



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

BIDS AND AWARDS COMMITTEE

Resolution No. 2017- 56

WHEREAS, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a public bidding for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," with an Approved Budget for the Contract (ABC) of P900,000.00;

WHEREAS, under Resolution No. 2017-21 dated June 13, 2017, the Secretary of Budget and Management declared the first bidding as "failed" in accordance with Section 41(c)(i) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184;

WHEREAS, under Resolution No. 2017-46 dated October 20, 2017, the BAC declared the second bidding for the Project as "failed" in accordance with Section 35.1(b) of the 2016 Revised IRR of R.A. 9184;

WHEREAS, on October 26, 2017, the 3rd Invitation to Bid was posted on the Philippine Government Electronic Procurement System website, the DBM website, and all DBM bulletin boards;

WHEREAS, only one (1) prospective bidder, Cinergi Industrial Solutions, Inc., responded to the said Invitation and attended the Pre-bid Conference on November 2, 2017;

WHEREAS, during the submission during and opening of bids on November 16, 2017, only Cinergi Industrial Solutions, Inc. submitted a bid;

WHEREAS, after preliminary examination of the bid, the BAC, using non-discretionary "pass/fail" criteria, determined the submission of Cinergi Industrial Solutions, Inc. as "passed" for complying with all the eligibility and technical requirements as stated in the Bidding Documents;

WHEREAS, after evaluation of the financial proposal, the BAC declared the submission of Cinergi Industrial Solutions, Inc. as the Single Calculated Bid in the amount of P899,994.96;

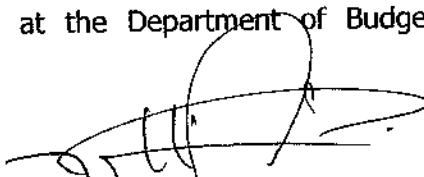
WHEREAS, after careful examination, validation and verification of the eligibility, technical and financial proposals of the bid, the BAC found that the submission of Cinergi

Industrial Solutions, Inc. passed all the criteria for post-qualification; thus, it was declared as the Single Calculated and Responsive Bid in the amount of P899,994.96;

NOW, THEREFORE, for and in consideration of the foregoing premises, the BAC **RESOLVED**, as it hereby **RESOLVED**, to recommend to the Secretary of Budget and Management that the contract for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," be awarded to Cinergi Industrial Solutions, Inc., in accordance with R.A. No. 9184 and its 2016 Revised IRR.

ADOPTED, this 23rd day of November, 2017 at the Department of Budget and Management, General Solano St., San Miguel, Manila.


ARGEES TA. BARBARA
End-user Representative


VIRGILIO A. UMPACAN, JR.
B.U.D.G.E.T. Representative

not present
JESUSA DIMPNA O. LEJOS
Member


DOLORES E. GALURA
Member


ROWENA CANDICE M. RUIZ
Member

not present
RYAN S. LITA
Vice Chairperson


CLARITO ALEJANDRO D. MAGSINO
Chairperson

Approved
 Disapproved


BENJAMIN E. DIOKNO
Secretary, DBM



Date: _____



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

BIDS AND AWARDS COMMITTEE

NOTICE OF AWARD

November 23, 2017

MS. REGINA GRACIA LAGMAN

Sales Executive

Cinergi Industrial Solutions Inc.
Warehouse 4-A Sunblest Compound
Km. 23 West Service Road
Cupang, Muntinlupa City
Metro Manila

Dear **Ms. Lagman**:

We are pleased to inform you that the contract for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," is hereby awarded to Cinergi Industrial Solutions Inc. in the amount of P899,994.96.

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 prior to the signing of the contract.

Very truly yours,


BENJAMIN E. DIOKNO
Secretary



CONTRACT No. 2017- 19
**CLOSED-CIRCUIT TELEVISION (CCTV) MAINTENANCE AND
 MONITORING SERVICES**

This CONTRACT made and entered into by and between the following:

DEPARTMENT OF BUDGET AND MANAGEMENT, a government agency created by virtue of the laws of the Republic of the Philippines, with principal office address at General Solano St., San Miguel, Manila, represented herein by its Secretary, **BENJAMIN E. DIOKNO**, hereinafter called the "**DBM**";

- and -

CINERGI INDUSTRIAL SOLUTIONS, INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Warehouse 4-A Sunblest Compound, Km. 23 West Service Road, Cupang, Muntinlupa City, represented by **RAQUEL I. TAMARGO**, hereinafter referred to as the "**SUPPLIER**";

WITNESSETH:

WHEREAS, the DBM conducted a public bidding for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," and the bid of the Supplier is in the amount of Eight Hundred Ninety Nine Thousand Nine Hundred Ninety Four Pesos and 96/100 (P899,994.96), hereinafter called the "Contract Price";

WHEREAS, the Notice of Award was issued to the Supplier last December 4, 2017, and the Supplier posted its performance security on December 12, 2017;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereby mutually stipulate and agree as follows:

1. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the General and Special Conditions of Contract referred to in Annex D and E, respectively.
2. The following documents shall form and be read and construed as part of this Contract:

| | | |
|---------|---|--------------------------------|
| Annex A | - | Bid Form |
| B | - | Schedule of Requirements |
| C | - | Technical Specifications |
| D | - | General Conditions of Contract |
| E | - | Special Conditions of Contract |
| F | - | Notice of Award |
| G | - | Performance Security |




3. In consideration of the payments to be made by the DBM to the Supplier, the Supplier hereby covenants with the DBM to provide the Goods and Services and to remedy defects therein in conformity with the provisions of the Contract.
4. The DBM 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 signed this Contract on this ____ day of _____, 2017 at General Solano St., San Miguel, Manila, Philippines.

DEPARTMENT OF BUDGET
AND MANAGEMENT
by:

CINERGI INDUSTRIAL SOLUTIONS, INC.
by:


BENJAMIN E. DIOKNO
Secretary

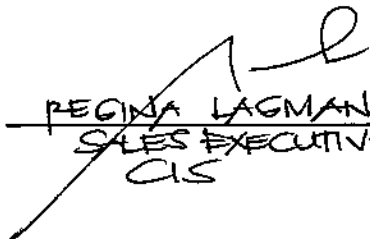
Department of Budget
and Management

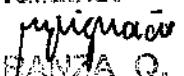
0SEC-2017-04438


RAQUEL I. TAMARGO

SIGNED IN THE PRESENCE OF


THEA MARIE CORINNE F. PALARCA
Assistant Director
Administrative Service


REGINA LAGMAN
SALES EXECUTIVE
CIS

Funds Available:

ESPERANZA Q. IGNACIO
Chief Accountant

ORS-1 021011012017-12-2574
12/14/2017

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of _____, Philippines on this _____ day of _____, 2017 personally appeared the following:


| NAME | VALID ID | VALID UNTIL |
|---------------------------|---------------------|---------------|
| BENJAMIN E. DIOKNO | DBM ID No. 0005 | |
| RAQUEL I. TAMARGO | PASSPORT #ECSA96592 | 20 SEPT. 2025 |

known to me to be the same persons who executed the foregoing Contract and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This CONTRACT for the Closed-Circuit Television (CCTV) Maintenance and Monitoring Services was signed by the parties, and their material witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this _____ day of DEC 29 2017, 2017.

Doc. No 270 ;
Page No 52 ;
Book No VI - ;
Series of 2017.


ATTY. HENRY D. ADASA
 NOTARY PUBLIC CITY OF PASAY
 DATE: DECEMBER 31, 2017
 NOTARIAL COMMISSION NO. 17-23
 SMITH PL. BLDG. 125B SEN. GIL PUYAT
 AVE. COR. TRAMO PASAY CITY
 IBP NO. 1047411 / 01/03/2017 Z.N.
 PTR NO. 993838 / 01/03/2017 MLA
 NCLE COMPLIANCE NO. 14-002887
 ROLL OF ATTORNEYS NO. 25679
 TIN: 272-528-620-000



Bid Form

Date: November 16, 2017
Invitation to Bid No. DBM-2017-23

TO: DEPARTMENT OF BUDGET AND MANAGEMENT
DBM Building III, General Solano St., San Miguel, Manila

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers ____, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to the DBM, our services for the Project, **“Closed-Circuit Television (CCTV) Maintenance and Monitoring Services”** in conformity with the said Bidding Documents for the sum of *Eight Hundred Ninety Nine Thousand Nine Hundred Ninety Four and 96/100 Pesos only (PHP 899,994.96)* details is shown below:

| Particulars | Monthly Cost | Total Cost |
|---|-----------------------------|---------------------|
| | Inclusive of VAT | |
| Monthly Preventive Maintenance of CCTV System | 25,896.00 | 310,752.00 |
| CCTV Monitoring | 49,103.58 | 589,242.96 |
| Total (inclusive of VAT) | 73,028.69 | , 899,994.96 |

***Note:** Includes cost of provision for personnel that will respond to emergency calls due to system failure.

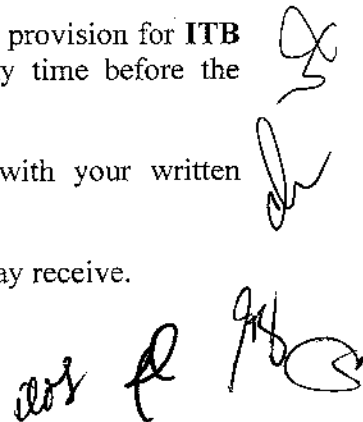
We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

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.

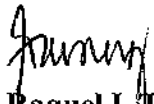


We certify/confirm that we comply with the eligibility requirements as per **ITB** Clause 5 of the Bidding Documents.

We likewise certify/confirm that the undersigned, Raquel I. Tamargo, authorized representative of **Cinergi Industrial Solutions Inc.** has the full power and authority to participate, submit the bid, and to sign and execute the ensuing contract, on the latter's behalf for the **Closed-Circuit Television (CCTV) Maintenance and Monitoring Services of the Department of Budget and Management.**

We acknowledge that failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be ground for the rejection of our Bid.

Dated this 16th day of November 2017



Raquel I. Tamargo
[signature]

Senior Operations Manager
[in the capacity of]

Duly authorized to sign Bid for and on behalf of CINERGI INDUSTRIAL SOLUTIONS INC.



Section VI. Schedule of Requirements

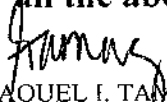
The delivery schedule expressed as weeks/months stipulates hereafter the date of delivery to the project site.

| Item No. | Description | Delivery Date | | | | | | | | | | | | | | | | | | |
|----------|---|---|-------------|----------|---------------------|----------|-----------------|---------|------------|---------|------------------------------|----------|--------------------------------|--------|---|--------|--------|---------|---------|-------------------------------------|
| 1. | <p>Monthly preventive maintenance of the following CCTV equipment and accessories installed in DBM Buildings I, II, and III:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Quantity</th> <th style="text-align: center;">Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">64 units</td> <td>Mini Dome IT Camera</td> </tr> <tr> <td style="text-align: center;">11 units</td> <td>Fixed IR Camera</td> </tr> <tr> <td style="text-align: center;">2 units</td> <td>PTZ Camera</td> </tr> <tr> <td style="text-align: center;">4 units</td> <td>Network Video Recorder (NVR)</td> </tr> <tr> <td style="text-align: center;">11 units</td> <td>24-Port POE Switch (24*10/100)</td> </tr> <tr> <td style="text-align: center;">1 unit</td> <td>Control Key Board with Joystick and Monitor</td> </tr> <tr> <td style="text-align: center;">1 unit</td> <td>Server</td> </tr> <tr> <td style="text-align: center;">4 units</td> <td>Monitor</td> </tr> </tbody> </table> | Quantity | Description | 64 units | Mini Dome IT Camera | 11 units | Fixed IR Camera | 2 units | PTZ Camera | 4 units | Network Video Recorder (NVR) | 11 units | 24-Port POE Switch (24*10/100) | 1 unit | Control Key Board with Joystick and Monitor | 1 unit | Server | 4 units | Monitor | On the date specified by the AS-GSD |
| Quantity | Description | | | | | | | | | | | | | | | | | | | |
| 64 units | Mini Dome IT Camera | | | | | | | | | | | | | | | | | | | |
| 11 units | Fixed IR Camera | | | | | | | | | | | | | | | | | | | |
| 2 units | PTZ Camera | | | | | | | | | | | | | | | | | | | |
| 4 units | Network Video Recorder (NVR) | | | | | | | | | | | | | | | | | | | |
| 11 units | 24-Port POE Switch (24*10/100) | | | | | | | | | | | | | | | | | | | |
| 1 unit | Control Key Board with Joystick and Monitor | | | | | | | | | | | | | | | | | | | |
| 1 unit | Server | | | | | | | | | | | | | | | | | | | |
| 4 units | Monitor | | | | | | | | | | | | | | | | | | | |
| 2. | Provision of two (2) CCTV Operators, each on an eight-hour duty (6:00 a.m.-2:00 p.m. and 2:00 p.m.-10:00 p.m., Monday to Saturday)* | Within five (5) calendar days from receipt of the Notice to Proceed | | | | | | | | | | | | | | | | | | |

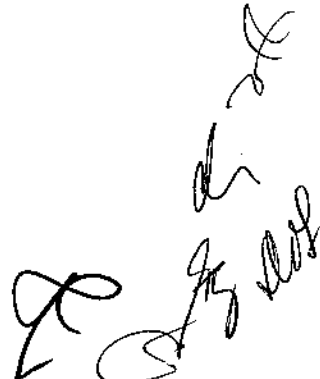
*The AS-GSD may adjust the eight-hour duty schedule of the CCTV Operators upon prior written notice to the Supplier.

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

CINERGI INDUSTRIAL SOLUTIONS, INC.
Name of Company/Bidder


RAQUEL I. TAMARGO
Signature Over Printed Name
of Representative

11/16/2017
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."

| Items/Specifications | Bidder's Statement of Compliance |
|---|---|
| CCTV OPERATORS | COMPLY |
| <p>The Supplier shall provide two (2) CCTV Operators with the following qualifications, who will be assigned in two (2) shifts to operate and monitor the CCTV equipment installed in DBM Buildings I, II, and III:</p> <ol style="list-style-type: none"> a. Must be of good moral character, and without criminal or police record; b. Must possess a Bachelor's Degree in Information Technology (IT) or Computer Technician Diploma/Certificate; c. Must be physically and mentally fit, as evidenced by a medical certificate; and d. Must be trained and experienced in surveillance system (CCTV and video surveillance). <p>The submission by the Supplier of a Sworn Statement attesting compliance to the above-enumerated qualifications shall be required by the AS-GSD upon contract implementation.</p> <p>The CCTV Operators to be deployed to the DBM shall be subject to the approval of the AS-GSD.</p> | <p>COMPLY PLEASE SEE ATTACHED CERTIFICATE TO COMPLY</p> |
| SCOPE OF SERVICES | COMPLY |
| <p>I. Monthly Preventive Maintenance shall include, but is not limited to, the following:</p> <ol style="list-style-type: none"> 1. Network Video Recorder (NVR) <ul style="list-style-type: none"> • Check operation control and cable connections • Check and adjust time/date and memory settings • Check recording and playback quality • Check and re-configure NVR settings, if necessary • Clean NVR hardware 2. CCTV Monitor/POE Switches and Joystick <ul style="list-style-type: none"> • Check monitor and cable connections for deterioration and damage • Check and adjust settings for best picture quality • Check the POE switches supply and connections | <p>COMPLY PLEASE SEE ATTACHED SCOPE OF WORK</p> <p>COMPLY PLEASE SEE ATTACHED SCOPE OF WORK</p> |

[Handwritten signatures and initials]


| | |
|---|--|
| <p>3. CCTV Camera, as may be necessary</p> <ul style="list-style-type: none"> • Check cameras, supporting brackets and tower for deterioration and damage • Check camera field of view and lenses focus • Check tightness of camera bracket fitting and clamping bolts • Check operation of auto iris lens/manual iris lens • Check cameras, lenses and housing windows • Check and adjust operation of wiper unit • Check and adjust plant/tilt/zoom operation • Check operation of infrared units | <p>COMPLY PLEASE SEE ATTACHED SCOPE OF WORK</p> |
| <p>4. Power Supply</p> <ul style="list-style-type: none"> • Check power supply reading using Volt Ohm meter • Check and re-align cables and terminations • Check back-up device connections such as UPS or Genset | <p>COMPLY PLEASE SEE ATTACHED SCOPE OF WORK</p> |
| <p>II. CCTV Monitoring</p> | |
| <p>The CCTV Operators shall:</p> | |
| <p>1. Undertake CCTV monitoring based on an eight-hour duty (i.e., 6:00 a.m.–2:00 p.m.; 2:00 p.m.–10:00 p.m.).</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>2. Ensure the good quality of recording during day and night time modes, and that the time and date settings of the system are on real time and adjust settings, if necessary.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>3. Ensure the satisfactory CCTV transmission of images to remote site, if applicable.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>4. Monitor a regular NVR system and ensure that NVRs are well connected and configured for optimal recording experience (i.e., check for system errors, video loss, network connection failure, and other system alerts).</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>5. Maintain data file/records to ensure easy retrieval when needed.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>6. Configure motion-based or continuous recording options, if necessary.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>7. Report to ICTSS any problems or issues encountered during the conduct of CCTV monitoring.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |

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| OTHER TERMS AND CONDITIONS | COMPLY |
|---|--|
| <p>1. The Supplier shall submit a written report on a checklist format upon completion of the monthly preventive maintenance, signed by the Supplier's authorized technician; which shall include:</p> <ul style="list-style-type: none"> • Condition of the CCTV equipment/peripherals • Recorded discrepancies, if any • Action taken • Recommendations | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>2. In case of replacement of defective units, cables (wiring-layouts), parts and power supplies, the Supplier shall submit complete details/specifications and proposals/quotations for the purpose.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>3. Response time for emergency calls due to system failure shall not be later than four (4) hours upon receipt of notice during working hours, and within forty-eight (48) hours upon receipt of notice during non-working hours.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |
| <p>4. The Supplier shall be responsible and liable for the cost of repair due to damages caused by its own staff while conducting monitoring and maintenance activities.</p> | <p>COMPLY PLEASE SEE ATTACHED SLA</p> |

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

CINERGI INDUSTRIAL SOLUTIONS, INC.
Name of Company/Bidder


RAQUEL I. TAMARGO
Signature Over Printed Name
of Representative

11/16/2017
Date



November 16, 2017

To: Mr. Clarito Alejandro Magsino
Chairperson
Department of Budget and Management - BAC
Ground Floor, DBM Building III, General Solano St.
San Miguel, Manila

Subject: **CERTIFICATE TO COMPLY**

Dear Sir,

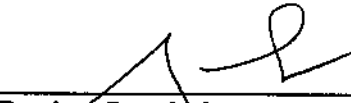
This is to certify that Cinergi Industrial Solutions, Inc., will provide the following once project is awarded;

Two (2) CCTV Operators with the following qualifications, who will be assigned in two (2) shifts to operate and monitor the CCTV equipment installed in DBM Buildings I, II and III:


- a) Must be of Good Moral character and without criminal or police records;
- b) Must possess a Bachelor's Degree in Information Technology (IT) or Computer Technician Diploma/Certificate;
- c) Must be physically and mentally fit, as evidence by a medical certificate; and
- d) Must be trained and experienced in surveillance system (CCTV and Video surveillance)

CCTV Operators to be deployed to the DBM shall be subject to the approval of the ICTSS

Sincerely yours,



Regina Gracia Lagman
Sales Executive



November 16, 2017

To: Mr. Clarito Alejandro Magsino
Chairperson
Department of Budget and Management - BAC
Ground Floor, DBM Building III, General Solano St.
San Miguel, Manila

Subject: **SCOPE OF WORK**

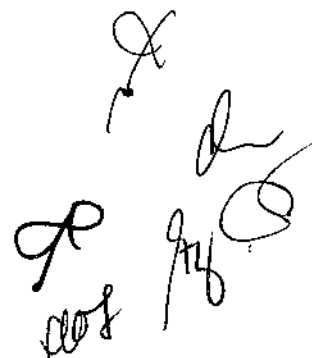
Monthly preventive maintenance shall include but not limited to the following:

| Camera & Housing: | |
|----------------------------------|---|
| 1. | Check cameras, supporting brackets and tower for deterioration and damage |
| 2. | Check camera field of view and lenses focus |
| 3. | Check tightness of camera bracket fitting and clamping bolts |
| 4. | Check operation of auto iris lens/manual iris lens |
| 5. | Check camera, lenses and housing windows |
| 6. | Check and adjust operation of wiper unit |
| 7. | Check and adjust pan/tilt/zoom operation |
| 8. | Check operation of infrared units |
| Network Video Recorder | |
| 9. | Check operation control and cable connections |
| 10. | Check and adjust time/date and memory settings |
| 11. | Check recording and playback quality |
| 12. | Check and re-configure NVR settings, if necessary |
| 13. | Clean NVR hardware |
| CCTV Monitor/POE Switches | |
| 14. | Check monitor and cable connections for deterioration and damage |
| 15. | Check and adjust settings for best picture quality |
| 16. | Check the POE switches supply and connections |
| Power Supply | |
| 17. | Check power supply reading using Ohm meter |
| 18. | Check and re-align cables and terminations |
| 19. | Check back-up device connections such as UPS or Genset |

Sincerely yours,



Raquel I. Yamargo
Senior Operations Manager



November 16, 2017

To: Mr. Clarito Alejandro Magsino
Chairperson
Department of Budget and Management - BAC
Ground Floor, DBM Building III, General Solano St.
San Miguel, Manila

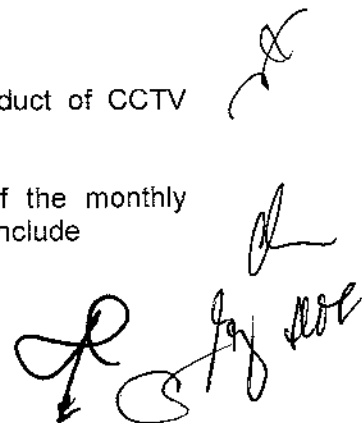
Subject: **Service Level Agreement**

Dear Sir,

This is to certify that Cinergi Industrial Solutions Inc. will be providing **DEPARTMENT OF BUDGET AND MANAGEMENT** a **Preventive Maintenance and Monitoring Services** effective immediately upon acceptance of the project for a period of One (1) year.

Services are as follows:

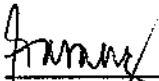
1. Undertake CCTV Monitoring based on an eight-hour duty (i.e., 6:00 a.m. – 2:00 p.m.; 2:00 p.m. – 10:00 p.m.)
2. Ensure the good quality of recording during day and night time modes; and the time and date settings of the system is on real time and adjust settings, if necessary.
3. Ensure the satisfactory CCTV transmission of images to remote site, if applicable.
4. Monitor a regular NVR system and ensure that NVRs are well connected and configured for optimal recording experience (i.e., check for system errors, video loss, network connection failure, and system alerts).
5. Maintain data file/records to ensure easy retrieval when needed.
6. Configure motion-based or continuous recording options, if necessary
7. Report to ICTSS any problems or issues encountered during the conduct of CCTV monitoring
8. To submit a written report on a checklist format upon completion of the monthly preventive maintenance, signed by the authorized technician; which shall include
 - a. Condition of the CCTV equipment / peripherals

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- b. Recorded discrepancies, if any
 - c. Action taken
 - d. Recommendations
9. In case of replacement of defective units, cables (wiring-layouts), parts and power supplies, to submit complete details/specifications and proposals/quotations for the purpose
10. Response time for emergency calls due to system failure shall not be later than four (4) hours upon receipt of notice during working hours and within forty-eight (48) hours upon receipt of notice during non-working hours
11. Shall be responsible and liable for the cost of repair due to damages cause by our own staff while conducting monitoring and maintenance activities

If you need further assistance regarding this matter, please do not hesitate to contact the undersigned.

Sincerely yours,



Raquel I. Tamargo
Senior Operations Manager



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 signing the contract, however the Supplier shall commence performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.



- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the HoPE 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. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements under **ITB** Clause 12 and comply with the eligibility criteria specified in the BDS. 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. 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 HoPE 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. Payments shall be in accordance with the schedule stated in the **SCC**.
- 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.
- 10.5. Unless otherwise provided in the **SCC**, payments using Letter of Credit (LC), in accordance with the Guidelines issued by the GPPB, is allowed. For this purpose, the amount of provisional sum is indicated in the **SCC**. All charges for the opening of the LC and/or incidental expenses thereto shall be for the account of the Supplier.

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. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.
- 11.3. For Goods supplied from abroad, unless otherwise indicated in the **SCC**, the terms of payment shall be as follows:
- (a) On Contract Signature: Fifteen Percent (15%) 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: Sixty-five percent (65%) 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.

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 one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total 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 may rescind or terminate 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 Supplier 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 Supplier. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
 - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or
 - (c) The Supplier fails to perform any other obligation under the Contract.
- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE 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(a);
 - (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 HoPE 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 HoPE 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 HoPE 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 HoPE 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 HoPE 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 HoPE; 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

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 appropriations under the FY 2017 General Appropriations Act in the amount of Nine Hundred Thousand Pesos (P900,000.00). |
| 1.1(k) | The Project Site is: Department of Budget and Management DBM Building III, General Solano St. San Miguel, Manila. |
| 2.1 | No further instructions. |
| 5.1 | The Procuring Entity's address for Notices is: Department of Budget and Management Ground Floor, DBM Building III, General Solano St. San Miguel, Manila Tel No. (02)657-3300 loc. 3115 Contact Person: Director Ryan S. Lita Administrative Service (AS) The Supplier's address for Notices is: |
| 6.2 | 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. |
| 10.3 | Payments shall be made within ten (10) working days upon complete submission by the Supplier of the following documents: a) Daily Time Records of all CCTV Operators, signed by the AS Director or his/her duly authorized representative; b) Proof of previous months' remittances to SSS, PhilHealth and Pag-IBIG, together with the transmittal sheet stamped received by the agencies concerned, and other documents as may be required by the DBM; and c) Invoice of Billing or Statement of Account for the period covered. |

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| | Thereafter, payments shall be made upon certification by the AS Director that the services were rendered by the Supplier in accordance with the terms and conditions of the Contract. |
| 10.4 | Not applicable. |
| 10.5 | Payment using LC is not allowed. |
| 11.3 | Maintain the GCC Clause. |
| 13.4(c) | No further instructions. |
| 16.1 | No further instructions. |
| 17.3 | Not applicable. |
| 17.4 | No further instructions. |
| 21.1 | The Supplier shall be responsible and liable for cost of repair due to damages caused by its own staff while conducting its maintenance/monitoring work. |



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

BIDS AND AWARDS COMMITTEE

NOTICE OF AWARD

November 23, 2017

MS. REGINA GRACIA LAGMAN

Sales Executive

Cinergi Industrial Solutions Inc.
Warehouse 4-A Sunblest Compound
Km. 23 West Service Road
Cupang, Muntinlupa City
Metro Manila

Dear **Ms. Lagman**:


We are pleased to inform you that the contract for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," is hereby awarded to Cinergi Industrial Solutions Inc. in the amount of P899,994.96.

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 prior to the signing of the contract.

Very truly yours,


BENJAMIN E. DIOKNO
Secretary

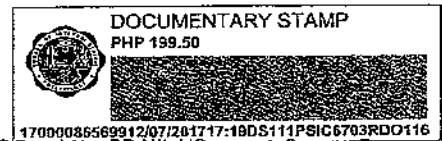


RECEIVED BY: 
REGINA GRACIA LAGMAN
DEC. 01, 2017





IC NO. G(13) 9241



PERFORMANCE BOND

(SURETY BOND)

(Performance Security pursuant to Section 39 of the Implementing Rules and Regulations of R.A. No. 9184)

KNOW ALL MEN BY THIS PRESENTS:

That we, CINERGI INDUSTRIAL SOLUTIONS, INC. of WAREHOUSE 4-A SUNBLEST COMPOUND, KM 23, WEST SERVICE ROAD, CUPANG, MUNTINLUPA CITY, as Principal, and PIONEER INSURANCE & SURETY CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Philippines, as Surety, are held and firmly bound unto DEPARTMENT OF BUDGET AND MANAGEMENT, as procuring entity/Obligee in the sum of Pesos TWO HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT AND 49/100 (Php269,998.49), Philippine Currency, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally, firmly by these presents.

WHEREAS, the above-bounden Principal entered into a contract with the Obligee for the:

CLOSED-CIRCUIT TELEVISION (CCTV) MAINTENANCE AND MONITORING SERVICES FOR DEPARTMENT OF BUDGET AND MANAGEMENT PER NOTICE OF AWARD DATED NOVEMBER 23, 2017

WHEREAS, the Obligee requires a performance security in the above stated sum to secure the full and faithful performance of the obligations of the Principal under the contract within the period of completion as specified in the bidding documents/terms of reference pursuant to Section 39 of the Implementing Rules and Regulations of R.A. No. 9184 and an additional one year (1) coverage from date of completion up to final acceptance to guarantee that the above-bounden Principal shall undertake the repair works of any damage to the infrastructure on account of the use of materials of inferior quality discovered within the defects liability period pursuant to Section 62 of the Implementing Rules and Regulations (IRR) of R.A. 9184.

This bond is callable on demand. The liability of the surety company shall in no case exceed the sum of TWO HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT AND 49/100 (Php269,998.49), Philippine Currency, Philippine Currency. In case of default or failure of the Principal, the Obligee shall notify the Surety by sending the notice of claim with attached supporting documents to prove default or failure to comply by the Principal.

NOW THEREFORE, if the Principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements stipulated in said contract, R.A. No. 9184 and its implementing Rules and Regulations, then the obligation shall be null and void; otherwise it shall remain in full force and effect.

The liability of the Surety under this bond shall remain valid until issuance by the Obligee of the certificate of final acceptance pursuant to Section 39, IRR of R.A. No. 9184 and that the Surety does not assume responsibility for any liability incurred or created after the expiry date. It has been agreed that the Surety is released from liability after the issuance of the certificate of final acceptance. The Surety shall not be liable for extension of contract unless an endorsement has been issued consenting to such extension.

IN WITNESS WHEREOF, we have set our hands and signed our names on the 04th day of December, 2017, at Makati City, Philippines.

CINERGI INDUSTRIAL SOLUTIONS, INC.

[Signature]
ROBERTO A. LIMADCO

President
Principal

Witness to Principal

PIONEER INSURANCE & SURETY CORPORATION
(TIN NO. 000-541-177-000)

[Signature]
RAUL B. TALATALA
Senior Vice President

[Signature]
MA. OLIVIA C. VALERA
First Vice President

Witness to Principal

Surety

ORIGINAL

[Handwritten mark]

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI

S.S.

Bond No. 0091857

I certify that on this date before me, a notary public duly authorized in the city named above to take acknowledgements, personally appeared:

| Name | Res./CT Cert. No. | Issued On | Issued At |
|----------------------------|--------------------|-----------------------|--------------------|
| <u>ROBERTO A. LIMCAOCO</u> | <u>N1173035866</u> | <u>April 28, 2014</u> | <u>Quezon City</u> |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

who were identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

DEC 5 2017

December, 2017

Witness my hand and seal this _____ day of _____

Doc. No. 328
Page No. 01
Book No. 1111
Series of 2017

RUBEN T. M. RAMIREZ
NOTARY PUBLIC
UNTIL DEC. 31, 2017
2734 M. AURORA ST., MAKATI CITY
IBP NO. 1052369 / CY - 2017 APPT NO M-23
ROLL NO. 29947 / MCL-4 NO. 006324, 05-19-12
PTR NO. MKT. 5909552 / 01:04 --

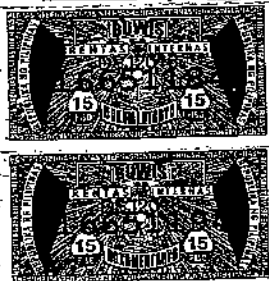
I certify that on this date before me, a notary public duly authorized in the city named above to take acknowledgements, personally appeared:

| Name | CTC No./I.D. No. | Issued On | Issued At |
|--|------------------|---------------|-------------|
| RAUL B. TALATALA | TIN: 122-360-489 | | |
| MA. OLIVIA C. VALERA | TIN: 199-500-992 | | |
| PIONEER INSURANCE AND SURETY CORPORATION | 000-541-177-000 | June 17, 1994 | Quezon City |

who are personally known to me to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

Witness my hand and seal this 04th day of December, 2017.

Doc. No. 391
Page No. 80
Book No. V
Series of 2017



ROLANDO D. PANES, JR.
Notary Public

Appointment No. M-348 valid until December 31, 2017
IBP Lifetime Member No. 011359 / Makati
PTR No. 5909161 / Makati / 01-03-2017
MCLE Compliance No. V-0011449
Roll of Attorney No. 55229
Pioneer House, 108 Paseo de Roxas
Legaspi Village, Makati City

RAUL B. TALATALA and MA. OLIVIA C. VALERA of

PIONEER INSURANCE & SURETY CORPORATION, with Tax Identification No. 000-541-177-000, having been duly sworn, state and depose that **PIONEER INSURANCE & SURETY CORPORATION** is actually worth the amount specified in the foregoing undertaking which is: TWO HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT AND 49/100

(269,998.49) PHIL. PESOS, over and above all just debts and obligations and property exempt from execution.

[Signature]
RAUL B. TALATALA

[Signature]
MA. OLIVIA C. VALERA

(Affiants)

Before me, a notary public in and for the city named above, personally appeared:

| Name | CTC No./I.D. No. | Issued On | Issued At |
|----------------------|------------------|-----------|-----------|
| RAUL B. TALATALA | TIN: 122-360-489 | | |
| MA. OLIVIA C. VALERA | TIN: 199-500-992 | | |

who are personally known to me to be the same persons who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as such instrument.

Witness my hand and seal this 04th day of December, 2017.

Doc. No. 392
Page No. 80
Book No. V
Series of 2017

ROLANDO D. PANES, JR.
Notary Public

Appointment No. M-348 valid until December 31, 2017
IBP Lifetime Member No. 011359 / Makati
PTR No. 5909161 / Makati / 01-03-2017
MCLE Compliance No. V-0011449
Roll of Attorney No. 55229
Pioneer House, 108 Paseo de Roxas

[Signature]



Big. 2016/24-R
(No.) 2016/24-R

Republika ng Pilipinas
Republic of the Philippines
Kagawaran ng Pananalapi
Department of Finance
KOMISYON NG SEGURO
INSURANCE COMMISSION

KATIBAYAN NG PAGKAMAYKAPANGYARIHAN
CERTIFICATE OF AUTHORITY

ITO AY PATUNAY na ang **PIONEER INSURANCE & SURETY CORPORATION**
(This is to certify that

NG LUNGSOD NG MAKATI, PILIPINAS

na isang pang **DI-BOHAY**
a **NON-LIFE**
(FIRE, MARINE, CASUALTY & SURETY*)

na kompanya ng seguro ay nakatugon sa lahat ng mga kailangang itinakda ng batas
insurance company, has complied with all requirements of law

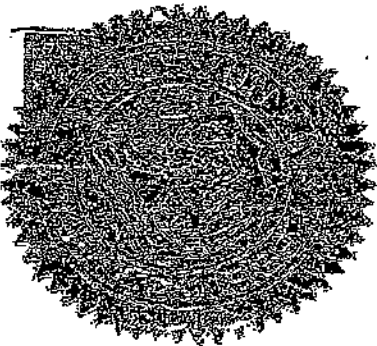
ng Pilipinas kapagay sa gayong mga kompanya ng seguro, kung kaya pinagkakalooban
of the Philippines relative to such insurance companies, and it is hereby granted

nitong **KATIBAYAN NG PAGKAMAYKAPANGYARIHAN** upang makipagnegosyo ng
this CERTIFICATE OF AUTHORITY to transact

uri ng seguro na itinakda sa itaas hanggang ikalabingdalawa ng hatinggabi, ng ikatatumpu't isang
the class of insurance business above set forth until twelve o'clock midnight, on the thirty-first

araw ng Disyembre, taong dalawang libo't labing-walo
day of December 2018

maliban kung agad na bawlin o pigilin ng may makatwirang dahilan,
unless sooner revoked or suspended for cause.)



Bilang **KATUNAYAN NITO**, inilagda ko ang aking pangalan
(in WITNESS WHEREOF, I have hereunto subscribed my name

at itinatag ang Oplat na Patak ng aking Tanggapan
and caused my Official Seal to be affixed.

sa Lungsod ng Maynila, Pilipinas. Ito ay may bisa
at the City of Manila, Philippines. This becomes

simula ika-isa ng Enero 2016.
effective on 1 January 2016.)

EMMANUEL F. DOOC
Insurance Commissioner

*AO No. 45 issued on
July 13, 1954

Date issued: _____



CERTIFIED TRUE COPY BY:

JSN

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Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



CERTIFICATION

This is to certify that **PIONEER INSURANCE & SURETY CORPORATION** is licensed to transact non-life insurance business in the Philippines for **FIRE, MARINE, CASUALTY and SURETY** under **Certificate of Authority No. 2016/24R** effective **01 January 2016** until **31 December 2018**, unless sooner revoked or suspended for cause.


It is certified, moreover, that **Pioneer Insurance & Surety Corporation** is authorized under its license to issue surety bonds required by the Implementing Rules and Regulations of R.A. No. 9184, and that the insurance company had issued **PERFORMANCE BOND (SURETY BOND)** with **G(13) 9241** which is callable upon demand together with the principal **CINERGI INDUSTRIAL SOLUTIONS, INC.** in favor of the obligee **DEPARTMENT OF BUDGET AND MANAGEMENT** in the amount of **TWO HUNDRED SIXTY NINE THOUSAND NINE HUNDRED NINETY EIGHTY PESOS & 49/100 ONLY (Php 269,998.49)** for the project: **CLOSED-CIRCUIT TELEVISION (CCTV) MAINTENANCE AND MONITORING SERVICES FOR DEPARTMENT OF BUDGET AND MANAGEMENT, PER NOTICE OF AWARD DATED NOVEMBER 23, 2017.** Certified photocopy (or duplicate copy) of said bond was submitted by the company to the Insurance Commission.

This Certification is issued upon the request of **Atty. Theodore Joseph A. Campañano**, Vice President of Pioneer Insurance & Surety Corporation, pursuant to the Revised Implementing Rules and Regulation of R.A. No. 9184.

Issued this 8th day of December, 2017


City of Manila, Philippines.

For the Insurance Commissioner:


ALYSSIA E. TOME
IC Senior Insurance Specialist
Regulation, Enforcement & Prosecution Division
Paid Under O.R. No. 3461821 V

IC-LRE-DP-001-F-15
Rev. 0

[JVBA]

| | | | |
|--|--|-----------------|------|
|  | Official Receipt of the Republic of the Philippines | | |
| | N^o 3461821 V | | |
| | Date December 5, 2017 | | |
| Agency | INSURANCE COMMISSION | | Fund |
| Payor | PIONEER INSURANCE & SURETY CORPORA | | |
| Nature of Collection | Account Code | Amount | |
| | | P | |
| Certificate of Government | PA | | |
| | 3124 | 500.00 | |
| | | | |
| | | | |
| | | | |
| TOTAL | | P 500.00 | |
| Amount in Words | FIVE HUNDRED PESOS ONLY | | |
| <input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Money Order | Drawee Bank | Number | Date |
| | | | |
| | | | |
| Received the amount stated above. for CRESCENCIA R. GARCIA <small>CHANCE GWT</small> IG Supervising Administrative Officer _____ Collecting Officer | | | |
| NOTE: Write the number and date of this receipt on the back of check or money order received. | | | |

Jm

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

BIDS AND AWARDS COMMITTEE

NOTICE TO PROCEED

MS. RAQUEL I. TAMARGO
Cinergi Industrial Solutions, Inc.
Warehouse 4-A Sunblest Compound
Km. 23 West Service Road
Cupang, Muntinlupa City
Metro Manila

Dear **Ms. Tamargo**:

This is to inform your company that performance of the obligations specified in the attached Contract for the Project, "Closed-Circuit Television (CCTV) Maintenance and Monitoring Services," shall commence upon receipt of this Notice to Proceed.

Very truly yours,

BENJAMIN E. DIOKNO
Secretary



I acknowledge receipt and acceptance of this Notice on: DECEMBER 27, 2017

Name of Consultant and/or Representative: REGINA GRACIA LAGMAN

Authorized Signature: 