2. Source of Funds

The Procuring Entity has a budget or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the contract.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

3.1. Unless otherwise specified in the BDS, the Procuring Entity as well as the bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:

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

(a) "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 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 RA 3019.

(b) "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.

(c) "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.

(d) "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.

(e) "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.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 3.

4. Conflict of Interest

4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (f) below:

(a)   A Bidder has controlling shareholders in common with another Bidder;

(b)   A Bidder receives or has received any direct or indirect subsidy from any other Bidder;

(c)   A Bidder has the same legal representative as that of another Bidder for purposes of this bid;

(d)   A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;

(e)   A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid; or

(f)   A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid.

4.2.   In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:

(a)   If the Bidder is an individual or a sole proprietorship, to the Bidder himself;

(b)   If the Bidder is a partnership, to all its officers and members;

(c)   If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and

(d)   If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

5.1. Unless otherwise indicated in the <u>BDS</u>, the following persons shall be eligible to participate in this bidding:

(a) Duly licensed Filipino citizens/sole proprietorships;

(b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;

(c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;

(d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and

(e) Unless otherwise provided in the **BDS**, persons/entities forming themselves into a JV, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).

5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:

(a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its IRR allow foreign bidders to participate;

(b) Citizens, corporations, or associations of a country, included in the list issued by the GPPB, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;

(c) When the Goods sought to be procured are not available from local suppliers; or

(d) When there is a need to prevent situations that defeat competition or restrain trade.

5.3. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.

5.4. Unless otherwise provided in the <u>BDS</u>, the Bidder must have completed at least one contract similar to the Project the value of which, adjusted to current prices using the National Statistics Office consumer price index, must be at least equivalent to a percentage of the ABC stated in the <u>BDS</u>.

For this purpose, contracts similar to the Project shall be those described in the BDS, and completed within the relevant period stated in the Invitation to Bid and ITB Clause 12.1(a)(iii).

5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to be bid, calculated as follows:

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.

The values of the bidder's current assets and current liabilities shall be based on the data submitted to the BIR, through its Electronic Filing and Payment System (EFPS).

6. Bidder's Responsibilities

6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in ITB Clause 12.1(b)(iii).

6.2. The Bidder is responsible for the following:

(a) Having taken steps to carefully examine all of the Bidding Documents;

(b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;

(c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;

(d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under ITB Clause 10.3;

(e) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;

(f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

(g)   Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;

(h)   Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;

(i)   Complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019; and

(j)   Complying with existing labor laws and standards, in the case of procurement of services.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

6.3.   The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.

6.4.   It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.

6.5.   The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.

6.6.   The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

6.7.   Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.

6.8.   The Bidder should note that the Procuring Entity will accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. Origin of Goods

Unless otherwise indicated in the BDS, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to ITB Clause 27.1.

8.   Subcontracts

8.1.   Unless otherwise specified in the <u>BDS</u>, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the <u>BDS</u>. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.

8.2.   Subcontractors must comply with the eligibility criteria and the documentary requirements specified in the <u>BDS</u>. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

8.3.   The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation.   If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

B.   Contents of Bidding Documents

9.   Pre-Bid Conference

9.1.   (a) If so specified in the <u>BDS</u>, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.

(b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the <u>BDS</u>.

9.2.   Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.

9.3.   Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

10.   Clarification and Amendment of Bidding Documents

10.1.   Bidders who have purchased the Bidding Documents may request for clarifications on any part of the Bidding Documents for an interpretation. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the <u>BDS</u> at least ten (10) calendar days before the deadline set for the submission and receipt of bids.

10.2. Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents shall be identified as an amendment.

10.3. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with ITB Clause 23.

C.   Preparation of Bids

11.   Language of Bid

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines. The English translation shall govern, for purposes of interpretation of the bid.

12.   Documents Comprising the Bid: Eligibility and Technical Components

12.1. Unless otherwise indicated in the BDS, the first envelope shall contain the following eligibility and technical documents:

(a)   Eligibility Documents –

Class "A" Documents:

(i)   Registration Certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the BDS;

(ii)   Mayor's Permit issued by the city or municipality where the principal place of business of the prospective bidder is located;

(iii) Statement of all its ongoing government and private contracts within the period stated in the BDS, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; and Statement identifying the bidder's single largest completed contract similar to the contract to be bid, except under conditions provided for in Sec. 23.5.1.3 of the IRR, within the relevant period as provided in the BDS.

The statement shall include, for each contract, the following:

(iii.1) name of the contract;

(iii.2) date of the contract;

(iii.3) kinds of Goods;

(iii.4) amount of contract and value of outstanding contracts;

(iii.5) date of delivery; and

(iii.6) end user's acceptance or official receipt(s) issued for the contract, if completed.

(iv) Audited financial statements, stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission;

(v) NFCC computation in accordance with ITB Clause 5.5; and,

(vi) Tax Clearance per Executive Order No. 398, series of 2005, as finally reviewed and approved by the BIR;

Class "B" Document:

(vii) If applicable, the JVA in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.

(b) Technical Documents –

(i) Bid security in accordance with ITB Clause 18. If the Procuring Entity requires the bidders to submit the bid security in the form of:

(i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

(i.2)   a surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;

(ii)   Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and

(iii)   Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

13. Documents Comprising the Bid: Financial Component

13.1.   Unless otherwise stated in the BDS, the financial component of the bid shall contain the following:

(a)   Financial Bid Form, which includes bid prices and the bill of quantities and the applicable Price Schedules, in accordance with ITB Clauses 15.1 and 15.4;

(b)   If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from the DTI, SEC, or CDA issued in accordance with ITB Clause 27, unless otherwise provided in the BDS; and

(c)   Any other document related to the financial component of the bid as stated in the BDS.

13.2.   (a)   Unless otherwise stated in the BDS, all bids that exceed the ABC shall not be accepted.

(b)   Unless otherwise indicated in the BDS, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:

(i)   Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.

(ii)   The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.

(iii)   The procuring entity has trained cost estimators on estimating prices and analyzing bid variances.

(iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.

(v) The procuring entity has established a system to monitor and report bid prices relative to ABC and procuring entity's estimate. The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

14. Alternative Bids

Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

15. Bid Prices

15.1. The Bidder shall complete the appropriate Price Schedules included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.

15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Bill of Quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.

15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.

15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:

(a) For Goods offered from within the Procuring Entity's country:

(i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable:

(i.1) on the components and raw material used in the manufacture or assembly of Goods quoted ex works or ex factory; or

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<blockquote>

(i.2) on the previously imported Goods of foreign origin quoted ex warehouse, ex showroom, or off-the-shelf and any Procuring Entity country sales and other taxes which will be payable on the Goods if the contract is awarded.

(ii) The price for inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.

(iii) The price of other (incidental) services, if any, listed in the BDS.

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(b) For Goods offered from abroad:

<blockquote>

(i) Unless otherwise stated in the BDS, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the BDS. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.

(ii) The price of other (incidental) services, if any, listed in the BDS.

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15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to ITB Clause 24.

All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Extraordinary circumstances refer to events that may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

(a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.

(b)   For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) stated in the BDS. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.

16.2.   If so allowed in accordance with ITB Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.

16.3.   Unless otherwise specified in the BDS, payment of the contract price shall be made in Philippine Pesos.

17.   Bid Validity

17.1.   Bids shall remain valid for the period specified in the BDS which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.

17.2.   In exceptional circumstances, prior to the expiration of the Bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in ITB Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

18.   Bid Security

18.1.   The procuring entity shall prescribe in the BDS the acceptable forms of bid security that bidders may opt to use, which shall include the Bid Securing Declaration and at least one (1) other form, in the amount stated in the BDS shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	Two percent (2%)

(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
(d) Any combination of items (a) to (c) above.	Proportionate to share of form with respect to total amount of security
(e) Bid Securing Declaration	No percentage required.

For biddings conducted by LGUs, the procuring entity may also require bidders to submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.

The Bid Securing Declaration mentioned above is an undertaking which states, among others, that the bidder shall enter into contract with the procuring entity and furnish the performance security required under ITB Clause 33.2, from receipt of the Notice of Award, and committing to pay the corresponding fine, and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as provided in the guidelines issued by the GPPB.

18.2. The bid security should be valid for the period specified in the BDS. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.

18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the bidder with the Lowest Calculated and Responsive Bid has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in ITB Clause 18.2.

18.4. Upon signing and execution of the contract pursuant to ITB Clause 32, and the posting of the performance security pursuant to ITB Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the ITB Clause 18.2.

18.5. The bid security may be forfeited:

(a) if a Bidder:

(i) withdraws its bid during the period of bid validity specified in ITB Clause 17;

(ii) does not accept the correction of errors pursuant to ITB Clause 28.3 (b);

(iii) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in ITB Clause 29.2;

      (iv)   submission of eligibility requirements containing false information or falsified documents;

      (v)   submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;

      (vi)   allowing the use of one's name, or using the name of another for purposes of public bidding;

      (vii)   withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the Lowest Calculated and Responsive Bid;

      (viii)   refusal or failure to post the required performance security within the prescribed time;

      (ix)   refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;

      (x)   any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;

      (xi)   failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or

      (xii)   all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.

(b)   if the successful Bidder:

      (i)   fails to sign the contract in accordance with ITB Clause 32; or

      (ii)   fails to furnish performance security in accordance with ITB Clause 33.

19.   Format and Signing of Bids

19.1.   Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the ITB Clauses 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under ITB Clause 12.1, and the second shall contain the financial component of the bid.

19.2.   Forms as mentioned in ITB Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.

19.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in ITB Clauses 12 and 13. In the event of any discrepancy between the original and the copies, the original shall prevail.

19.4. The bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.

19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

20.1. Bidders shall enclose their original eligibility and technical documents described in ITB Clause 12 in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".

20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. ___ - TECHNICAL COMPONENT" and "COPY NO. ___ – FINANCIAL COMPONENT" and the outer envelope as "COPY NO. ___", respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.

20.3. The original and the number of copies of the Bid as indicated in the BDS shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.

20.4. All envelopes shall:

(a) contain the name of the contract to be bid in capital letters;

(b) bear the name and address of the Bidder in capital letters;

(c) be addressed to the Procuring Entity's BAC in accordance with ITB Clause 1.1;

(d) bear the specific identification of this bidding process indicated in the ITB Clause 1.2; and

(e) bear a warning "DO NOT OPEN BEFORE…" the date and time for the opening of bids, in accordance with ITB Clause 21.

20.5. If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the Procuring Entity's BAC at the address and on or before the date and time indicated in the BDS.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to ITB Clause 21, shall be declared "Late" and shall not be accepted by the Procuring Entity.

23. Modification and Withdrawal of Bids

23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.

23.3. Bids requested to be withdrawn in accordance with ITB Clause 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to ITB Clause 18.5, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its IRR.

24.   Opening and Preliminary Examination of Bids

24.1.   The BAC shall open the first bid envelopes of Bidders in public as specified in the <u>BDS</u> to determine each Bidder's compliance with the documents prescribed in ITB Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".

24.2.   Unless otherwise specified in the BDS, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in ITB Clause 13.2, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.

24.3.   Letters of Withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.

24.4.   If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said certification may be submitted in lieu of the requirements enumerated in ITB Clause 12.1(a), items (i) to (v).

24.5.   In the case of an eligible foreign Bidder as described in ITB Clause 5, the Class "A" Documents described in ITB Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.

24.6.   Each partner of a joint venture agreement shall likewise submit the requirements in ITB Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under ITB Clauses 12.1(a)(iii) to 12.1(a)(v) by any of the joint venture partners constitutes compliance.

24.7.   The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

E.   Evaluation and Comparison of Bids

25.   Process to be Confidential

25.1.   Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise   allowed in the case of ITB Clause 26.

25.2.   Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

26.   Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

27.   Domestic Preference

27.1.   Unless otherwise stated in the BDS, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:

(a)   The preference shall be applied when (i) the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder, or (ii) the lowest bid offered by a non-Philippine national is lower than the lowest bid offered by a Domestic Entity.

(b)   For evaluation purposes, the lowest Foreign Bid or the bid offered by a non-Philippine national shall be increased by fifteen percent (15%).

(c)   In the event that (i) the lowest bid offered by a Domestic Entity does not exceed the lowest Foreign Bid as increased, or (ii) the lowest bid offered by a non-Philippine national as increased, then the Procuring Entity shall award the contract to the Domestic Bidder/Entity at the amount of the lowest Foreign Bid or the bid offered by a non-Philippine national, as the case may be.

(d) If the Domestic Entity/Bidder refuses to accept the award of contract at the amount of the Foreign Bid or bid offered by a non-Philippine national within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid or the non-Philippine national, as the case may be, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.

27.2. A Bidder may be granted preference as a Domestic Entity subject to the certification from the DTI (in case of sole proprietorships), SEC (in case of partnerships and corporations), or CDA (in case of cooperatives) that the (a) sole proprietor is a citizen of the Philippines or the partnership, corporation, cooperative, or association is duly organized under the laws of the Philippines with at least seventy five percent (75%) of its interest or outstanding capital stock belonging to citizens of the Philippines, (b) habitually established in business and habitually engaged in the manufacture or sale of the merchandise covered by his bid, and (c) the business has been in existence for at least five (5) consecutive years prior to the advertisement and/or posting of the Invitation to Bid for this Project.

27.3. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

28. Detailed Evaluation and Comparison of Bids

28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to ITB Clause 24, in order to determine the Lowest Calculated Bid.

28.2. The Lowest Calculated Bid shall be determined in two steps:

(a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and

(b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.

28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. Unless otherwise specified in the BDS, the BAC shall consider the following in the evaluation of bids:

(a) <u>Completeness of the bid.</u> Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Procuring Entity; and

(b) <u>Arithmetical corrections.</u> Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications, if allowed in the <u>BDS</u>. Any adjustment shall be calculated in monetary terms to determine the calculated prices.

28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in the <u>BDS</u>.

28.5. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.

28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

29. Post-Qualification

29.1. The Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in ITB Clauses 5, 12, and 13.

29.2. Within a non-extendible period of three (3) calendar days from receipt by the bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:

(a) Latest income and business tax returns in the form specified in the <u>BDS</u>;

(b) Certificate of PhilGEPS Registration or PhilGEPS Registration Number if the procuring entity is a Philippine foreign office or post, provided that participating bidders should register with the PhilGEPS prior to bid opening; and

(c) Other appropriate licenses and permits required by law and stated in the <u>BDS</u>.

Failure of the Bidder declared as Lowest Calculated Bid to duly submit the requirements under this Clause or a finding against the veracity of such shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to ITB Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.

29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.

29.5. A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated Responsive Bid is determined for contract award.

29.6. Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation. In the case of GOCCs and GFIs, the period provided herein shall be fifteen (15) calendar days.

30.   Reservation Clause

30.1. Notwithstanding the eligibility or post-qualification of a bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements.   Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

(a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

(b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or

(c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:

(i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;

(ii) If the project is no longer necessary as determined by the head of the procuring entity; and

(iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

(a) No bids are received;

(b) All prospective bidders are declared ineligible;

(c) All bids fail to comply with all the bid requirements or fail post-qualification; or

(d) The bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.

F.   Award of Contract

31. Contract Award

31.1. Subject to ITB Clause 29, the Procuring Entity shall award the contract to the Bidder whose bid has been determined to be the LCRB.

31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

(a) Submission of the valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the BAC that the Bidder has the LCRB;

(b) Posting of the performance security in accordance with ITB Clause 33;

(c) Signing of the contract as provided in ITB Clause 32; and

(d) Approval by higher authority, if required.

31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

32. Signing of the Contract

32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security and sign and date the contract and return it to the Procuring Entity.

32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.

32.4. The following documents shall form part of the contract:

(a) Contract Agreement;

(b) Bidding Documents;

(c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;

(d) Performance Security;

(e) Credit line in accordance with ITB Clause 5.5, if applicable;

(f) Notice of Award of Contract; and

(g) Other contract documents that may be required by existing laws and/or specified in the BDS.

33. Performance Security

33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.

33.2. The procuring entity shall prescribe at least two (2) acceptable forms of performance security taken from two (2) categories below that bidders may opt to use, denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

33.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

34. Notice to Proceed

34.1. Within three (3) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.

34.2. The contract effectivity date shall be provided in the Notice to Proceed by the Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of the Notice to Proceed.

35. Protest Mechanism

Decision of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the revised Implementing Rules and Regulations of Republic Act No. 9184.

Section III. Bid Data Sheet

ITB Clause	
1.1	The Procuring Entity is the **Department of Budget and Management**.
1.2	The bidding shall have two (2) Lots as follows: Lot 1 – Security Hardening and Optimization (Supply, Delivery and Installation of Firewall and Components, Active Devices, and Modules); and Lot 2 – Licenses and Subscriptions – CISCO Core Switch, Fortinet and VMWare.
2	The Funding Source is: The Government of the Philippines (GOP) through the authorized appropriation under the FY 2015 General Appropriations Act in the amount of **Fourteen Million Four Hundred Fifty Thousand Pesos (P14,450,000.00)** broken into: <table><tr><th>LOT NO.</th><th>ABC</th></tr><tr><td>1</td><td>P11,200,000.00</td></tr><tr><td>2</td><td>P 3,250,000.00</td></tr></table> The name of the Project is **DBM Network Refresh**.
3.1	No further instructions.
5.1	No further instructions.
5.2	None of the circumstances mentioned in the **ITB** Clause exists in this Project. Foreign bidders, except those falling under **ITB** Clause (b), may not participate in this Project.

5.4	The bidder must have completed, two (2) years prior to the date of the Pre-bid Conference, a single contract that is similar to the relevant Lot of the Project worth at least fifty percent (50%) of the ABC for said Lot to be bid. Such contract shall be reflected in the Statement of Single Largest Completed Contract under Item 12.1(a)(iii) hereof.
	
	Bidders shall include in their bids:
	
	1) a photocopy of Single Largest Completed Contract, Purchase Order or Sales Invoice; and
	
	2) the corresponding proof of completion, which could either be:
	
	    (i) Certificate of Final Acceptance/Completion from the bidder's client; or
	
	    (ii) Official Receipt of the bidder covering the full amount of the contract.

	Failure to submit a copy of the Single Largest Completed Contract with proof of completion is a valid ground for disqualification of the bidder.

For this purpose, similar contract shall refer to:

Lot 1: Supply, installation, testing, commissioning and configuration of Firewall and Components, Active Devices and Modules; and

Lot 2: Licenses and Subscriptions for any of the following:
• CISCO Core Switch and VMWare
• Fortinet and VMWare |
7	No further instructions.
8.1	Subcontracting is not allowed.
8.2	Not applicable.
9.1	The Procuring Entity will hold a Pre-bid Conference for this Project on **March 1, 2016, 10:00 a.m. for Lot 1 and Lot 2** at the BAC Room, Ground Floor, DBM Bldg. III, General Solano St., San Miguel, Manila.
10.1	The Procuring Entity's address is:

Department of Budget and Management
General Solano St., San Miguel, Manila |
12.1(a)	No further instructions.
12.1(a)(i)	For corporation/partnerships: the following may also be submitted: latest articles of incorporation/partnership or by-laws, or amendments thereto, duly approved by the Securities and Exchange Commission.
12.1(a)(ii)	Bidders may submit recently expired Mayor's Permit and the Official Receipt as proof that the bidder has applied and paid for the renewal of the permit within the prescribed period; Provided that, the current and valid Mayor's Permit, as renewed, will be submitted or presented by the bidder with the Lowest Calculated and Responsive Bid or Highest Rated and Responsive Bid as a condition to the award of contract.
12.1(a)(iii)	The statement of all ongoing government and private contracts shall include all such contracts undertaken within two (2) years prior to the Pre-bid Conference.

Likewise, the statement identifying the bidder's single largest completed contract similar to the contract to be bid shall be submitted. |

12.1(b)(iii)	Notarization of this document shall comply with the 2004 Rules on Notarial Practice which limits competent evidence of identity to the following:
	
	    (i) identification documents issued by an official agency bearing the photograph and signature of the individual i.e., passport, driver's license, SSS ID, GSIS e-card, etc.; and
	
	    (ii) the oath of affirmation of one credible witness not privy to the instrument, document or transaction who is personally known to the notary public and who personally knows the individual and shows to the notary public documentary identification.

13.1	No additional requirements.
13.2 (a)	The total ABC is **Fourteen Million Four Hundred Fifty Thousand Pesos (P14,450,000.00)**, of which: <table><tr><td>**LOT NO.**</td><td>**ABC**</td></tr><tr><td>1</td><td>P11,200,000.00</td></tr><tr><td>2</td><td>P 3,250,000.00</td></tr></table> Any bid with a financial component exceeding the ABC per Lot shall not be accepted.
15.4 (a)(iii)	No incidental services are required.
15.4(b)	Not applicable.
16.1(b)	The bid prices for goods supplied from outside of the Philippines shall be in Philippine Peso.
16.3	No further instructions.
17.1	Bids will be valid until July 13, 2016.
18.1	Any of the following shall be acceptable as bid security: <table><tr><td>Bid Security</td><td>Lot 1</td><td>Lot 2</td></tr><tr><td>a) If cash, cashier's/manager's check, bank draft/guarantee</td><td>P224,000.00 (2% of the ABC)</td><td>P65,000.00 (2% of the ABC)</td></tr><tr><td>b) If Surety Bond accompanied with a certification from the Insurance Commission that insurance company is authorized to insure such security</td><td>P560,000.00 (5% of the ABC)</td><td>P162,500.00 (5% of the ABC)</td></tr></table>

	c) Any combination of the foregoing proportionate to the share of form with respect to total amount of security;
	d) Bid Securing Declaration. Sample form is attached under Section VIII. Bidding Forms.
18.2	The bid security shall be valid until July 13, 2016.
20.3	Each bidder shall submit one (1) original and two (2) copies of the first and second components of its bid **for each Lot** to which it is participating.
21	The address for submission of bids is at the BAC Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila. The deadline for submission of bids is on **March 15, 2016, 10:00 a.m. for Lot 1 and Lot 2.** Late bids shall not be accepted.
24.1	The place of bid opening is at the BAC Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila. The date and time of bid opening is on **March 15, 2016, 10:00 a.m. for Lot 1 and Lot 2.**
24.2	No further instructions.
27.1	No further instructions.
28.3	The goods are grouped in two Lots and shall not be further divided into sub-Lots for the purpose of bidding, evaluation, and contract award.
28.3(b)	Bid modification is allowed only for arithmetical corrections.
28.4	No further instructions.
29.2 (a)	Latest Income and Business Tax Returns, filed and paid through the Electronic Filing and Payments System (EFPS), consisting of the following: - 2014 Income Tax Return with proof of payment; and - VAT Returns (Form 2550M and 2550Q) or Percentage Tax Returns (2551M) with proof of payment covering the months from August 2015 to January 2016.
29.2(c)	No further instructions.
32.4(g)	No further instructions.

Section IV. General Conditions of Contract

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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 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 every progress 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 contact 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;

(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) afore-mentioned, 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.

Section V. Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is the Department of Budget and Management (DBM).
1.1(i)	The Supplier is
1.1(j)	The Funding Source is: The Government of the Philippines (GOP) through the authorized appropriation under the FY 2015 General Appropriations Act in the annual amount of **Fourteen Million Four Hundred Fifty Thousand Pesos (P14,450,000.00)** broken into: <table><tr><td>**LOT NO.**</td><td>**ABC**</td></tr><tr><td>1</td><td>P11,200,000.00</td></tr><tr><td>2</td><td>P 3,250,000.00</td></tr></table>
1.1(k)	The Project Site is: Department of Budget and Management DBM Building II, General Solano St., San Miguel, Manila
5.1	**The Procuring Entity's address for Notices is :** Department of Budget and Management Information and Communications Technology Systems Service (ICTSS) 3rd Floor, Bldg. II, General Solano St., San Miguel, Manila Telefax No. (02) 735-4837 Contact Person: OIC-Director Vinzon R. Manansala **The Supplier's address for Notices is:** *[to be inserted at time of contract award]*.
6.2	The Goods shall be delivered by the Supplier at the ICTSS, DBM Building II, General Solano St., San Miguel, Manila not later than 10:00 a.m. on the day of delivery as indicated in Section VI. Schedule of Requirements. Moreover, the delivery schedule as indicated in Section VI. Schedule of Requirements may be modified at the option of the Procuring Entity,

	with prior due notice, written or verbal, to the Supplier.
10.2	No further instructions.
10.4	No further instructions.
13.4 (c)	No further instructions.
16.1	The Goods delivered are accepted by the Procuring Entity as to quantity only. Inspection as to the Goods' compliance with the technical specifications, and its order and condition, will be done in the presence of the representatives of both Supplier and Procuring Entity within three (3) working days from the date of delivery upon prior due notice, written or verbal, to the authorized representative of the Supplier. The inspection will push through as scheduled even in the absence of the Supplier's representative, as long as the latter was duly notified, and the results of the inspection conducted by the Procuring Entity shall be final and binding upon the Supplier. The inspection and tests that will be conducted shall be in accordance with Section VII. Technical Specifications.
17.3	In order to ensure that manufacturing defects shall be corrected by the Supplier, a warranty from the Supplier shall be required after issuance of Certificate of Acceptance as follows: **Lot 1** - One (1) year on site (DBM-Central Office) equipment warranty for the Firewall and Components including the Active Devices and Modules. **Lot 2** - Warranty bundled with one (1) year 24x7 Technical Support and Updates (TSU) for Single Server License for each server and one (1) year updates and upgrades of virtualization software.
17.4	The correction of defects under warranty shall be made within forty eight (48) hours upon receipt of written notice from the DBM-ICTSS.
21.1	No additional provision.

Section VI. Schedule of Requirements

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

Lot 1 –Security Hardening and Optimization (Supply, Delivery and Installation of Firewall and Components, Active Devices, and Modules)

Item	Description	Quantity/ Units	Delivery Date
1.	**Supply, Commissioning (device testing and pre-configuration), and Alignment of the following Firewall and Components, Active Devices and Modules**		
	1.1 Network Edge Router	7 units	Within 45 working days upon receipt of the Notice to Proceed
	1.2 Network Monitoring System with Endpoint Security	1 unit	
	1.3 Redundant Firewall	1 unit	
	1.4 Application Delivery Controller	1 unit	
	1.5 Wireless Access Point	48 units	
2.	**Provision for on-call personnel**		As may be required by the DBM-ICTSS
	2.1 Manufacturer's Certified Internetwork Expert	2 personnel	
	2.2 Manufacturer's Certified Network Professional	2 personnel	
	2.3 Manufacturer's Certified Network Security Expert	2 personnel	
	2.4 Manufacturer's Certified Network Security Professional	2 personnel	

Note:
The bidder determined as having the lowest calculated bid is required to show proof of competency by submitting a copy of the Manufacturer's Certificate/Dealership Certificate, among others, during Post-Qualification.

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

_____   _____   _____
Name of Company/Bidder   Signature Over Printed Name of Representative   Date

Section VI. 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.

Lot 2 – Licenses and Subscriptions – CISCO Core Switch, Fortinet and VMWare

Item	Description	Quantity/ Units	Delivery Date
1.	**Core Switch Maintenance (2 x 4510RE Core Switch 8 x 5 x Next Business Day)**	1 unit	Within 15 calendar days upon receipt of the Notice to Proceed
2.	**Fortinet**		Within 15 calendar days upon receipt of the Notice to Proceed
	2.1 Fortigate-1000C	1 unit	
	2.2 Fortigate-90D	16 units	
	2.3 Fortimanager-300D	1 unit	
	2.4 FortiAnalyzer-300D	1 unit	
3.	**VMWare**	1 unit	Within 15 calendar days upon receipt of the Notice to Proceed
4.	**Provision for on-call personnel**		As may be required by the DBM-ICTSS
	4.1 Manufacturer's Certified Internetwork Expert	2 personnel	
	4.2 Manufacturer's Certified Network Professional	2 personnel	
	4.3 Manufacturer's Certified Network Security Expert	2 personnel	
	4.4 Manufacturer's Certified Network Security Professional	2 personnel	
	4.5 VWare Certified Professional	2 personnel	

5.	**Provision for onsite support services within the day for reports received before 12:00 nn of the same day or within the next business day for reports received beyond 12:00 nn:** 5.1　Field Engineer VMWare Certified Professional	1 personnel	As may be required by the DBM-ICTSS

Note:

The bidder determined as having the lowest calculated bid is required to show proof of competency by submitting a copy of the Manufacturer's Certificate/Dealership Certificate, among others, during Post-Qualification.

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

Name of Company/Bidder	**Signature Over Printed Name of Representative**	**Date**

Section VII. Technical Specifications

Bidders must state here either "Comply" or any equivalent term in the column "Bidder's Statement of Compliance" against each of the individual parameters of each "Specification."

Lot 1 – Security Hardening and Optimization (Supply, Delivery and Installation of Firewall and Components, Active Devices, and Modules)

Item	Specification	Bidder's Statement of Compliance
1.	**Seven (7) Units of Network Edge Router for the Regional Offices** • Chassis based modular router 19" rack mountable with AC power supply; • Must have 4 modular slots that supports various LAN and WAN interface; • Router should have external flash memory slots; • Must have serial and USB console port; • Must have 1 Serial Auxiliary Port; • Must have at least 2 10/100/1000 RJ-45 onboard routed WAN ports; • Must have 4-port Voice Interface Card –FXS and DID; • Must have 1 internal service module slot; • Must have at least 512MB DRAM; • Must have at least 256MB external compact flash; • Must have 2 onboard DSP slots; • Must have 2 serial WAN ports; • Must have 2 V.35 serial cables; • Must have 16-channel high-density voice and video DSP module; • Enables deployment in high speed WAN environments with concurrent services enabled up to 25Mbps; • Must be capable to handle IPVPN/DMVPN connection; • Must support protocols: IPv4, IPv6, Static Routes, Open Shortest Path First (OSPF), Border Gateway Protocol (BGP), BGP Router Reflector, Intermediate System-to-Intermediate System (IS-IS), Multicast Internet Group Management Protocol (IGMPv3) Protocol Independent Multicast sparse mode (PIM SM), PIM Source Specific Multicast (SSM), Distance Vector Multicast Routing Protocol (DVMRP), IPsec, Generic Routing Encapsulation (GRE), Bi-Directional Forwarding Detection (BVD), IPv4-to-IPv6 Multicast, MPLS, L2TPv3, 802.1ag, 802.3ah, L2 and L3 VPN; • Support various major WAN protocols/ Interface: High Speed WAN interface, ISDN, ATM, T1/E1, xDSL, T3/E3, Serial;	

Item	Specification	Bidder's Statement of Compliance

	• Must support new high-capacity digital signal processors (DSPs) for future enhanced video capabilities;
	• Must support QOS, software firewall base, IPS, and VPN;
	• Must support various IP telephony features and VoIP technology such as:
	   o Provide a broad range of IP private-branch-exchange (PBX) and key-system features integrated into the router for the small and mid-size branch office;
	   o Support VoIP module on Router (FXS/DID and FXO, E1, etc).
	• GUI device-management tool;
	• Must have hardware-based cryptography acceleration (iPSec + Secure Sockets Layer [SSL]);
	• Router must have built-in access control features;
	• Must have proper Congestion Management tools to eliminate network congestion when the link is overloaded. Random Early Detection, Weighted Fair/Priority Queuing, IP precedence or DSCP must be supported;
	• Router must support Telnet, SSH, Console Access;
	• Router must have the following security features:
	   o Standard Access Lists to provide supervision and control;
	   o SNMP access only to the SNMP manager or the NMS workstation;
	   o Multiple Privilege Levels for managing and monitoring;
	• Must support FTP or TFTP for easy software upgrades over the network;
	• Must support open standards based protocols including SNMP V2/V3 for Network Management Services;
	• Must support command line interface, GUI-based software configuration utility and web-based tools for configuration and administration;
	• Must provide event and system history logging functions.
	• Must have facilities to generate system alarms on events.
	• Must also have facility to put selective logging of events onto a separate hardware where the analysis of log can be available;	

2.	**Network Monitoring System with Endpoint Security**
	  o **Hardware features:**
	    o Must provide 2 pair 1GbE Copper, auto negotiated ethernet port;	

Item	Specification	Bidder's Statement of Compliance

	o Must support "fall-close" in the event of power outrage, software or hardware failure. The fail-close" functionality of electronic interface must be implemented internally;
	   o With additional 4-port 1000BASE-SX Pass-Through, Fiber, LC Connector;
	
	o **Functional Request**
	   o Must support remote access to enable management and operation via command line and GUI. It should provide the following access interfaces:
	      - RS-232 DB9 serial port;
	      - Web browser (can support customized portal for different users);
	      - SNMP V1/V2/V3;
	      - Telnet;
	      - SSL encrypted logon;
	   o Must support OSI L2 to L7 protocol auto detection and classify the traffic accordingly. It must be able to detect at least 700 commonly used applications and protocols, including FTP, HTTP and other applications using non-standard TCP port;
	   o Must support IPV6 traffic classification, support at least 35 application now;
	   o Must support flow classification based on IP Precedence, Diff-Serve Code Point, IP address, multiple IP addresses, IP Subnet;
	   o Must support user awareness (user & group), integrate with Microsoft AD;
	   o Must support flow classification based on both static and dynamic TCP and UDP ports. Example of dynamic port applications are Thunder, BitTorrent, FlashVideo, PPStream, PPlive, Skype, KaZaA v1/v2, Gnutella, WinMx, eDonkey, Half-life, etc. The equipment must be able to auto-detect, auto-classify and then enforce bandwidth control accordingly;
	   o Must support customized application protocol detect, to facilitate detection and control of homebrew application;
	   o Must support URL Category for HTTP traffic, category must more than 80 kind, support cloud computing, process 8 billion request every day so that can guarantee real time category and coverage;	

Item	Specification	Bidder's Statement of Compliance
	o Must support web application and mobile application classification, also support operation classification of these web application and mobile application, application list update by cloud real-time DB; o Must support flow classification based on the server physical location, traffic flow direction (in/out), host list, etc.; o Must support layer 7+ flow identification, and classify traffic based on application level attribute, include the following applications: - Video Conference: Classify video, audio stream, ICMP in RTP/RTCP-I stream; - Voice Over IP (VoIP): Identify audio codec in RTP-I (dynamic, G729, GSM, JPEG, PCMA, PCMU), endpoint type; - Identify individual application in Citrix traffic; - Identify database in Oracle traffic; - Identify individual database in PostgreSQL traffic; o Must support flow classification based on the host system type (TN3270, TN5250, FNA, 5250p, TCPA, Attachmate, etc.); o Must make use of tree-based, multi-layers structure layout to visualize the traffic flow; o The equipment provide comprehensive application response time management, by providing total delay, network-delay, server delay and delay distribution diagram; o Must provide detailed analysis on a particular IP flow; o Must provide a detailed analysis on delay, jitter, packet loss of VoIP traffic; o Must be able to identify the originator and receiver of a flow and the associate ports; o Must provide TCP/IP based, worst client and worst server analysis; o Must support bi-directional, precise flow control, only by deploying one unit of proposed equipment on any traffic point along the flow; o Must support queue- based traffic control and TCP sliding window, connection link delay control; o Must support, at the same time, per-session flow control and enforce max/min bandwidth policy;	

Item	Specification	Bidder's Statement of Compliance

	o Must be able to seamless integrate into the WAN acceleration solution of the same company. It must be able to identify applications in individual acceleration tunnel and perform statistical analysis, bandwidth control, to balance the resource among tunneled and non-tunneled traffic. It must be able to perform bandwidth control on applications inside the accelerated tunnels;
	
	o Real-time analysis on the active flow (including single link and multi-inks real-time, end-to-end analysis) must be integrated into the equipment, without any add-on or external device. The real-time precision and update interval must be down to second and provide statistical figure for historical analysis. The UI should be written in JAVA or Flash to facilitate browser access;
	
	o Must support data export via SNMP XML, CSV, etc.;
	
	o Must support integration with Radius and TACACs+ for administrator authentication and authorization;
	
	o Must support packet capture for real time traffic;
	
	o **Performance Requirement**
	   o Must support 100Mbps bi-directional network traffic management;
	   o Must support minimum of 512 traffic classification and policy;
	   o Must support 10,000 concurrent IP host statistic;
	   o Must support minimum of 512 static partitions;
	
	o **Vendor Qualification**
	   o Must provide local support, including local office, engineer, to provide adequate and strong product support;
	   o Spare equipment and component must be available locally;
	
	o **Network Performance Monitor**
	   o Core Monitoring Capabilities
	   - Must be able to monitor (a) Routers (b) Switches (c) Firewalls (d) Wireless Devices (e) Servers (f) Other SNMP- enabled devices;
	   - Must automatically provide real-time, in-depth network performance statistics after discovery/ configuration of devices, including but not limited to, (a) CPU load (b) Memory utilization (c) Interface utilization (d) packet loss;	

Item	Specification	Bidder's Statement of Compliance

	- Must display information including alerting for major routing protocols (BGP, OSPF , RIP, EIGRP) with options to view and search routing tables including VRFs, changes in default routes and flapping routes, router topology and neighbor statuses;
	- Must show both real-time details and historical details in form of charts with option to choose the time periods;
	- Must have options to poll using SNMP v1, v2c and v3 and WMI;
	  o Network Discovery
	- Must be able to discover devices in the network with SNMP and ICMP capabilities automatically, on input of, (a) IP address ranges (b) subnets (c) individual IP addresses;
	- Must not add devices with multiple IP addresses as duplicate nodes but should list all known IP addresses for the node;
	- Must use discovered information for creating topology maps;
	  o Graphical User Interface and Customization
	- The web console should be accessible centrally or remotely;
	- Must give a single unified view of multicast information, route information and device information for a device;
	- Must provide a unified view of alerts, traps, events, syslog messages in a single page;
	- Must quickly highlight devices with issues, based on different properties like response time, cpu load, memory usage, high interface usage etc.;
	- Must allow export of any web page in console to PDF format;
	  o Advance Reporting
	- Must provide current and historical out-of-the-box reports for various statistics monitored;
	- Must allow reports to be sent out on schedule as daily, weekly, monthly reports;
	- Must be able to configure both charts and tables into a single report;
	- Must support multiple formats such as pdf, HTML and CSV;	

Item	Specification	Bidder's Statement of Compliance

	o Advance Alerting
	   - Must be able to display events and alerts in the web console;
	   - Must allow complex conditions and condition groups to be specified for narrowing down the alert condition;
	   - Must allow SQL queries to be entered to create rules against the database;
	   - Must have various actions that can be taken, including but not limited to, sending out emails, forwarding SNMP traps, running executables, sending SMS text alerts, playing sound, emailing a web page etc.;
	o Network Maps
	   - The proposed monitoring solution must be able to represent the network pictorially and display performance details of devices in real time;
	   - Must have the capability to display the status of nodes or an aggregated group of nodes over dynamically updated street data;
	   - Must be able to automatically connect devices by means of topology information gathered during discovery, like Cisco Discovery Protocol or Link Layer Discovery Protocol;
	o Multi-Vendor Support
	   - The proposed monitoring solution must not be vendor specific.
	
	o **Bandwidth Monitoring (NetFlow Traffic Analyzer)**
	   o Core Monitoring Capabilities
	   - The proposed monitoring solution must be able to monitor network traffic by capturing flow data from network devices, including Cisco NetFlow v5 or v9, Juniper J-Flow, IPFIX, sFlow, NetStream data and also sampled NetFlow data;
	   - Must identify which users, applications, and protocols are consuming the most bandwidth;
	   - Must highlight the IP addresses of the top bandwidth consumers on the network and find out unwanted bandwidth usage;
	   - Must be able to associate traffic coming from different sources to application names;
	   - Must have options to specify data retention periods to avoid strain on database and server resources;	

Item	Specification	Bidder's Statement of Compliance

	- Must provide flow analysis with 1-minute granularity and support 60k sustained flow per second;
	  o Network Discovery
	     - Must be able to automatically add flow sources which are already being monitored for performance;
	     - Must notify the flows coming in from unmanaged devices and/or unmanaged interfaces and allow to add them for monitoring with minimum effort;
	  o Graphical User Interface and Customizations
	     - Must provide diverse views categorized by user, application, department, conversation, interface, protocol, type of service, Autonomous System Networks;
	     - Must allow creation of personalized views of network traffic by providing list of parameters from which we can pick and choose to set filters;
	     - Must have ability to save customized filtered views as new links in web page for easy access later, with options to search for IP ranges/CIDR etc.;
	  o Advance Reporting
	     - Must provide current and historical out-of-the-box reports for various statistics monitored;
	     - Class-Based Quality of Service reports must give details on pre-policy, post-policy and drops;
	     - Must allow customization of reports by adding/removing columns, setting filters, specifying timeframes, grouping columns etc.;
	     - Must allow reports to be sent out on schedule as daily, weekly, monthly reports;
	  o Advance Alerting
	     - The proposed monitoring solution must be able to display events and alerts in the web console;
	     - Class-based Quality of Service alerts must be fired when the traffic processed exceeds threshold settings for Pre-Policy, Post-Policy and Drops;
	     - The alerting mechanism must allow complex conditions and condition groups to be specified for narrowing down the alert condition;
	  o Integration
	     - Must be able to integrate with modules serving other monitoring purposes and provide a single-pane-of-glass view;
	     - Must allow integration with third-party applications at user-interface layer, through message exchanges and also through APIs;	

Item	Specification	Bidder's Statement of Compliance
	End-Point (Desktop) Security Protection ○ The antivirus (AV) solution must provide enhance AV protection for desktop; ○ Must have a Centralized Management Console; ○ Must be a single, configurable installation with centralized configuration and policy management; ○ Must have a Common Distribution Mechanism via pull technology for better BW management; ○ Must have logical group based on IP addresses (subnets). ○ Must support integration with active directory for directory structure of computers for better management; ○ Must support Multi-Platform OS Support; ○ Must support Policy Enforcement; ○ Must have Common, Extensible Scanning Engine; ○ Must have Configurable Scanning; ○ Must have the ability to control the amount of CPU resources dedicated to a scan process; ○ Must have Unknown Virus Detection and Repair; ○ Must have behavioral and heuristic scanning to protect from unknown viruses; ○ Must have buffer overflow protection integrated with AV scan engine for protection from threats/exploits that uses buffer overflow; ○ Must have Compressed File Detection and Repair; ○ Must have Research Centers for proper updates as well as technologies to support the outbreak; ○ Must have 24x7 Global Technical Support; ○ Must ensure security policy enforcement by integrating and centralizing installation, deployment, management and updating; ○ Must conserve network bandwidth by updating virus definitions with incremental updates. ○ Must support daily incremental updates for definition files; ○ Must be able to support the platforms of desktops and servers of the utility; ○ AV Software must have the capability to detect and clean virus; ○ Must be able to detect new classes of viruses by normal virus definition update mechanisms; ○ Must provide common definitions for all operating systems supported and across all product ranges;	

Item	Specification	Bidder's Statement of Compliance
	o Must be able to update definitions and scan engine on the fly, without a need for reboot or stopping of services on servers; o Must be able to add files, folders or extensions to an exclude list so that they are not scanned on access; o Must enable automatic submissions of unknown/suspected virus samples to vendor and automatic response/delivery of the cure; o Must allow for incremental virus definition and incremental scan engine updates; o Must recognize a missed event on a machine, which was switched off, and restart the same when machine is turned on; o Must be able to automatically detect and update definitions and scan engine form the nearest distributed repository in the network; o Must be able to set and monitor client server configuration remotely; o Must be able to lock down all AV configurations at the desktop; o Must be able to optionally make the client user interface invisible for transparent protection; o User must be prevented from being able to uninstall the AV software; o Must be able to distribute new and update AV software, virus definitions and configuration files automatically to clients and servers from a central location (clients need not login to the central server to download the updates); o Must be able to view all servers and clients from one console; o Must be able to initiate virus sweeps remotely (central command to scan all machines in case of an outbreak should support folder/directory/share lockdown centrally to contain virus outbreak. Must support blocking of files based on their name to stop; o Must be able to perform manual or scheduled virus scans on individual computers remotely; o Must provide centralized event logging to locate and cure virus problems; o Alerts on virus activity must be passed on to administrator; o OS Installer Support must be incorporated for a standards-based installation. o Must support installation of software package in both format OS Installer and EXE file;	

Item	Specification	Bidder's Statement of Compliance
	o Must enable administrators to identify which machine has generated a threat that is spreading by an open file share (for example, Nimda or CodeRed); o Must enable administrators to easily move clients (who have changed departments, for example) from one physical parent server to another simply by dragging and dropping through the central management console; o Must store event data generated while a client is disconnected from the corporate network and forwards it when the client reconnects; o Must enable administrators to launch an immediate update session on single or multiple clients during an outbreak; o Must enable administrators to select the events that clients forward to their parent servers and those secondary servers forward to primary servers; o Must extend virus, worm, and trojan horse detection capabilities to include certain non-virus threats, such as spyware, trackware, adware, dialers, joke programs, remote access, and hack tools, which can be used with malicious intent; o Must scan the body text and attachments of incoming e-mail messages that are delivered through POP3 / IMAP mail clients; o Must scan in-memory processes on disk for threats. If a threat is detected, the running process can be terminated; o Must allow the administrator to create different scanning policies for low risk and high risk processes; o Must have enhanced protection from spyware and adware, including real-time protection to reduce the risk of spyware reaching the system; o Must automatically remove spyware and adware for easy disposal of security risk; o Must have side-effect repair to clean up registry entries, files, and browser settings after hard-to-find Spyware infection; o Must utilize cloud based technology for enhanced protection from new malware in real time; o Must have a different protection level in cloud based intelligence, including Very Low, Low, Medium, High and Very High; o Must support script scanning to provide added protection against downloaded scripts from pulling in more malware if the script is malicious;	

Item	Specification	Bidder's Statement of Compliance
	o Must provide added access protection such as preventing programs/scripts from running in temp folder, making shared folders read-only or block access to limit out breaks that spread through open file shares; o Must allow for customization of policies to block port access to clients, file/folder write access/file execution/new file creation/file deletion, registry blocking; o Must have enhanced tamper protection that guards against unauthorized access and attacks, protecting users from viruses that attempt to disable security measures; o Must be able to totally protect from spyware, adware, trojans, key loggers, P2P threats, hackers tools, DDOS Attack Agents, in real time; o Must be able to support interactive scan on demand; o Must have centralized management and reporting capabilities to deliver reports like top spywares, by category, by infected machines, by risk priority etc.; o Real time active protection on memory, process termination / file removal of pests in active memory; o Must be able to scan from the desktop according to preset or customized configurations; o Must have centralized update/download mechanism which should be able to download details of latest spywares and push the same across all the desktops; o Must be able to auto-quarantine or auto-delete spyware or adware without end-user interaction; o Provision for security management server with the following specifications: CPU 8 core processors, RAM at least 8GB, HDD 500GB (2x500GB, RAID 1 recommended for high availability), NIC 1000BaseT, Redundant Power Supply, MS Windows 2012 with the latest patches; o Provision for security management DB server with the following specifications: 8 core CPU processors, at least 16GB RAM, HDD OS -2x300GB (RAID 1 configuration for HA) | Data drive -4X 250GB (RAID 10 configuration for HA), NIC 1000BaseT, Redundant Power Supply, MS Windows 2012 with the latest Patches/Updates or latest , MS SQL 2012 Server with (64-bit) latest MS Patches/Updates;	

Item	Specification	Bidder's Statement of Compliance
	o Provision for security management distributed repository server with the following specifications: 4 Core CPU processors, at least 4GB RAM, 500GB HDD (OS included), 1000BaseT NIC, Redundant Power Supply, MS Windows 7 or latest | MS Windows 2008 or latest.	

3.	**One (1) unit of Redundant Firewall for the Central Office**
	  • Hardware features:
	    o Must include 2 x accelerated 10-Gbe SFP + interfaces;
	    o Must include 12 x accelerated 10/100/1000 interfaces (RJ-45);
	    o Must include 8 x GbE SFP or 10/100/1000 Shared Interfaces;
	    o Must include 2 x accelerated 10/100/1000 Bypass interfaces;
	    o Must include 2 x 10/100/1000 Management interface;
	    o Must have a least 1 USB port;
	    o Must include 128 GB internal storage.
	
	  • Operating System and Management requirements:
	    o OS proprietary to prevent inheriting common OS vulnerabilities;
	    o Must reside on flash disk for reliability over hard disk;
	    o Must allow dual booting;
	    o Must be upgradeable via web UI or TFTP;
	    o Configuration of the device must:
	      - Be easily backup or restored via GUI and CLI to/from local PC, remote centralized management or USB disk;
	      - Provide CLI command configuration file that is readable by Windows Notepad;
	      - Have option for encrypted backup file;
	    o Must be capable to minimally provide management access through:
	      - GUI using HTTP or HTTPs access which administration service port can be configured, example via TCP port 8080;
	      - CLI console using console port, SSHv2, telnet or on GUIs dashboard;
	    o Must support profile based login account administration;
	    o Must be able to limit remote management access from certain trusted network or host with corresponding administration account;	

Item	Specification	Bidder's Statement of Compliance
	o Must be able to facilitate administration audits by logging detailed activities to event log – management access and also configuration changes; • Performance Specifications: o Must support up to 8Gbps or IPsec VPN throughput; o Must be capable of 350 Mbps SL-VPN throughput; o Must support up to 10,000 Gateway-to-Gateway IPSec VPN Tunnels; o Must support up to 20,000 Client-to-Gateway IPsec VPN Tunnels; o Must support up to 3,000 SSL VPN Users; o Must be shared license support to SSL VPN; o Must be capable of 3.5 GBPS IPS Throughput; o Must be capable of supporting high availability (A/A and A/s); o Must be capable of Outbound Load Balancing; o Must support either Transparent (bridge) mode to minimize interruption to existing network infrastructure or NAT/route mode. Both modes can also be available concurrently using Virtual firewalls. • Firewall capabilities: o Must minimally attain Internet Computer Security Association (CSA) Firewall Product Criteria 4.1 Certification; o Must support up to 20 Gbps of firewall throughput with the base unit; o Must be capable of handling up to 2.5 million concurrent sessions; o Must be capable of handling up to 75,000 of new sessions per second; o Must be capable to create up to 100,000 IPv4/IPv6 firewall policies; o Must support both IPv4 and IPv6 GUI configurations; o Must support Multiple Mode Deployment; o Must support Routing Mode (Dynamics); o Must support multi-Zone Capability; o Must support Policy-based NAT; o Must support Policy-based Routing; o Must support Dynamics Routing for iPV4 and iPV6; o Must support Group-based Authentication; o Must support hardware accelerated encryption using IPSEC, DES, 3DES, AES;	

Item	Specification	Bidder's Statement of Compliance
	o Must support SSL Two-Form factor Authentication. • Must include a redundant Firewall aggregation network switch that will support all the necessary communication between different zones; o Physical specifications: - Forty eight (48) 10/100/1000 Power Over Ethernet ports with four (4) One (1) Gigabit Ethernet SFP ports; - USB storage for file backup, distribution, and simplified operations; - AC Power Supply; - Supports optional external redundant power supply; o Performance and Scalability: - 108 Gbps forwarding bandwidth; - 216 Gbps switching bandwidth; - 90 Mbps Forwarding rate; - 64 MB of Flash Memory; - 512 MB of DRAM; - 1023 Maximum VLANs; - 4096 VLAN IDs. o Features - Port aggregation technology, where ports must not be contiguous or on the same module when configuring LACP (IEEE 802.3ad LACP or any other); - Port Security, IGMP Snooping, MAC authentication bypass, MAC address notification – security features to prevent man-in-the-middle attacks; - Per-port broadcast, multicast, and unicast storm control; - Must have the ability to measure and fine-tune power usage for significant cost savings with an energy management architecture; - Must support secure access to the network, enforce security policies, and deliver standard based security solutions such as 802.1X enabling secure collaboration and policy compliance; - Must restrict traffic between hosts in a common segment by segregating traffic at Layer 2, turning a broadcast segment into a non-broadcast multi-access like segment; - Must provide security and isolation between switch ports, which helps ensure that users cannot snoop on other users' traffic; - Per-VLAN Rapid Spanning Tree (PVRST+); - SNMPv3; - IEEE 802.1Q VLAN Trunking; - Platform must have the ability to apply Qos	

Item	Specification	Bidder's Statement of Compliance
	configuration; - Switched Port Analyzer (SPAN) and Remote Switched Port Analyzer (RSPAN) that support for source ports and destination ports that are distributed across multiple switches, allowing remote monitoring of multiple switches across your network; - Platform support user authentication (local or radius) to control access; - IPv6 Compliance (Auto-configuration, Neighbor Discovery, Aggregately Address and a Maximum Transmission Unit Path Discovery);	
4.	**Application Delivery Controller (Application Response Monitoring)** • Capabilities o Flexible Enterprise Architecture; o Hardware appliance for high-rate capture speeds and large numbers of application; o Low-cost software appliance for small offices with low bandwidth requirements and few applications; o High performance software appliance for cost effective alternative having a surplus dedicated server; o Solution for VMWare environments that enables monitoring of VM-to-VM traffic; o Hardware expansion chassis to increase total available packet capture storage; o Single appliance solution: Data collection/storage, analysis, report generation, alerts and performance troubleshooting all in 1 box; o Management appliance that consolidates performance metrics from individual hardware and software appliances – unified view across the infrastructure; o Multi-domain search across management appliances. • Data Collection and Storage o Passive, SPAN-based approach to collecting data; o Monitor end-user response time in real-time; o Store forensic data for historical analysis; o "Always on" Multi-Terabyte rolling packet capture buffer that captures all users and all transactions; o Massive scalable physical packet capture storage with high-end appliance and expansion chassis; o Support for packets encapsulated with MPLS, Cisco ISL, 803.3 LLC, 802.1ad; o Support for IPV6 monitoring and analysis; o All performance metrics (network, application, utilization) are retained at 1-minute granularities.	

Item	Specification	Bidder's Statement of Compliance
	• Application Discovery and Configuration o Auto-discovery support for most common applications (SMTP/SNMP/Telnet/SSH, Oracle/PeopleSoft, Microsoft, VoIP, Instant Messaging, File Sharing, HTTP); o Ability to configure custom applications based on Protocol and Port, Server, URL; o Ability to monitor application/user performance on an individual user or customized group basis; o Rapid installation/Configuration: - Can be installed/configured in 1 hour; - Automatic recognition/classification of applications; - Out-of-the –box Dashboards configured for the most common workflows; - Automatic tracking of application response time for all recognized applications; o Voice and Video monitoring with support for monitoring real-time channel metrics and computation of MOs scores; o Auto collect and monitor metrics for all application traffic without prior configuration; • Application Performance Analysis o Complete end-user monitoring on a 24x7 basis; o Reports performance data near real-time, i.e. at 1 minute granularity; o Ability to roll up performance data at larger granularities (5 minute, 1 hour, 1 day); o Ability to breakdown both inbound and outbound components of a metric from a single probe; o Captures extensive set of performance metrics: subset as follows: - Packet loss/retransmission Rate/ Retransmission Delay; - Round Trip Time (Inbound and Outbound); - Throughput/Traffic/Application Payload; - Connection Request Rate/Duration/Request/Setup Time; - Number of connection/failed connection attempts; - Data Transfer Time/Server Response Time/User Response Time; o Identifies top-talkers; o Ability to identify specific applications and IP conversations responsible for using large amounts of bandwidth; o Ability to identify chatty applications and measure their application performance;	

Item	Specification	Bidder's Statement of Compliance
	o Ability to identify groups with high inbound latency across the network and isolate to specific applications and IP conversations; o Ability to identify business groups with high packet loss and isolate the specific applications and IP conversations being affected; o Ability to identify slow servers by high server response time and isolate the specific applications, server(s), and those connected to the server(s); o Ability to identify groups with hosts potentially infected by worms and isolate the specific applications and IP conversations; o Ability to compare response time and other performance metrics before and after major changes that may affect application performance; o Ability to monitor application traffic by VLAN. • Web Transaction Analysis o Auto-discovery of all URLs, page-families, and user activities; o Identify web pages with unexpectedly high amounts of traffic and correlate this data with end user performance; o Identify problematic page and individual page elements that are contributing to slow user experience; o Extensive web protocol support including HTTPS; o On-board real-time SSL decryption; o Detailed HTTP analysis of every single website user including each individual page accessed; o Identify and search by user ID associated with Web Transaction and track per-user HTTP activity; o Identifying and search the originating IP address of a client connecting through an HTTP proxy or load balance (via X-Forwarded-For or arbitrary HTTP header); o Ability to monitor web page traffic and capture various URL metrics: - Page load time; - Page traffic (size); - Page request traffic (size); - HTTP status; - HTTP responses; - HTTP errors (100's, 200's, 300's, 400's, 500's); - HTTP status; o Packet buffer identification of each network packet associated with specific web transaction; o Ability to analyze the end user experience of web users in specific business groups;	

Item	Specification	Bidder's Statement of Compliance

	• Reporting / Visualization
	   o Data roll-up to RPM Dashboards, centralize dashboard for all RPM products;
	   o Dashboard GUIs simplify workflow customization;
	   o Ability to create web-based dashboards to quantify and monitor business impact of poor performing applications;
	   o Ability to aggregate and consolidate data from multiple probes to one central probe to get a global view;
	   o Fully customizable web based reporting;
	   o Ability to create integrated reports between various levels of monitoring, i.e. Application and Device monitoring on the same report;
	   o Ability to publish any viewed data as a report with a "single-click" interaction;
	   o Real-time and historical SLA Dashboard views;
	   o Retrieve data from the appliances via Web Services API
	   o Ability to create geographic maps that show usage and performance of application in different geographies;
	   o Ability to discover and visualize data of interest and to share views across multiple users and groups, with permission to view such data;
	• Alarms/Alerting
	   o Monitor and alert on performance-based SLAs;
	   o Define SLAs per-application and per-business area;
	   o Ability to define 3 distinct levels of alerts;
	   o Ability to send email messages, SNMP traps as alerts on threshold violations;
	   o Able to send alerts/traps in SNMPv3;
	   o Drill down from alert summary to root-cause of the violation.
	• Integrated Troubleshooting
	   o Integrated display from dashboard view to packet capture-based root-cause analysis;
	   o "Single Click" integration from high-level monitoring to in-depth analysis;
	   o Seamless transition from high-level monitoring view to packet capture view;
	   o Live application maps with correlated performance data from the individual components;
	   o Deep integration with other data sources including SNMP, WMI, synthetic testing, byte code monitoring/tracing, and browser-based EUE monitoring;	

Item	Specification	Bidder's Statement of Compliance
5.	**Forty Eight (48) Units of Wireless Access Points for Regional Offices** • Must include 2 radios; • Must include 4 internal antennas; • Must include 1 x 10/100/1000 ethernet port; • Must include 2 x 2 MIMO dual spatial stream – 300Mbps Radio; • Must be configured up to 16 simultaneous SSID (14 for client access, 2 for monitoring); • Must have Peak Antenna Gain: 3dBi for 2.4 GHz, 3dBi for 5 GHz; • Must support 802.11n standard; • Must be used for indoor deployment; • Must be controlled and managed by the Firewall Appliance of their respective regional site.	
6.	All equipment should be covered by one (1) year service and hardware warranty. Supplier should provide 8x5 Next-Business-Day (NBD) on site support with four (4) hours response time technical support.	

I hereby certify to comply with all the above Technical Specifications.

_____   _____   _____

Name of Company/Bidder   **Signature over Printed Name of Representative**   **Date**

Section VII. Technical Specifications

Bidders must state here either "Comply" or any equivalent term in the column "Bidder's Statement of Compliance" against each of the individual parameters of each "Specification."

Lot 2 – Licenses and Subscriptions – CISCO Core Switch, Fortinet and VMWare

Item	Specification	Bidder's Statement of Compliance
1.	• **Core Switch Maintenance** ○ 2 X 4510RE CoreSwitch8x5 x Next Business Day	
2.	• **Fortinet** ○ One (1) Unit of Fortigate-1000C - UTM Bundle Renewals including for one (1) year including: 8x5 NBD support services, 7x24 service desk availability, 4-hours response time, hardware parts replacement, firmware and general updates, annual preventive and corrective maintenance. ○ Sixteen (16) Unit of Fortigate-90D - UTM Bundle Renewals including for one (1) year including: 8x5 NBD support services, 7x24 service desk availability, 4-hours response time, hardware parts replacement, firmware and general updates, annual preventive and corrective maintenance. ○ One (1) Unit of Fortimanager-300D - Renewal including: hardware replacement, firmware and general updates, 8x5 NBD support services, 7x24 service desk availability, annual preventive and corrective maintenance. ○ One (1) Unit of FortiAnalyzer-300D - Renewal including: hardware replacement, firmware and general updates, 8x5 NBD support services, 7x24 service desk availability, annual preventive and corrected maintenance. **For the Fortinet renewal, effectivity should be twelve (12) months, starting form the date of the Notice to Proceed.**	
3.	• **VMWare** ○ Part Number VS5-ESSL-SUB-C ○ INSTANCE: 150523895 Subscription VMware vSphere5 Essentials Kit for three (3) hosts (Max 2 processors per host); One (1) Unit	

Item	Specification	Bidder's Statement of Compliance
	o One (1) year on site Support for Subscription VMware vSphere5 Essentials Kit for three (3) hosts (Max 2 processors per host); One (1) Unit	

I hereby certify to comply with all the above Technical Specifications.

_____   _____   _____
Name of Company/Bidder   **Signature over Printed Name of Representative**   **Date**

Section VIII. Bidding Forms

TABLE OF CONTENTS

Bid Form

Date:_____

To: *[name and address of Procuring Entity]*

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers],* the receipt of which is hereby duly acknowledged, we, the undersigned, offer to the DBM, our services for the Project, "**DBM Network Refresh**," in conformity with the said Bidding Documents for the sum of *[total Bid amount in words and figures]*.

*Please see attached **Annex A** and **Annex B**.*

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.

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 _____ day of _____ 20_____.

[signature]	*[in the capacity of]*

Duly authorized to sign Bid for and on behalf of _____

ANNEX A

Lot 1 – Security Hardening and Optimization (Supply, Delivery and Installation of Firewall and Components, Active Devices, and Modules)

Description 1. Supply, Commissioning (device testing and pre-configuration), and Alignment of the following Firewall and Components, Active Devices and Modules	Quantity/ Units (a)	Unit Cost (inclusive of VAT) (b)	Total Cost (inclusive of VAT) (a x b)
1.1 Network Edge Router	7 units		
1.2 Network Monitoring System with Endpoint Security	1 unit		
1.3 Redundant Firewall	1 unit		
1.4 Application Delivery Controller	1 unit		
1.5 Wireless Access Point	48 units		
		TOTAL	

Note: The costs shall be inclusive of personnel to assist the DBM Network Management Group in the installation of Firewall and Components, Active Devices, and Modules as stated in Section VI. Schedule of Requirements.

ANNEX B

Lot 2 - Licenses and Subscription – CISCO Core Switch, Fortinet and VMWare

Description	Quantity/ Units	Unit Cost (inclusive of VAT)	Total Cost (inclusive of VAT)
1. Core Switch Maintenance (2 x 4510RE Core Switch 8 x 5 x Next Business Day)	1 unit		
2. Fortinet			
2.1 Fortigate 1000C	1 unit		
2.2 Fortigate-90D	15 units		
2.3 Fortimanager-300D	1 unit		
2.4 FortiAnalyzer-300D	1 unit		
3. VMWare	1 unit		
		TOTAL	

Note: The costs shall be inclusive of personnel to conduct onsite support as may be required by the DBM-ICTSS as stated in Section VI. Schedule of Requirements.

Statement of Single Largest Completed Contract
which is Similar in Nature
(indicate only one)

Business Name: _____

Business Address:_____

Name of Client	Date of the Contract	Kinds of Goods	Amount of Contract	Date of Delivery	End User's Acceptance or Official Receipt(s) Issued for the Contract

Submitted by   : _____
(Printed Name and Signature)

Designation   : _____

Date   : _____

Instructions:

b. Cut-off date is March 1, 2016.
c. Similar contract shall refer to:
- Lot 1 - Supply, Installation, Testing, Commissioning and Configuration of Firewall and Components, Active Devices and Modules.
- Lot 2 - Licenses and Subscriptions for any of the following:
  - CISCO Core Switch and VMWare
  - Fortinet and VMWare

Statement of all Ongoing Government and Private Contracts Including Contracts Awarded but not yet Started

Business Name: _____

Business Address:_____

Name of Client	Date of the Contract	Kinds of Goods	Value of Outstanding Contracts	Date of Delivery
Government				
Private				

Submitted by　　: _____
　　　　　　　　　　　(Printed Name and Signature)

Designation　　　: _____

Date　　　　　　 : _____

Instructions:

i.　　　State all ongoing contracts including those awarded but not yet started (government and private contracts which may be similar or not similar to the project being bidded) prior to March 1, 2016.

ii.　　　If there is no ongoing contract including those awarded but not yet started as of the aforementioned period, state none or equivalent term.

iii.　　The total amount of the ongoing and awarded but not yet started contracts should be consistent with those used in the Net Financial Contracting Capacity (NFCC).

Contract Agreement Form

THIS AGREEMENT made the _____ day of _____ 20_____ between *[name of PROCURING ENTITY]* of the Philippines (hereinafter called "the Entity") of the one part and *[name of Supplier]* of *[city and country of Supplier]* (hereinafter called "the Supplier") of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., *[brief description of goods and services]* and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of *[contract price in words and figures]* (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)	the Bid Form and the Price Schedule submitted by the Bidder;
   (b)	the Schedule of Requirements;
   (c)	the Technical Specifications;
   (d)	the General Conditions of Contract;
   (e)	the Special Conditions of Contract; and
   (f)	the Entity's Notification of Award.

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.

Signed, sealed, delivered by _____ the _____ (for the Entity)

Signed, sealed, delivered by _____ the _____ (for the Supplier).

Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

A F F I D A V I T

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. *Select one, delete the other:*

   If a sole proprietorship: I am the sole proprietor of *[Name of Bidder]* with office address at *[address of Bidder]*;

   If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

2. *Select one, delete the other:*

   If a sole proprietorship: As the owner and sole proprietor of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for *[Name of the Project]* of the *[Name of the Procuring Entity]*;

   If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Bidder]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. *[Name of Bidder]*is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. ***Select one, delete the rest:***

   If a sole proprietorship: I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

   If a partnership or cooperative: None of the officers and members of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

   If a corporation or joint venture: None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. *[Name of Bidder]* complies with existing labor laws and standards; and

8. *[Name of Bidder]* is aware of and has undertaken the following responsibilities as a Bidder:

   a) Carefully examine all of the Bidding Documents;

   b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;

   c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and

   d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.

9. *[Name of Bidder]* did not give or pay directly or indirectly, any commission, amount, fee or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this __ day of ___, 20__ at _____, Philippines.

_____
Bidder's Representative/Authorized Signatory

SUBSCRIBED AND SWORN to before me this __ day of *[month] [year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No.02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____ and his/her _____ No. _____ issued on _____ at _____.

Witness my hand and seal this ___ day of *[month] [year]*.

NAME OF NOTARY PUBLIC
Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. __, *[date issued], [place issued]*
IBP No. __, *[date issued], [place issued]*

Doc. No. ___
Page No. ___
Book No. ___
Series of ___

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.
x---x

BID-SECURING DECLARATION
Invitation to Bid/Request for Expression of Interest No.[1]: *[Insert reference number]*

To: *[Insert name and address of the Procuring Entity]*

I/We[2], the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.

2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration[3], within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.

3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:

   (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;

   (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;

   (c) I am/we are declared as the bidder with the Lowest Calculated and Responsive Bid/Highest Rated and Responsive Bid[4], and I/we have furnished the performance security and signed the Contract.

_____

1 Select one and delete the other.
2 Select one and delete the other. Adopt same instruction for similar terms throughout the document.
3 Issued by the GPPB through GPPB Resolution 03-2012 on 27 January 2012.
4 Select one and delete the other

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ day of *[month] [year]* at *[place of execution]*.

[Insert NAME OF BIDDER'S
AUTHORIZED REPRESENTATIVE]
[Insert signatory's legal capacity]
Affiant

SUBSCRIBED AND SWORN to before me this __ day of *[month] [year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No.02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____ and his/her _____ No. _____ issued on _____ at _____.

Witness my hand and seal this ___ day of *[month] [year].*

NAME OF NOTARY PUBLIC
Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. __, *[date issued], [place issued]*
IBP No. __, *[date issued], [place issued]*

Doc. No. ___
Page No. ___
Book No. ___
Series of ___