



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

BIDS AND AWARDS COMMITTEE

Resolution No. 2017-62

WHEREAS, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a public bidding for the Project, "Mobile Phone Lines," with an Approved Budget for the Contract of P6,600,000.00;

WHEREAS, under Resolution No. 2017-37 dated September 26, 2017, the BAC declared the first bidding for the Project as "failed" in accordance with Section 35.1(b) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184;

WHEREAS, under Resolution No. 2017-48 dated October 24, 2017, the Secretary of Budget and Management declared the second bidding for the Project as "failed" in accordance with Section 35.1(b) of the 2016 Revised IRR of R.A. No. 9184, and to resort to Negotiated Procurement – Two Failed Biddings, as alternative mode of procurement, pursuant to Section 53.1 of the 2016 Revised IRR of the same law;

WHEREAS, on November 17, 2017, an Invitation for Negotiated Procurement – Two Failed Biddings was posted on the Philippine Government Electronic Procurement System website, the DBM website, and all DBM bulletin boards;

WHEREAS, two (2) interested bidders, namely: (i) Smart Communications, Inc.; and (ii) Globe Telecom, Inc., responded to the said Invitation and attended the Meeting with Interested Bidders on November 21, 2017;

WHEREAS, during the submission and opening of the best and final offer on December 5, 2017, only Smart Communications, Inc. submitted its best and final offer;

WHEREAS, after preliminary examination, the BAC determined the submission of Smart Communications, 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 Smart Communications, Inc. as the Single Calculated Bid in the amount of P3,981,600.00;

WHEREAS, after careful evaluation, validation and verification of the eligibility, technical and financial proposals of the best and final offer, the BAC found that the submission of Smart Communications, Inc. passed all the criteria for post-qualification; thus, it was declared as the Single Calculated and Responsive Bid in the amount of P3,981,600.00;

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, "Mobile Phone Lines," be awarded to Smart Communications, Inc., in accordance with R.A. No. 9184 and its 2016 Revised IRR.

ADOPTED, this 14th day of December 2017 at the Department of Budget and Management, General Solano St., San Miguel, Manila.


THEA MARIE CORINNE F. PALARCA
End-user Representative


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


JESUSA DIMPNA O. LEJOS
Member


DOLORES E. GALURA
Member

not present
ROWENA CANDICE M. RUIZ
Member


RYAN S. LITA
Vice Chairperson

not present
CLARITO ALEJANDRO L. 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

December 14, 2017

MR. DENNIS G. MAGBATOC

Assistant Vice President
Smart Communications, Inc.
4th Floor, Smart Tower 1
6799 Ayala Avenue
Makati City, Metro Manila

Dear **Mr. Magbatoc:**

We are pleased to inform you that the contract for the Project, "Mobile Phone Lines," is hereby awarded to Smart Communications, Inc. in the amount of P3,981,600.00.

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



Sanchez
Jan 4, 2018

EMAILED ON DEC 19, 2017

CONTRACT No. 2017- 26
MOBILE PHONE LINES

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 **UNDERSECRETARY TINA ROSE MARIE L. CANDA**, hereinafter called the "**DBM**";

- and -

SMART COMMUNICATIONS, INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 4th Floor, Smart Tower 1, 6799 Ayala Avenue, Makati City, Metro Manila, represented by **JUAN VICTOR I. HERNANDEZ**, hereinafter referred to as the "**SUPPLIER**";

WITNESSETH:

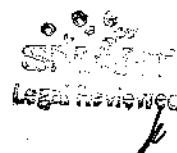
WHEREAS, the DBM conducted a Negotiated Procurement-Two Failed Biddings for the Project, "Mobile Phone Lines," and the bid of the Supplier is in the amount of Three Million Nine Hundred Eighty One Thousand Six Hundred Pesos (P3,981,600.00), hereinafter called the "Contract Price";

WHEREAS, the Notice of Award was issued to the Supplier last December 19, 2017, and the Supplier posted its performance security on December 19, 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


Legal Review




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 **DEC 29 2017**
day of _____, 2017 at General Solano St., San Miguel, Manila, Philippines.

DEPARTMENT OF BUDGET
AND MANAGEMENT
by:

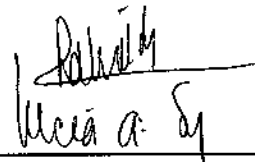

TINA ROSE MARIE L. CANDA
Undersecretary
Officer-in-Charge, DBM

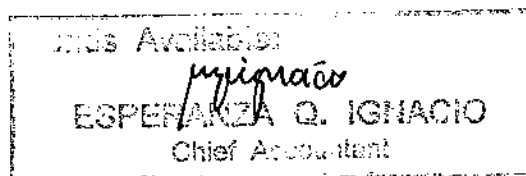
SMART COMMUNICATIONS, INC.
by:


JUAN VICTOR I. HERNANDEZ
Senior Vice President and
Head of Enterprise Business

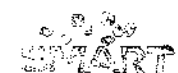
SIGNED IN THE PRESENCE OF


THEA MARIE CORINNE F. PALARCA
Assistant Director
Administrative Service





OAC# 021011012012-01-200
1/15/2018


Legal Reviewed



ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of **MANILA**, Philippines on the **DEC 29 2017**
day of _____, 2017 personally appeared the following:

NAME	VALID ID	VALID UNTIL
TINA ROSE MARIE L. CANDA	DBM ID No.	

JUAN VICTOR I. HERNANDEZ

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 Mobile Phone Lines was signed by the parties, and their material witnesses on each and every page thereof.

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


ATTY. JOSELYN BONNIE V. VALEROS
NOTARY PUBLIC, ROLL NO. 54515

PTR No. 5921026 Issued on: Dec. 27, 2016 Until Dec. 31, 2017
IBP Life No. 723963 Issued on: Aug. 21, 2007
Commission No. 2016-095 Issued on: April 05, 2016, Until Dec. 31, 2017
MCLE No. V-0022298 Issued on June 14, 2016 Valid until April 14, 2019
Office Add: Imperial Bayfront Tower, 1642 A. Mabini, Manila
TIN No. 215-945-713-000

Doc. No 493;
Page No 99;
Book No LV;
Series of 2017.

Bid Form

Date: November 29, 2017
 Invitation to Bid No.: DBM-2017-28

To: *Department of Budget and Management – Bids and Awards Committee*

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers [0], the receipt of which is hereby duly acknowledged, we, the undersigned, offer to Department of Budget and Management, Mobile Phone Lines DBM-2017-20 in conformity with the said Bidding Documents for the sum of Three Million Nine Hundred Eighty One Thousand Six Hundred Pesos Only Vat Inclusive (Php 3,981,600.00 Vat Inclusive) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

Units	Line	Cost of the Line per month with VAT	Annual cost of Line with VAT	Total Annual Cost of Line with VAT	Consumable amount per month/unit	Cost per minute call	Call minutes/month	Total call minutes
(a)	(b)	(c)	(d)=(c)*12	(e)=(d)*(a)	(f)	(g)	(h)=(f)/(g)	(i)=(a)*(h)
144		(PHP)	(PHP)	(PHP)				
1	Line A	5,000	60,000	60,000	0.00	0.00	0.00	Unli all-net calls
8	Line B	3,500	42,000	336,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TnT, SUN)
4	Line C	2,500	30,000	120,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TnT, SUN)
18	Line D	1,800	21,600	388,800	0.00	0.00	0.00	Unli tri-net calls (SMART, TnT, SUN)
25	Line E	1,200	14,400	360,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TnT, SUN)
55	Line F	800	9,600	528,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TnT, SUN)
33	Line G	500	6,000	198,000	500.00	0.00	0.00	Unli calling circle
Sub-total				1,990,800.00				
Contingency amount to cover actual cost of usage in excess of the Plans, and requirements for additional cellular phones				0.00				
Annual Total Cost				1,990,800.00				
Total Cost for 2 years				3,981,600.00	VAT INCLUSIVE			

*Contingency amount is computed based on the monthly credit limit and the requirements for additional lines.

Notes:

1. To compute the call minutes/month, the consumable amount per month/unit will be divided by the Cost per minute call, i.e., $(h)=(f)/(g)$
2. To compute the total call minutes, the call minutes/month will be multiplied by the units, i.e., $(i)=(a) \times (h)$
3. See Annex A for sample bid.

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.

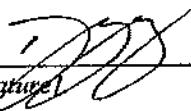
We understand that you are not bound to accept the Lowest Calculated Bid or any Bid you may receive.

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, *[for sole proprietorships, insert: as the owner and sole proprietor or authorized representative of Smart Communications, 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 Mobile Phone Lines DBM-2017-28 of the Department of Budget and Management [for partnerships, corporations, cooperatives, or joint ventures, insert: is granted full power and authority by the Smart Communications, Inc. to participate, submit the bid, and to sign and execute the ensuing contract on the latter's behalf for Mobile Phone Lines DBM-2017-28 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 a ground for the rejection of our bid.

Dated this 28th day of November, 2017.


[Signature]

Dennis G. Magbatoc
Assistant Vice President and Center Head of
Corporate Relationship Management – G
[In the capacity of]

Duly authorized to sign Bid for and on behalf of Smart Communications Inc.

Units	Line	Cost of the Line per month with VAT	Annual cost of Line with VAT	Total Annual Cost of Line with VAT	Consumable amount per month/unit	Cost per minute call	Call minutes/month	Total call minutes
(a)	(b)	(c)	(d)=(c)*12	(e)=(d)*(a)	(f)	(g)	(h)=(f)/(g)	(i)=(a)*(h)
144		(PHP)	(PHP)	(PHP)				
1	Line A	5,000	60,000	60,000	0.00	0.00	0.00	Unli all-net calls
8	Line B	3,500	42,000	336,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TrT, SUN)
4	Line C	2,500	30,000	120,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TrT, SUN)
18	Line D	1,800	21,600	388,800	0.00	0.00	0.00	Unli tri-net calls (SMART, TrT, SUN)
25	Line E	1,200	14,400	360,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TrT, SUN)
55	Line F	800	9,600	528,000	0.00	0.00	0.00	Unli tri-net calls (SMART, TrT, SUN)
33	Line G	500	6,000	198,000	500.00	0.00	0.00	Unli calling circle
Sub-total				1,990,800.00				
Contingency amount to cover actual cost of usage in excess of the Plans, and requirements for additional cellular phones				0.00				
Annual Total Cost				1,990,800.00				
Total Cost for 2 years				3,981,600.00	VAT INCLUSIVE			

*** See attached Plans, Handset and Package Inclusion

CERTIFIED CORRECT:


 Dennis G. Magbatoc
 Signature Over Printed Name of the Authorized Signatory
 Assistant Vice President and Center Head of Corporate Relationship Management - G
 Position
 Smart Communications Inc.
 Company Name
 November 29, 2017
 Date

[illegible]

Schedule of Requirements

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

Item	Description	Quantity/ Unit	Delivery Date
1	Mobile Cellular Line with free Subscriber Identity Module (SIM) card and mobile phone Line A Line B Line C Line D Line E Line F Line G	144 Lines 1 Line 8 Lines 4 Lines 18 Lines 25 Lines 55 Lines 33 Lines	Within 7 calendar days upon receipt of Notice to Proceed COMPLY
2	Mobile Cellular Line with free Subscriber Identity Module (SIM) card and mobile phone, as needed, with no lock-in period Line C Line D Line E Line F	24 Lines 2 Line 1 Line 1 Line 20 Lines	Within 7 calendar days upon receipt of written request from DBM-AS COMPLY
3	Delivery, installation, configuration, and commissioning of sufficient signal boosters in the DBM Central Office premises.		Within 90 calendar days upon receipt of Notice to Proceed COMPLY

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

SMART COMMUNICATIONS INC.
Name of Company/Bidder

Dennis G. Magbato
Assistant Vice President and Center Head
of Corporate Relationship Management - G
Signature over Printed Name of Representative

November 29, 2017
Date

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."

Item	Specification	Bidder's Statement of Compliance
1	<p>Line A</p> <p>Unlimited call to all local networks Unlimited text to all local networks Unlimited local internet/data</p> <p>Fixed international internet/data rate Fixed international call rate to all networks Fixed international text rate to all networks</p> <p>Monthly fixed bill amount: maximum of P5,000.00 Monthly cut-off bill amount of P10,000.00</p>	COMPLY
2	<p>Line B</p> <p>Unlimited call to same network Unlimited text to all local networks Unlimited local internet/data Fixed call rate to other local networks</p> <p>Fixed international internet/data rate Fixed international call rate to all networks Fixed international text rate to all networks</p> <p>Monthly fixed bill amount: maximum of P3,500.00 Monthly credit limit: up to P6,000.00</p>	COMPLY
3	<p>Line C</p> <p>Unlimited call to same network Unlimited text to all local networks Unlimited local internet/data Fixed call rate to other local networks</p> <p>Fixed international internet/data rate Fixed international call rate to all networks Fixed international text rate to all networks</p>	COMPLY

Item	Specification	Bidder's Statement of Compliance
	Monthly fixed bill amount: maximum of P2,500.00 Monthly credit limit: up to P5,000.00	COMPLY
4	Line D Unlimited call to same network Unlimited text to all local networks Unlimited local internet/data Fixed call rate to other local networks Fixed international internet/data rate Fixed international call rate to all networks Fixed international text rate to all networks Maximum monthly bill limit: P1,800.00 Monthly credit limit: up to P3,000.00	COMPLY
5	Line E Unlimited call to same network Unlimited text to all local networks Internet/Data – Maximum of 10 GB and minimum of 5 GB Fixed call rate to other local networks Fixed international internet/data rate Fixed international call rate to all networks Fixed international text rate to all networks Maximum monthly bill limit: P1,200.00 Monthly credit limit: up to P1,800.00	COMPLY
6	Line F Unlimited call to same network Unlimited text to all local networks Internet/Data – Maximum of 5 GB and minimum of 2 GB Fixed call rate to other local networks No international internet/data No international calls No international texts Maximum monthly bill limit: P800.00 Monthly credit limit: None	COMPLY

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7	<p>Line G</p> <p>Unlimited call to same network Unlimited text to all local networks</p> <p>Fixed local internet/data rate Fixed call rate to other local networks</p> <p>No international internet/data No international calls No international texts</p> <p>Maximum monthly bill limit: P500.00 Monthly credit limit: None</p>	COMPLY
8	Provision of sufficient signal boosters in the DBM Central Office premises.	COMPLY
9	The bidders shall submit, during the submission/opening of bids, the list of free mobile phones that is provided in the market for each cellular line mentioned above.	COMPLY

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

SMART COMMUNICATIONS INC.
Name of Company/Bidder

Dennis G. Magbato,
Assistant Vice President and Center Head of
Corporate Relationship Management - G
Signature over Printed Name of Representative

November 29, 2017
Date

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Frequently Asked Questions **Smart Enterprise Unli-Lite Surf**

Author: Yna Palaypayon



What is the difference between Light and Heavy Surfing?

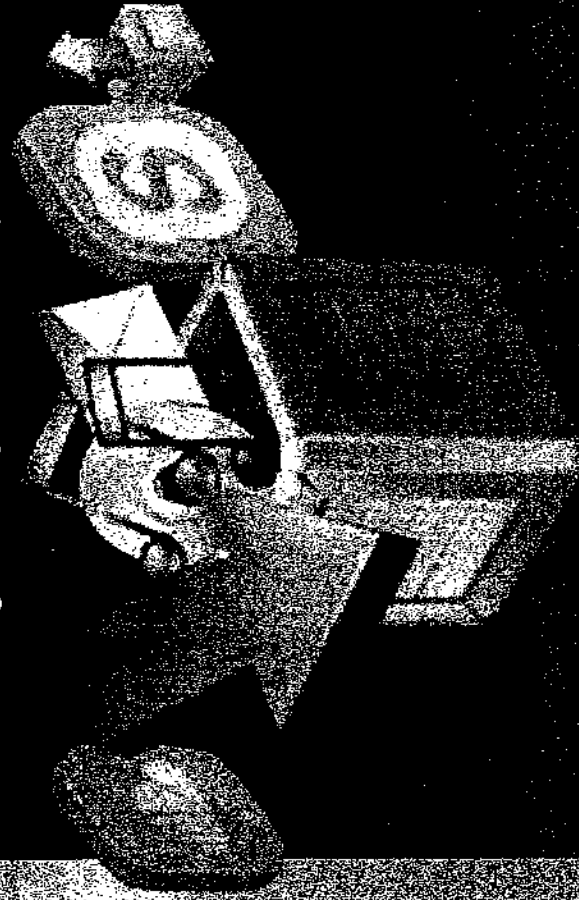


Every internet activity you do uses
up Data, but some activities eat up
more Data than others.

Know the difference.

Data Heavy Activities

These are activities like listening to music online, downloading, uploading, streaming, seeding and leeching.



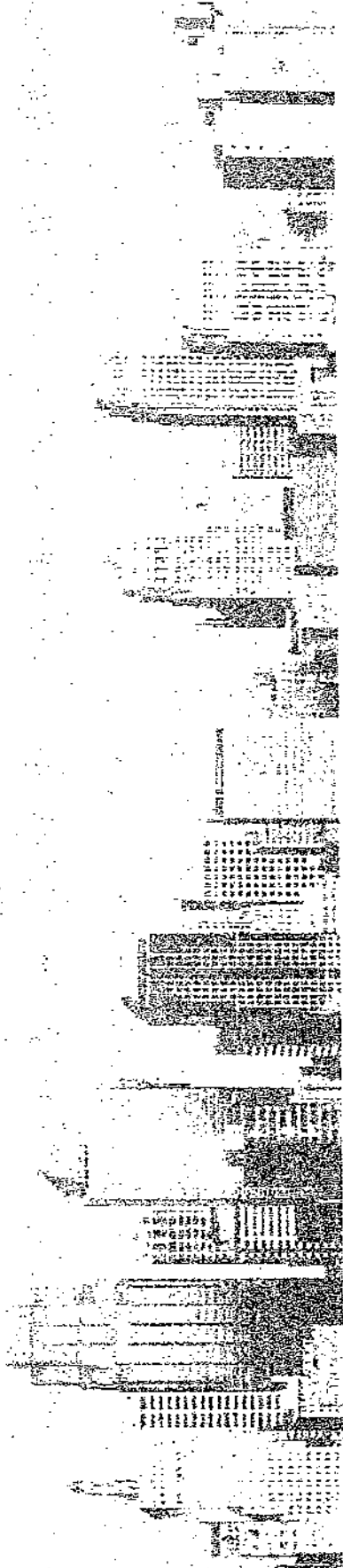
Light Data Activities

These are chatting, liking, sharing, exploring, posting, tweeting, navigating, mailing, and searching.





What is Enterprise UNLI-LITE SURF?



Smart Enterprise Unli-Lite Surf

Is an affordable Unlimited Data offering for Smart Enterprise subscribers that can give them access to business related apps even on their mobile phone.

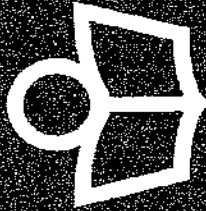


What can you do with UNLI-LITE SURF?



UNLI Web Search

Google, Yahoo, Bing, etc.



UNLI Web Reading

Blog sites, News, Sports,
Other articles, etc.



UNLI Social

Social Media Posting with or without
photos, Updates in status, Like, streaming
videos and stories on apps (e.g. Facebook,
Twitter, Instagram, Snapchat, etc)



UNLI Email

Reading/Sending Plain text
with or without attachments
(e.g. Outlook, Yahooemail,
Gmail, etc)



UNLI Mobile App Access

E.g. Wikipedia app, Foodpanda app,
Uber app, Google app, etc.



UNLI Chat Messaging

with or without photos, stickers,
Voip, etc. (e.g. WhatsApp, Line,
Viber, etc.), Downloading of chat
stickers



UNLI VoIP

or Call over the internet
(e.g. Viber, Skype, Facetime
audio/video, iMessage Voice
Messaging, etc.)



UNLI Navigation

E.g. Waze, Maps, etc.

What activities are not covered by UNLI-LITE SURF?



**Streaming Videos or
Movies**
Eg. Vimeo, Youtube, etc



Streaming Music
Eg. Spotify, Deezer



**Downloading and
Uploading Files**
(e.g. torrent, pictures, files, videos,
movies, music, etc.)



**Mobile Apps that
streams, download,
and upload**



Enterprise Unli-Lite Surf Add Ons:

Add On	Rate	Inclusions
Unli Lite Surf 300	P300	Unli Lite Surfing
Unli Lite Surf 500	P500	Unli Lite Surfing + 1.5 GB Open Data
Unli Lite Surf 800	P800	Unli Lite Surfing + 3.5 GB Open Data
Unli Lite Surf 1000	P1000	Unli Lite Surfing + 5.0 GB Open Data

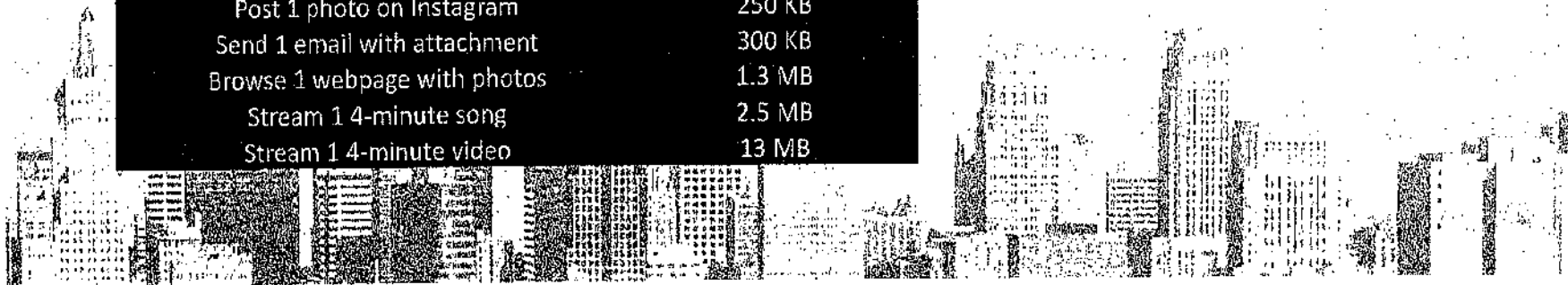




What happens if I access sites and apps not covered by Enterprise Unli-Lite Surf?

You will be charged P0.05/KB thru the open data or on top of your plan if open data has been fully consumed. P1,000 Internet Bill Protect will apply.

ACTIVITY	AVERAGE VOLUME
Send chat message	20 KB
Post 1 text only (Facebook status/comment)	30 KB
Post 1 photo on Instagram	250 KB
Send 1 email with attachment	300 KB
Browse 1 webpage with photos	1.3 MB
Stream 1 4-minute song	2.5 MB
Stream 1 4-minute video	13 MB





What does OPEN DATA mean?

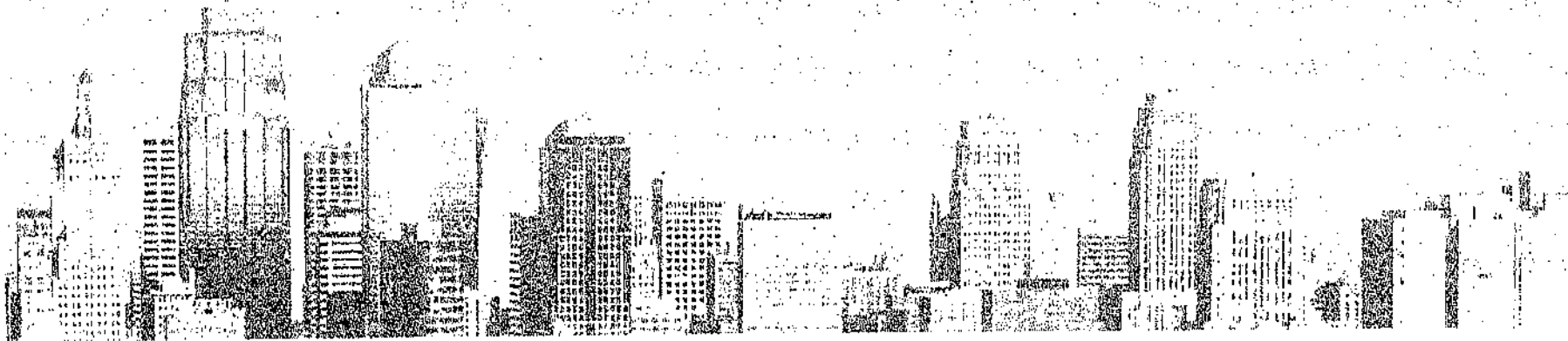
This is your Data allocation that can be used for services not covered by the Enterprise Unli-Lite Surf such as video streaming, music streaming or Peer to Peer service.





Who can avail the Enterprise Unli-Lite Surf Add ons?

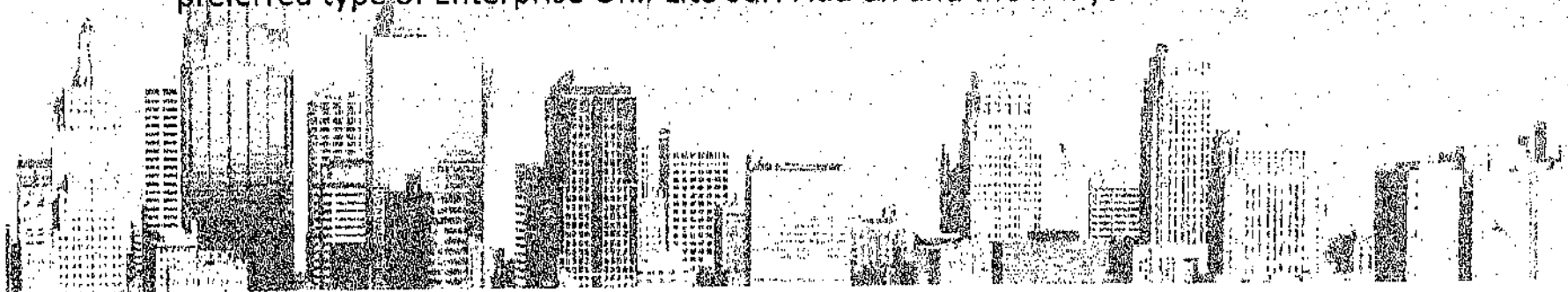
All Smart Enterprise Postpaid subscribers without unli data allocation are allowed to avail.





How can a Smart Enterprise subscriber avail the Enterprise Unli-Lite Surf Add ons?

- Enterprise client may indicate it on the Service application Form (SAF) the preferred add-on Enterprise Unli-Lite Surf plan when they apply for a new postpaid line.
- Authorized signatory of the company can email/send Letter of Request to Enterprise Support <EnterpriseSupport@smart.com.ph> indicating the preferred type of Enterprise Unli-Lite Surf Add on and the MIN/s.



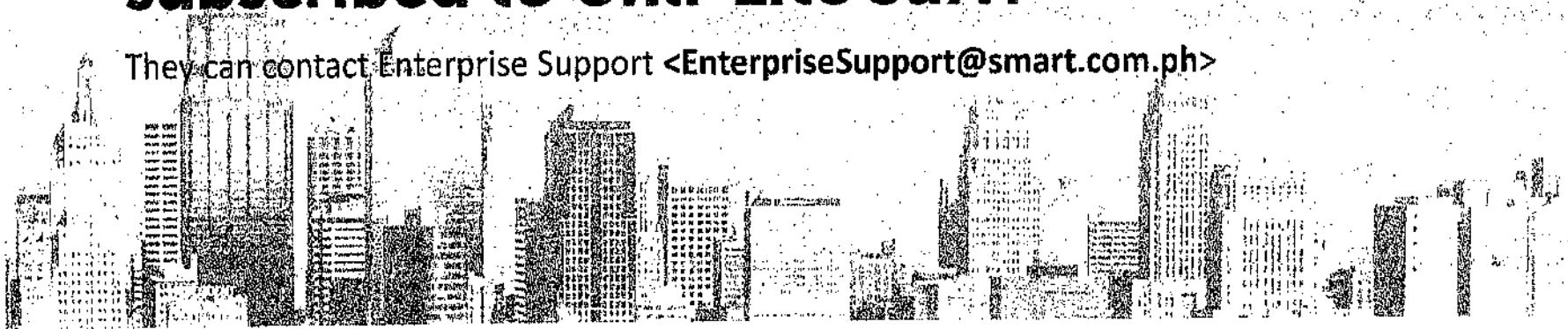


How can I unsubscribe from Enterprise Unli-Lite Surf?

If Unli-Lite Surf is bundled with a postpaid plan, subscriber cannot unsubscribe from the service. But if Unli-Lite Surf was availed as an add-on, they can contact Enterprise Support <EnterpriseSupport@smart.com.ph> for the deactivation of their Enterprise Unli-Lite Surf subscription.

How can I check if I'm subscribed to Unli-Lite Surf?

They can contact Enterprise Support <EnterpriseSupport@smart.com.ph>





How will I know when my subscription will expire?

Enterprise Unli-Lite Surf is automatically renewed every month unless client requests for deactivation from Enterprise Support. Client also have to specifically indicate on the Retention Application Form or Letter of Request if they want to renew their unli light surfing when they avail of Smart's retention program and/or change of plan transactions.



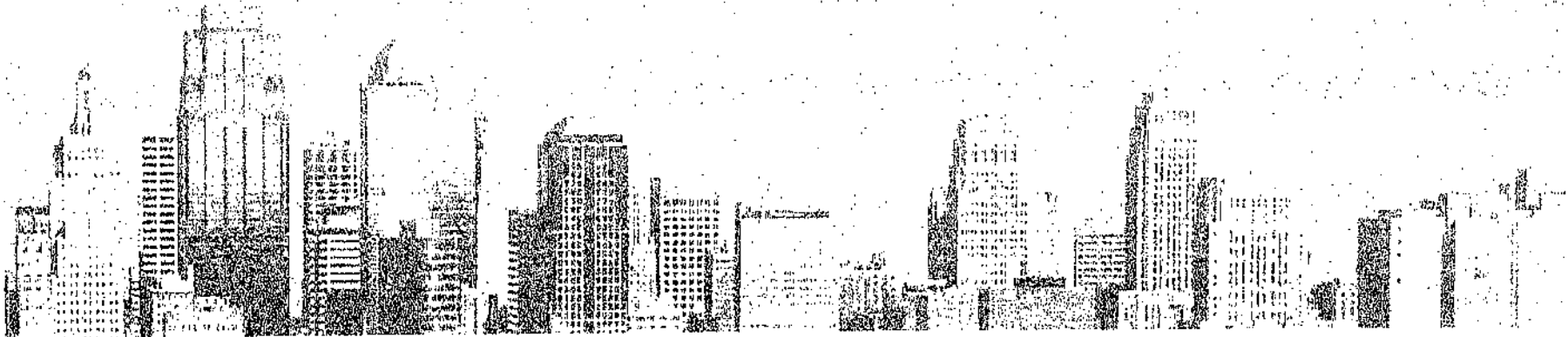


Will I be notified if my subscription expires?

No. They can contact Enterprise Support <EnterpriseSupport@smart.com.ph> for confirmation.

How do I enroll to auto renew?

Enterprise Unli-Lite Surf is automatically renewed every month unless client requests for deactivation from Enterprise Support.



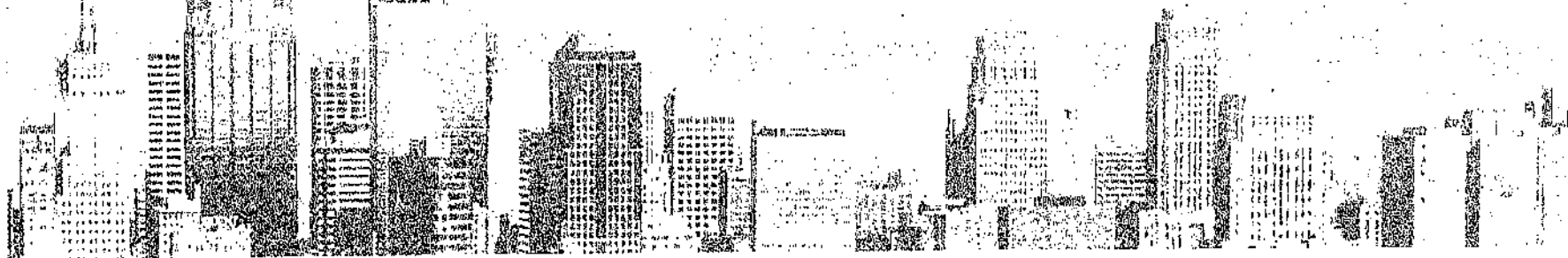


How do I get charged if I avail an Enterprise Unli-Lite Add on?

The registration fee will be applied on top of your Monthly Service Fee (MSF) or to the consumable (if applicable).

How will I know if I was charged for Unli-Lite Surf?

The cost of your usage for Unli-Lite Surf will reflect on your bill. There will be an advanced billing for new connect subscribers.



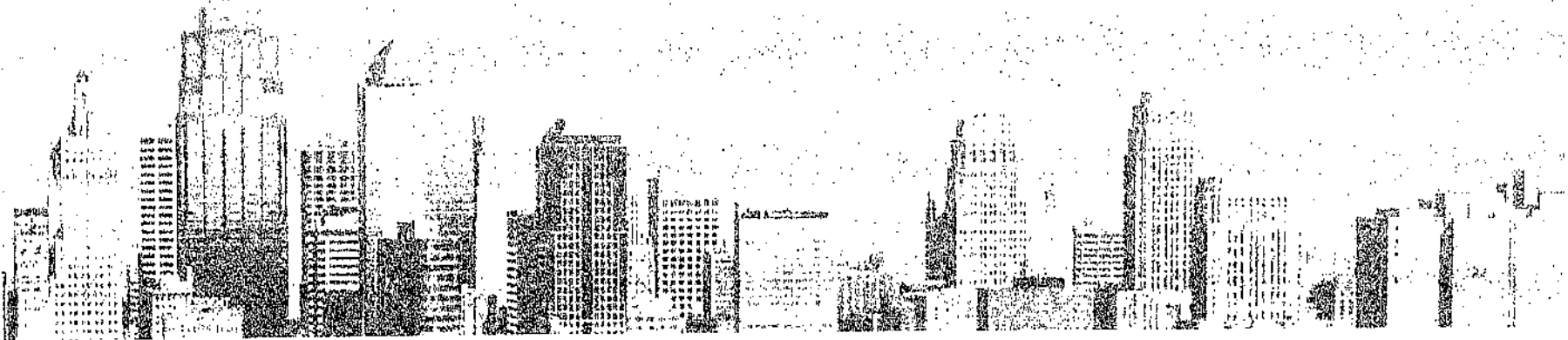


Can I use Enterprise Unli-Lite Surf on roaming?

The promo is not available to subscribers on roaming. Roaming fees shall apply.

Is Unli-Lite Surf applicable to Smart Bro?

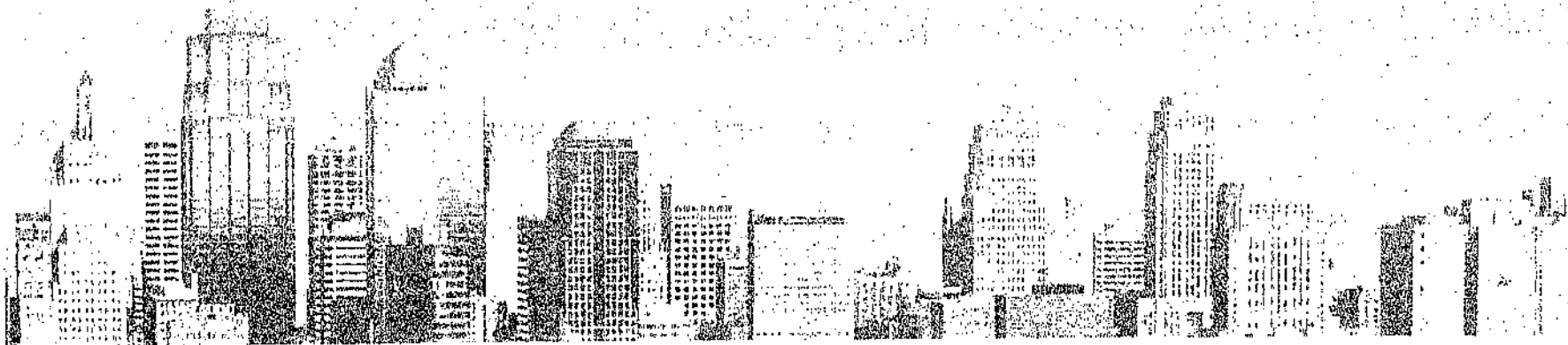
No. Unli-Lite Surf is not applicable to Smart Bro.





Can I use Unli-Lite Surf with APN?

No. Unli-Lite Surf cannot be used with APN/M2M.





Thank you!

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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.

in the accounts of the procuring entity

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

during regular business hours upon providing prior written notice of fifteen (15) days,

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 **Error!**
Reference source not found..
- 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. *MES is poor service*
- 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. *this should be cleared with billing*
- 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.

for
tax
return

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.

cl

- 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 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 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 Error! Reference source not found.
- 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.~~ → then either party may file such dispute or difference
- 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.

23.4 - In the event the Procuring Entity terminates this Contract, it agrees to be liable for the pre termination fee for any reason.

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.

31. The Procuring Entity agrees to the provisions of the Supplier's Terms & Conditions attached herewith. In case of conflict between the Terms & Conditions & this agreement, the former shall prevail.

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(i)	The Funding Source is: The Government of the Philippines (GOP) through the authorized appropriations under the FY 2017 General Appropriations Act and Multi-year Obligational Authority No. MYOA-BMB-C-17-0000025 in the amount of Six Million Six Hundred Thousand Pesos (P6,600,000.00).
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 Administrative Service (AS) DBM Building III General Solano St., San Miguel, Manila Tel No. (02)657-3300 loc. 3117 Contact Person: Director Ryan S. Lita, AS The Supplier's address for Notices is:
6.2	No further instructions.
10.4	Not applicable.
10.5	Payment using LC is not allowed.
11.3	Maintain the GCC Clause.
13.4(c)	No further instructions.
15	No further instructions
16.1	The Goods delivered is accepted by the Procuring Entity as to quantity only. However, 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 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, if the

	<p>latter was duly notified. In which case, the results of the inspection conducted by the Procuring Entity shall be final and binding upon the Supplier.</p> <p>The inspection and tests that will be conducted shall be in accordance with Section VII. Technical Specifications.</p>
17.3	One (1) year after acceptance by the Procuring Entity of the delivered Goods.
17.4	The period for correction of defects in the warranty period is fifteen (15) days.
19	<p>The imposition of liquidated damages in all instances shall be automatic, except upon prior request for extension and approval thereof by the Procuring Entity before the scheduled delivery date.</p> <p>Any request for extension not acted upon before delivery date shall be considered denied.</p>
21.1	The Supplier shall be responsible and liable for cost of repair due to damages caused by its own staff while implementing the project.

ch



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

BIDS AND AWARDS COMMITTEE

NOTICE OF AWARD

December 14, 2017

MR. DENNIS G. MAGBATOC
Assistant Vice President
Smart Communications, Inc.
4th Floor, Smart Tower 1
6799 Ayala Avenue
Makati City, Metro Manila

Dear **Mr. Magbatoc**:

We are pleased to inform you that the contract for the Project, "Mobile Phone Lines," is hereby awarded to Smart Communications, Inc. in the amount of P3,981,600.00.

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



Handwritten signature and date: Jan 4-2018

EMAILED ON DEC 19, 20



ASIA INSURANCE (PHILIPPINES) CORPORATION

(Formerly Asia Traders Insurance Corporation)

Manila Office: 1507, Tysons Plaza, Plaza Lorenzo Ruiz, Binondo, Manila, Philippines 1008 P.O. Box 722
Tel. No. (832) 241 2201; Fax No. (832) 241 6257

Makati Office: 1507, Chatham House, 118 Valero cor. V.A. Rufino Sts. Salcedo Village, Makati City, Philippines
Tel. No. (832) 845 3223; Fax No. (832) 866 2308

AIPC BOND NO. G(13)-11338/NSMKT2

PERFORMANCE BOND

---00000---

Rate	0.550000 %
Premium	6,569.64
Doc. Stamps	851.50
EVAT	788.36
NF/OTHERS	800.00
LGT	13.14
TOTAL	9,022.64

KNOW ALL MEN BY THESE PRESENTS:

That we, **SMART COMMUNICATIONS, INC.** of Smart Tower, 5799 Ayala Avenue, Makati City as Principal, and the **ASIA INSURANCE (PHILS.) CORPORATION**, duly organized and existing under and by virtue of the laws of the Philippines with principal office at Plaza Lorenzo Ruiz, Binondo Manila, Philippines, as Surety, are held and firmly bound unto the **DEPARTMENT OF BUDGET AND MANAGEMENT**, in the amount of **PESOS: ONE MILLION ONE HUNDRED NINETY FOUR THOUSAND FOUR HUNDRED EIGHTY ONLY (P1,194,480.00)**, Philippine Currency for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The Conditions of this Obligation are as follows:

WHEREAS, the above-bounden Principal has entered into an agreement with the above Oblige to undertake the **"MOBILE PHONE LINES"**, as per Notice of Award dated December 14, 2017, a copy of which is hereto attached for reference;

Provided, however, that the liability of the Surety Company under this bond shall be proportionately decreased by the percentage of completion of the work and materials used in this project;

WHEREAS, this bond is conditioned to guarantee the faithful performance of the Principal to complete the above-mentioned project. Provided; however, that the liability of the Surety under this bond shall in no case EXCEED the amount of **PESOS: ONE MILLION ONE HUNDRED NINETY FOUR THOUSAND FOUR HUNDRED EIGHTY ONLY (P1,194,480.00)**, Philippine Currency;

This Bond is **"CALLABLE ON DEMAND"**.

--oO (NOTHING FOLLOWS) Oo--

WHEREAS, as a condition to the said award requires the above-named Principal to file a Performance Bond in the amount of **PESOS: ONE MILLION ONE HUNDRED NINETY FOUR THOUSAND FOUR HUNDRED EIGHTY ONLY (P1,194,480.00)**, Philippine Currency.

NOW, THEREFORE, the conditions of this obligation is such that if the above-bounden Principal shall truly and well comply with all the terms and conditions regulating the said Award, then this bond shall be null and void; otherwise, it shall remain in full force and effect.

LIABILITY of the Surety in this bond will expire until issuance of the Certificate of Final Acceptance of the Project and said bond will be automatically cancelled fifteen (15) days after its expiration, unless the Surety is notified in writing of any existing obligation there under, or otherwise extended by the Surety in writing. It is hereby further agreed and understood that no action, at law or equity shall be brought against the Surety under this Bond unless the same is brought to competent Court within one year from the date said written notice of any existing obligations is received by the Surety, as herein stipulated.

WITNESS OUR HANDS AND SEALS this 20th day of December, 2017, in the City of Manila, Philippines.

SMART COMMUNICATIONS, INC.

(Principal)

JUAN VICTOR I. HERNANDEZ
Senior Vice President and Head of the
Enterprise Business Smart

Witness to Principal

ASIA INSURANCE (PHILIPPINES) CORP.

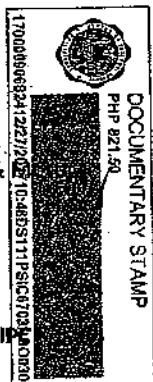
TIN 009-740-925

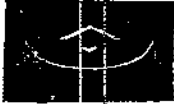
(Surety)

LEONIDES S. DE LEON
Underwriting Manager, Surety &

SIGNED IN THE PRESENCE OF:

DIANA L. FERRANCO c/o AIPC
Witness to Surety



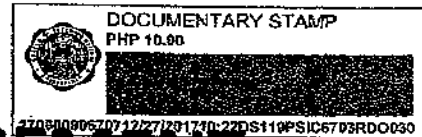


ASIA INSURANCE (PHILIPPINES) CORPORATION
(Formerly Asia Traders Insurance Corporation)

Manila Office - 15F, Typhoon Plaza, Plaza Lorenzo Ruiz,
Binondo, Manila, Philippines 1000 P.O. Box 722
Tel. No. (832) 241 8201; Fax No. (832) 241 8227

Makati Office - 15F, Chatham House, 118 Makara cor V.A. Rufino St.,
Solisado Village, Makati City, Philippines
Tel. No. (832) 545 3225 Fax No. (832) 928 2309

AIPC BOND NO. G(13)-11338/NSMKT2



ACKNOWLEDGEMENT

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

In the City of Manila, Philippines, this 20th day of December, 2017, personally appeared before me:

JUAN VICTOR I. HERNANDEZ with Social Security No. 33-4448886-4 in his capacity as Senior Vice President and Head of the Enterprise Business Smart with Tax Identification No. 197-779-105;

LEONIDES S. DE LEON with Social Security System No. 33-1310799-8, in his capacity as Underwriting Manager, Surety & Motor Department of **ASIA INSURANCE (PHILIPPINES) CORPORATION** with Tax Identification No. 000-740-925;

who executed the foregoing document, which they confirmed and ratified, declaring the same to be their free and voluntary act and deed and as well as the free and voluntary act and deed of the corporations represented herein.

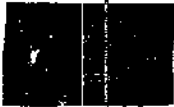
Doc. No. : 172
Page No. : 35
Book No. : XII
Series of : 2017


ATTY. ROMEO M. MONFORT
Commission Number 246
NOTARY PUBLIC

Until December 31, 2017

PTR No. 5913220, January 5, 2017, Makati City
126 Amorsolo St., Legaspi Village, Makati City
Roll No. 27932

IBP No. 1062454, January 06, 2017, Pasig City

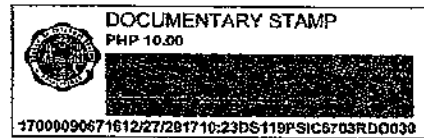


ASIA INSURANCE (PHILIPPINES) CORPORATION
(Formerly Asia Traders Insurance Corporation)

Manila Office: 16/F, Tysons Plaza, Plaza Comodoro Roldan,
Bonifacio, Manila, Philippines 1008 P.O. Box 722
Tel. No. (632) 241 5241; Fax No. (632) 241 5257

Manila Office: 16/F, Chubb House, 110 Valero Ave. Valero Sta.,
Salcedo Village, Makati City, Philippines
Tel. No. (632) 845 8223; Fax No. (632) 886 2305

AIPC BOND NO. G(13)-11338/NSMKT2



AFFIDAVIT OF JUSTIFICATION

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

LEONIDES S. DE LEON of the **ASIA INSURANCE (PHILIPPINES) CORPORATION**, having been duly sworn, states and deposes that the said **ASIA INSURANCE (PHILIPPINES) CORPORATION**, is a corporation duly organized and existing under and by virtue of the laws of the Philippines and duly authorized to execute and furnish surety bonds for all purposes within said country and that it is actually worth the amount specified in the foregoing undertaking, to wit **PESOS: ONE MILLION ONE HUNDRED NINETY FOUR THOUSAND FOUR HUNDRED EIGHTY ONLY (P1,194,480.00)**, Philippine Currency over and above all just debts and obligations and property exempt from execution, and that it has no pending obligation demandable and outstanding in any amount to the Government or any of its agencies as of the last day of the month proceeding the date the bond is issued or posted.

Asia Insurance (Philippines) Corporation
TIN - 009-740-925

LEONIDES S. DE LEON
Underwriting Manager, Surety & Motor

SUBSCRIBED AND SWORN to before me this 20th day of December, 2017, at Manila, Philippines, affiant exhibiting to me his Social Security System No. 33-1310799-8;

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Page No. : 35
Book No. : XII
Series of : 2017

ATTY. ROMEO M. MONFORT

Commission Number 246

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IBP No. 1062454, January 06, 2017, Pasig City

Blg. 2016/77-R
(No.) 2016/77-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 **ASIA INSURANCE (PHILIPPINES) CORPORATION**
(This is to certify that

NG LUNGSOD NG MAYNILA, PILIPINAS

na isang pang **DI-BUHAY**
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 kaugnay 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

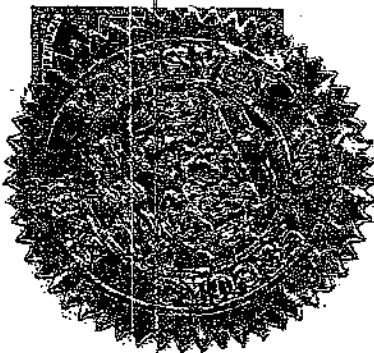
maliban kung agad na bawin o pigilin ng may makatuwirang dahilan.
unless sooner revoked or suspended for cause.)

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

at ilinimal ang Opisyal na Tatak 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.)



*AO No. 34 issued on
April 2, 1946

Date Issued: _____

EMMANUEL F. DOOC
Insurance Commissioner

CERTIFIED TRUE COPY:
ASIA INSURANCE (PHILIPPINES) CORP.

Authorized Signature



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

BIDS AND AWARDS COMMITTEE

NOTICE TO PROCEED

MR. JUAN VICTOR I. HERNANDEZ

*Senior Vice President and
Head of Enterprise Business*
Smart Communications, Inc.
4th Floor, Smart Tower 1
6799 Ayala Avenue
Makati City, Metro Manila


Dear **Mr. Hernandez:**

This is to inform your company that performance of the obligations specified in the attached Contract for the Project, "Mobile Phone Lines," 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 29, 2017 

Name of Consultant and/or Representative: _____

Leung A. So

Authorized Signature: _____

Sahitya