

CONTRACT AGREEMENT
No. 2024-04-005

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into this ___ day of April 2024 at Butuan City, Agusan del Norte, Philippines between and among:

The **DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT**, a National Agency of the Republic of the Philippines, with office address at Batasan Pambansa Complex, Diliman, Quezon City herein represented by **MARI-FLOR A. DOLLAGA-LIBANG** in her capacity as Regional Director of **FIELD OFFICE CARAGA**, hereinafter referred to as the **"Entity"**;

AND

PLDT INC. a duly licensed private entity, organized and existing by virtue of the laws of the Republic of the Philippines with office address at Ramon Cojuangco Building, Makati Avenue Makati, Metro Manila Philippines, represented by **VICTOR Y. TRIA**, First Vice President and Sector Head of Enterprise Revenue Group 1, hereinafter referred to as the **"Service Provider"**;

WITNESSETH

WHEREAS, the **ENTITY** invited Bids for certain goods and ancillary services, particularly **PROVISION OF DEDICATED INTERNET CONNECTION FOR DSWD FO CARAGA REGIONAL OFFICE AND FIBER BROADBAND CONNECTION FOR 17 SUB-REGIONAL OFFICES (PRIMARY ISP)**;

WHEREAS, the **ENTITY** contemplates to engage the services of an internet service provider, for the purpose of providing primary internet access to the regional office and its sub-offices of the Entity within Caraga Region;

WHEREAS, the **SERVICE PROVIDER** is engaged in the business of rendering internet services and is duly registered as such by the National Telecommunications Commission in accordance with Republic Act No. 7925 and its Implementing Rules and Regulations, and has offered to provide the **ENTITY** with dedicated internet connection and fiber broadband connection for the purpose of the above-mentioned;

WHEREAS, in a bidding conducted for the purpose, the **SERVICE PROVIDER** submitted the single complying and responsive calculated bid in the amount of **THREE MILLION SIX HUNDRED TWENTY-EIGHT THOUSAND EIGHT HUNDRED PESOS ONLY (Php3,628,800.00)** [hereinafter called "Contract Price"];

WHEREAS, the **ENTITY** has accepted the bid of the **SERVICE PROVIDER** in the aforesaid contract price.

NOW THEREFORE, for and in consideration of the foregoing premise and mutual terms, conditions and stipulations hereinafter set forth, the parties do hereby agree:

**Article I
DOCUMENTS COMPRISING THE CONTRACT**

1. The following documents shall be deemed to form and be read and construed as integral parts of this Agreement pursuant to the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184, viz:

MARI-FLOR A. DOLLAGA - LIBANG
Regional Director

VICTOR Y. TRIA
First Vice President and Sector Head of
Enterprise Revenue Group 1

MARI-FLOR A. DOLLAGA – LIBANG
Regional Director

- i. DSWD Specifications consist of:
 - Section I - Invitation to Apply for Eligibility and to Bid
 - Section II - Instruction to Bidders
 - Section III - Bid Data Sheet
 - Section IV - General Conditions of the Contract
 - Section V - Special Conditions of the Contract
 - Section VI - Schedule of Requirements
 - Section VII - Technical Specifications
 - Section VIII - Bidding Forms and Supplemental/Bid Bulletins
- ii. Notice of Award by the DSWD dated March 26, 2024
- iii. Performance Security
- iv. Notice to Proceed by the DSWD dated April 08, 2024
- v. Effectivity of Service: May 01, 2024 – December 31, 2024
- vi. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

The documents mentioned above shall collectively be referred to as "Contract Documents".

ARTICLE II SCOPE OF SERVICES

1. The SERVICE PROVIDER shall provide optical fiber connectivity, necessary hardware, terminations and other services required to set up the internet connection.
2. The SERVICE PROVIDER shall provide incident reports and updates in case of connection failure.
3. The SERVICE PROVIDER shall provide a monthly utilization graph and/or MRTG tool for monitoring link quality and bandwidth utilization;
4. The SERVICE PROVIDER shall include Two (2) allowable transfers of internet service facility per site, in case of relocation of office.
5. The SERVICE PROVIDER shall provide 24x7 support services.
6. The SERVICE PROVIDER shall enter into a Service Level Agreement which defines parameters of rebates for non-performance, etc.
7. The SERVICE PROVIDER shall complete the delivery, installation, and configuration within thirty (30) calendar days from the receipt of the Notice to Proceed. Otherwise, the winning bidder shall pay the corresponding penalties/liquidated damages in the amount of one-tenth of one percent (1/10 of 1%) of the total contract price for every calendar day of delay.
8. **Actual Installation**
 - a. Provide and install a Channel Service Unit/Data Service Unit (CSU/DSU) modem at both ends of the Internet connections.
 - b. Provide and install a Router at both ends of the Internet connections.
 - c. Provide internet connectivity directly to the end user's server room, including materials needed for the purpose. This includes provision for the installation of cables/insulation using industry standards and materials.

VICTOR Y. TRIA
First Vice President and Sector Head of
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Regional Director

- d. Complete the delivery, installation and configuration within thirty (30) calendar days from the receipt of the Notice to Proceed. Otherwise, the winning bidder shall pay the corresponding penalties/liquidated damages in the amount of one-tenth of one percent (1/10 of 1%) of the total contract price for every calendar day of delay.

9. Configuration

- a. Configure modem for specified connection requirements;
- b. Configure router to the equivalent direct Internet connection speed;
- c. Configure backup router, if any;
- d. Set up one (1) Public IP address per subscription.

10. Testing Period

- a. The selected ISP shall notify DSWD FO Caraga in writing seven (7) days prior to the required inspection/testing of the internet service connection.
- b. The acceptance test procedure shall be in accordance with the following:
 - i. The acceptance testing will be undertaken for a period of seven (7) days.
 - ii. Broadband internet will have no service interruption during the agreed test period.
 - iii. The Internet bandwidth requirement is attained during working hours (i.e., 7:00 a.m. to 7:00 p.m.).
 - iv. MRTG should be in place.

If any of the foregoing conditions are not met, the count of the testing period shall be restarted until all of these conditions have been duly satisfied continuously for 7 working days.

During the testing period, the SERVICE PROVIDER shall not be held liable for performance degradation/interruptions that are beyond its control such as power outages, fluctuations, or failure or malfunction of ENTITY's equipment, and international/regional internet backbone problems.

11. Implementation

- a. Shall maintain all equipment in proper working order.
- b. Provide an escalation list and procedure for reporting faults and outages.
- c. The SERVICE PROVIDER must immediately advise DSWD FO Caraga of any downtime occurrence or in any case the internet rerouted to a backup link.
- d. The SERVICE PROVIDER must have standby equipment to immediately replace the existing equipment once found defective.

ARTICLE III PAYMENT

1. For and in consideration of the services rendered, the ENTITY shall pay the SERVICE PROVIDER the monthly contract rate as provided in the Price Schedule attached hereto as Annex "B", which is made an integral part of this Contract.

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First Vice President and Sector Head of
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2. For the occurrence of a Downtime Connection Interruption/Outage that is attributable to the SERVICE PROVIDER, as acknowledged by the SERVICE PROVIDER's Fault Management Center, the SERVICE PROVIDER shall voluntarily make the appropriate "Performance Credit" or Rebates to DSWD FO Caraga without the need to report or claim on the outage. For satellite offices, a report through the SERVICE PROVIDER's service hotline shall be the basis for the claim of "Performance Credit". The credit allowance/rebates shall be utilized by the ENTITY upon the end of the contract as an **extension of service**.
3. Pursuant to BAC RESOLUTION NO. 2024-03-007 recommending the award of contract for the provision of internet service connection to the SERVICE PROVIDER was approved by the Regional Director on March 26, 2024, the ENTITY shall pay the SERVICE PROVIDER for the services rendered starting on May 01, 2024, upon submission of the proper documents by the SERVICE PROVIDER to the ENTITY.
4. The SERVICE PROVIDER's billing shall commence based on the date of issuance of the "**Certificate of Final Acceptance**", issued by the ENTITY to the SERVICE PROVIDER upon successful completion of the testing certifying that the SERVICE PROVIDER conforms with the technical specifications. Thus, the obligation of the SERVICE PROVIDER to provide an internet service connection to the ENTITY for a period of Eight (8) months as provided in this contract shall be deemed to have started on May 1, 2024, and shall end on December 31, 2024.

ARTICLE IV MANNER OF PAYMENT

1. The SERVICE PROVIDER shall bill the ENTITY on a quarterly basis. The ENTITY shall pay the SERVICE PROVIDER upon submission of the billing statement, together with the duly accomplished service and report forms and other documentary requirements including the following:
 - a. Letter Request for Payment;
 - b. Statement of Account (Inclusive of Tax);
 - c. Monthly access/usage reports to attest compliance to the Service Level Agreement (SLA).
2. All the duly accomplished documentary requirements will be forwarded to the ENTITY and payment shall be through CHECK/ ADVICE TO DEBIT ACCOUNT (ADA) which will be made within THIRTY (30) CALENDAR DAYS after the submission of the foregoing.

ARTICLE V INSTITUTIONAL ARRANGEMENTS

a. **The Service Provider**

The SERVICE PROVIDER representative shall coordinate with the **DSWD Field Office Caraga**, through the assigned project focal, within the duration of the project; and

b. **The DSWD Field Office Caraga**

- a. Grant the SERVICE PROVIDER's authorized representative access to its premises, equipment and facilities located therein to perform its obligations, provided that such representative shall be accompanied by the duly assigned DSWD FO Caraga personnel;

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Regional Director

- b. Responsible for the safe custody and use of the equipment installed by the SERVICE PROVIDER;
- c. Monitor the provided services and verify if the parameters under the Service Level Agreement are met and performed by the SERVICE PROVIDER;
- d. Issue Certificate of Final Acceptance upon successful completion of the testing.

ARTICLE VI OWNERSHIP, PUBLICATION RIGHTS AND OTHER PROVISIONS

1. All documentation produced under the terms of this engagement shall remain the property of DSWD. DSWD retains the exclusive right to publish or disseminate the knowledge products arising from the engagement even after the termination of this project.
2. The SERVICE PROVIDER is required to submit a written letter when requesting raw data, versions, and/ or parts of the outputs which will be used for purposes other than what was originally agreed upon with the terms of this **engagement**.
3. In the event of a suit arising from this contract, the parties hereto agree that the venue for action shall be in the Court of Justice of Butuan City, Philippines.
4. This Contract shall be effective for a period from May 01, 2024, to December 31, 2024.

ARTICLE VII LIMITATION OF LIABILITY

The liability of the ENTITY shall be limited to the fees due to the SERVICE PROVIDER under this Agreement. In no event shall the ENTITY be liable for any special, incidental, consequential, or other damages.


ARTICLE VIII MISCELLANEOUS

1. **Force Majeure:** Neither Party shall be liable for any loss or delay resulting from any force majeure event, including acts of God, fire, natural disaster, labor stoppage, war or military hostilities, nor inability of carriers to make scheduled deliveries, and any payment or delivery date shall be extended to the extent of any delay resulting from any force majeure event.
2. **Severability:** In the event, that any provision of this Agreement is deemed to be invalid or unenforceable, in whole or part, that part shall be severed from the remainder of this Agreement, and all other provisions shall remain in full force and effect as valid and enforceable.
3. **Governing Law:** This Agreement shall be governed by and in accordance with the laws of the Philippines.
4. **Notices:** Any notices required or permitted by this Agreement shall be in writing and delivered by certified mail or courier to the mentioned address.


VICTOR Y. TRIA
First Vice President and Sector Head of Enterprise
Revenue Group 1

IN WITNESS WHEREOF, the parties have hereunto signed and executed this Agreement at Butuan City, Philippines on ____ day of April, 2024.

*Department of Social Welfare and
Development Field Office Caraga*

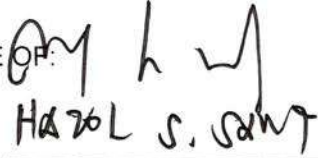

MARI-FLOR A. DOLLAGA-LIBANG
Regional Director

PLDT Inc.


VICTOR Y. TRIA ✓
First Vice President and Sector Head of
Enterprise Revenue Group 1

SIGNED IN THE PRESENCE OF:


JOHN A. LEONARDO
Information Technology Officer II


HAZEL S. SANT
Supplier's Representative
(Printed Name and Signature)

Certified as to Availability of Funds:


GRETCHEN F. ESCALA
Accountant III/ Chief Accountant

Republic of the Philippines)
City of Butuan) S.S.
x-----)

ACKNOWLEDGEMENT

05 APR 2024 BEFORE ME, a Notary Public for and in the City of BUTUAN CITY, Philippines,
this 05 day of April 2024 personally appeared:

Name	I.D. No.	Date / Place Issued
MARI-FLOR A. DOLLAGA-LIBANG	DSWD ID No.: 10-1903049	March 29, 2019 / Cagayan de Oro City
VICTOR Y. TRIA	_____	_____

Both know me to be the same person who executed the foregoing instrument and acknowledged to me that the same is a voluntary act and deed.

This agreement consisting of seven (7) pages signed by the parties and instrumental witness on all pages refers to an AGREEMENT for the project **PROVISION OF DEDICATED INTERNET CONNECTION FOR DSWD FO CARAGA REGIONAL OFFICE AND FIBER BROADBAND CONNECTION FOR 17 SUB-REGIONAL OFFICES (PRIMARY ISP)**.

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

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Book No. 51
Series of 2024

ATTY. SPURDIN D. ROSALES
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
PTR NO. 2344048 (01/02/2024/BTC)
MCLE NO. VI-0031512 (06/01/2022)
IBP NO. 315173 (02/22/2028/ PASIG CITY)
ROLL NO. 23145 / TIN NO. 930-722-969-000
SERIAL NO. 60-12-2022