

**CONTRACT**  
**FOR THE SUPPLY, DELIVERY, INSTALLATION AND CONFIGURATION OF IPVPN**  
**BACKHAUL AND SIM CARDS FOR WIRELESS KIOSKS**

This Contract is made and executed on this \_\_\_ day of \_\_\_\_\_ at Pasay City, Philippines, by and between:

The **GOVERNMENT SERVICE INSURANCE SYSTEM**, a social insurance institution, created under Commonwealth Act No. 186, as amended, and operating under its present Charter, Republic Act No. 8291, otherwise known as the GSIS Act of 1997, with principal office address at the GSIS Headquarters Building, Financial Center Area, Pasay City, represented herein by **JUAN PHILIP S. EVANGELISTA**, Chief Information Officer, hereinafter referred to as the “**GSIS**”;

-and-

The **PHILIPPINE LONG DISTANCE TELEPHONE COMPANY**, a corporation duly organized and operating under the laws of the Philippines, with its principal place of business at Ramon Cojuanco Building, Makati Ave. corner Ayala Ave., Legaspi Village, Makati City, represented herein by **DENNIS G. MAGBATOC**, AVP & Head, CRM G Public Sector, duly authorized for this purpose, hereinafter referred to as the “**SERVICE PROVIDER**”.

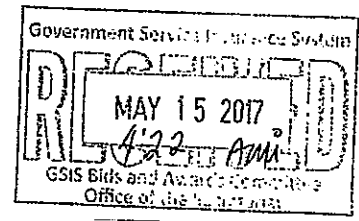
**RECITALS**

**WHEREAS:**

1. The **GSIS** invited Bids for the *Supply, Delivery, Installation and Configuration of IPVPN Backhaul and SIM Cards for Wireless Kiosks*.
2. The **SERVICE PROVIDER** submitted the Lowest Calculated Responsive Bid, representing that it has the resources and the capability to meet the requirements as defined under the Official Bid Documents, and the **GSIS** has accepted said Bid.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties have agreed and stipulated as follows:

1. The following Official Bid Documents shall be deemed integral parts of this Contract:
  - 1.1 Bid Data Sheet;
  - 1.2 Terms of Reference;
  - 1.3 Scope of Work;
  - 1.4 Plans/Drawings and/or Technical Specifications;
  - 1.5 General Conditions of Contract;
  - 1.6 Special Conditions of Contract;
  - 1.7 Price Schedule submitted by the **SERVICE PROVIDER**;
  - 1.8 Schedule of Requirements;
  - 1.9 Supplemental Bid, if any; and
  - 1.10 Notice of Award.



The Official Bid Documents and this Contract contain all the agreements of the parties and replace and supersede any understanding, communications and representations, whether verbal or written, between the parties.

2. The words, terms and phrases stated in this Contract shall have the same meanings as are respectively assigned to them under the Official Bid Documents.

3. In consideration of the Contract Price to be paid by the **GSIS**, the **SERVICE PROVIDER** hereby covenants with the **GSIS** to provide the Services and to remedy the defects therein in conformity with the Official Bid Documents and this Contract.
4. The **GSIS** shall pay the Contract Price at the time and in the manner prescribed by the Official Bid Documents and this Contract. It is understood that all applicable taxes, including Documentary Stamp Tax (DST), if any, shall be borne by the **SERVICE PROVIDER**. For this purpose, the **SERVICE PROVIDER** acknowledges that the **GSIS** is not a withholding agent for DST and hereby undertakes and commits itself to make direct payments to the BIR of any DST that may be imposed in the execution and/or performance of this Contract.
5. Any damage to the systems, facilities and equipment of the **GSIS** due to the negligence, theft or pilferage, directly or indirectly, caused by the **SERVICE PROVIDER**'s personnel shall be immediately repaired, restored or replaced by the **SERVICE PROVIDER** for its own account. If the **SERVICE PROVIDER** fails to carry out such repair, restoration or replacement within ten (10) days from the request of the **GSIS**, any expenses for such repair, restoration or replacement made by the **GSIS** shall be for the account of the **SERVICE PROVIDER** to be deducted from the Contract Price.
6. During the effectivity of this Contract, the **SERVICE PROVIDER** shall not assign or transfer the covered *Services* without the prior written consent of the **GSIS**. Any act in violation of this provision shall be sufficient ground for the termination of this Contract.
7. The parties are independent entities and no agency, partnership, joint venture, employment or formal business arrangement of any kind is created by this Contract. Neither shall the personnel or employees of the **SERVICE PROVIDER** be deemed employees of the **GSIS**. Hence, the **GSIS** shall not in any way be liable or responsible for any personal injuries or damages, including death, sustained or caused by any of the employees of the **SERVICE PROVIDER**.
8. In the event that the **SERVICE PROVIDER** fails to perform its contractual obligations within the agreed period as specified in this Contract, the **GSIS** shall deduct from the Contract Price, as liquidated damages, a sum equivalent to at least one-tenth of one percent (0.1%) of the cost of the unperformed portion of the contract per day of delay but not to exceed ten percent (10%) of the Contract Price. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, the **GSIS** may rescind the contract, without prejudice to other course of action and remedies available to it under the law and equity. The damages herein provided are fixed and the **GSIS** shall not be required to adduce proof thereof.
9. Should the **GSIS** be constrained to file a case to obtain relief against the **SERVICE PROVIDER**, the latter shall be liable to pay an amount equivalent to twenty percent (20%) of that amount claimed in the complaint as attorney's fees, aside from the costs of litigation and other expenses which the **GSIS** is entitled to recover from the **SERVICE PROVIDER**; provided, however, that in an action brought by the **SERVICE PROVIDER** for whatever cause arising under this Contract, should it be adjudged not to be entitled to the relief sought, the **GSIS** as the prevailing party shall be entitled to such reasonable attorney's fees, costs of litigation and other costs it may have incurred by reason of such action.
10. The **SERVICE PROVIDER** shall defend, indemnify and hold harmless the **GSIS**, the members of its Board of Trustees, its officials, agents and employees, against all claims, losses, liabilities and damages, and to pay all claims, judgments, awards, costs and expenses arising out of or in connection with the **SERVICE PROVIDER**'s acts or omissions, unless such claims are due solely to the negligence of the **GSIS**. Costs inclusive

of expert witness fees and other legal expenses shall be charged against the account of the **SERVICE PROVIDER.**

11. If any term, condition or any part of the provisions of the Official Bid Documents and this Contract is determined to be invalid, void or unenforceable to any extent, such term, condition or provision shall be severed from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.
12. Any action arising from arbitration or other modes of dispute settlement under the Official Bid Documents and this Contract shall be brought by the aggrieved party exclusively before the proper court in the City of Pasay.
13. This Contract and the Official Bid Documents shall be subject to the pertinent provisions of R.A. No. 9184, otherwise known as the Government Procurement Reform Act, its Revised Implementing Rules and Regulations, and other related laws, rules and regulations.

**IN WITNESS WHEREOF**, the parties have duly executed this Contract on the date and place first above written.

**GOVERNMENT SERVICE  
INSURANCE SYSTEM**

**PHILIPPINE LONG DISTANCE  
TELEPHONE COMPANY**

By:

By:

JUAN PHILIP S. EVANGELISTA  
*Chief Information Officer*

DENNIS G. MAGBATOC  
*AVP & Head, CRM G Public Sector*

SIGNED IN THE PRESENCE OF:

MARLON EUSEBIO L. MENDOZA  
*VP, IT Infrastructure Office*

MA. ANA S. SALAZAR  
*Relationship Manager*

**CERTIFIED FUNDS AVAILABLE:**  
**Php 5,053,444.03**  
Fund Center 901103002  
GL 5102080400

**Certified Included in the 2017 GSIS  
Annual Procurement Plan**

MANUEL P. ANG  
*Vice President, FISMOASO*

ROMEO G. DE LUNA JR.  
*GBAC Secretariat Head*

ACKNOWLEDGMENT

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

MAY 12 2017

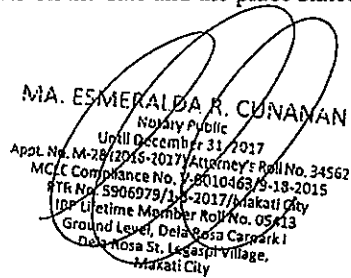
BEFORE ME, a Notary Public for and in the City of MAKATI CITY, this \_\_\_ day of  
\_\_\_\_\_ 2017, personally appeared:

<u>Name</u>	<u>Passport No.</u>	<u>Date/Place of Issue</u>
JUAN PHILIP S. EVANGELISTA	EC3132865	January 8, 2015/Manila
DENNIS G. MAGBATOC	EC3800818	March 26, 2015/Manila

known to me and to me known to be the same persons, Juan Philip S. Evangelista, in representation of the GSIS as a juridical person, and Dennis G. Magbatoc, in representation of Philippine Long Distance Telephone Company as a juridical person, who executed the foregoing Contract consisting of four (4) pages including the page on which this Acknowledgment is written, signed by the parties and their witnesses on each and every page thereof, and acknowledge to me that the same is their free and voluntary act and deed, and of the entities they represent.

WITNESS MY HAND AND NOTARIAL SEAL on the date and the place stated above.

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Series of 2017


 MA. ESMERALDA R. CUNANAN  
 Notary Public  
 Until December 31, 2017  
 Appt. No. M-28/2015-2017/Attorney's Roll No. 34562  
 MCLC Compliance No. Y-2010463/5-18-2015  
 PTR No. 5906079/1-8-2017/Makati City  
 IDP Lifetime Member Roll No. 05413  
 Ground Level, Dela Rosa Carpark I  
 Dela Rosa St., Legaspi Village,  
 Makati City