

CONTRACT AGREEMENT

Supply, Delivery, Installation, Configuration, Testing and Commissioning of a Data Center

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT is made and executed this ____ day of _____ at Quezon City, Philippines, by and between:

LAND REGISTRATION AUTHORITY, a government agency under the Department of Justice, with office address at the LRA Building, East Ave. cor. NIA Road, Diliman, Quezon City, represented by its Administrator, **Hon. GERARDO PANGA SIRIOS**, hereinafter referred to as "THE ENTITY".

-and-

MICROGENESIS BUSINESS SYSTEMS JV PHILCOX (PHILIPPINES), INC., a corporation with office address at Unit 1202 Paragon Plaza Bldg., 162 EDSA corner Reliance St., Mandaluyong City, represented by its Vice President for Commercial Sales, **Ms. MARILYN M. BARBECHO**, hereinafter referred to as "SUPPLIER".

LRA and SUPPLIER are hereinafter collectively referred to as "PARTIES", and each shall be referred to as "PARTY".

W I T N E S S E T H : That-

WHEREAS, in line with the mandate of the LRA to upgrade its services and facilities, there exists an urgent need for the *Supply, Delivery, Installation, Configuration, Testing and Commissioning of a Data Center* for the implementation of the Personal Property Security Registry (PPSR), hereinafter referred to as the "Project";

WHEREAS, to implement the Project, the posting of the Invitation to Bid was completed on 20 November 2024, in accordance with the provisions of Republic Act (RA) No. 9184;

WHEREAS, the submission and opening of bids were conducted by the ENTITY in accordance with RA No. 9184, as amended, and its 2016 Revised Implementing Rules and Regulations (IRR) and other existing laws. Following the evaluation of the eligibility requirements, consisting of the technical and financial components, it was determined that the SUPPLIER's bid was the single calculated and responsive bid and is advantageous to the government;

WHEREAS, the Notice of Award was issued on 13 December 2024 and duly accepted by the SUPPLIER on 19 December 2024, for the Supply, Delivery, Installation, Configuration, Testing and Commissioning of a Data Center in the total amount of **PHILIPPINE PESOS: TWO HUNDRED SIXTY-EIGHT MILLION**

FIVE HUNDRED EIGHTY-TWO THOUSAND EIGHT HUNDRED FIVE PESOS (Php 268,582,805.00), VAT Inclusive;

NOW THEREFORE, for and in consideration of the foregoing premises and the terms and conditions hereinafter set forth, the parties hereto have agreed as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents as required by the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as integral part of this Agreement, *viz.*:

- i. Philippine Bidding Documents (PBDs);
 - i. Technical Specifications;
 - ii. Invitation to Bid;
 - iii. Instruction to Bidders;
 - iv. Bid Data Sheet;
 - v. General and Special Conditions of Contract;
 - vi. Schedule of Requirements; and
 - vii. Bid Bulletin
- ii. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (*e.g.*, Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;

- iii. Performance Security;
- iv. Notice of Award of Contract; and the Bidder's *conforme* thereto; and
- v. Other contract documents that may be required by existing laws and/or the Procuring Entity concerned in the PBDs. **Winning bidder agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.**

3. *Mode and Terms of Payment.* For and in consideration of the SUPPLIER's services for the Project and during the effectivity of this Agreement, the ENTITY shall pay the SUPPLIER the total amount of **PHILIPPINE PESOS: TWO HUNDRED SIXTY-EIGHT MILLION FIVE HUNDRED EIGHTY-TWO THOUSAND EIGHT HUNDRED FIVE PESOS (Php 268,582,805.00)**, in accordance with the payment schedule specified below:

Milestone	Particulars	Payment %	Document Required for Payments
1	Mobilization /Project Planning	15%	Submission of Project Plan
2	Civil Works	25%	Submission of As Built Plans (Civil & Electrical)
3	Equipment Delivery	35%	Delivery Receipts duly received by LRA
4	System Configuration	15%	System Testing and Commissioning Report
5	Knowledge Transfer & Final Acceptance	10%	Knowledge Transfer Certificates, Warranty Certificates, Final Acceptance Report

Furthermore, the contract price shall be paid to the SUPPLIER in accordance with the following disbursement, accounting and auditing procedures:

Upon completion of the Project, the ENTITY's end user shall certify to its completion and recommend the final acceptance of the same. The ENTITY shall pay the SUPPLIER any balance amount still due, excepting therefrom such amount as may be lawfully retained under existing laws or any of the provisions of this Agreement. Final payment of the contract price however, shall not be made until the SUPPLIER shall have submitted a sworn statement with conformity and attached certifications from the end user, showing that all obligations, in connection with this Project have been fully paid; provided, that nothing herein contained shall be construed as waiver of right of the ENTITY, which is hereby reserved, to reject the whole or any portion of the Project, should the same be found to have been developed in violation with the terms of reference, its Annex, or any conditions or covenants of this Agreement.

4. *Period of Agreement.* The SUPPLIER shall complete the project contemplated in this Agreement within **ninety (90) calendar days** from the date of receipt of the Notice to Proceed (NTP).
5. *Request for Extension.* The period of completion of the project specified in Item (4) may be extended by the ENTITY, upon the recommendation of the LRA Special Bids and Awards Committee (LRA-SPBAC), for good and valid reasons. Such extension shall be subject to the following conditions:

- A. The SUPPLIER must submit a written request to the ENTITY at least ten (10) calendar days before the expiration of the original completion period, clearly stating the reasons for the requested extension;
- B. Only one (1) extension may be granted, with a maximum duration of three (3) months;
- C. Any extension granted shall not result in additional payment beyond the contract price stipulated in Item (3).

The SUPPLIER expressly agrees that any extension of the completion period granted by the ENTITY, as well as any modifications or deviations from the terms and conditions of this Agreement, shall be deemed to have the express authorization and consent of its Surety.

- 6. *Liquidated Damages.* Should the SUPPLIER fails to complete the project under this Agreement within the period specified in Item (4) above, and/or any extension of time that may be granted under the provisions of this Agreement, and any delay in the prosecution of the project and such is due to the fault or negligence of the SUPPLIER, it shall pay the ENTITY by way of liquidated damages but not in the concept of penalty, the amount equivalent to one-tenth (1/10) of one (1%) percent of the total unperformed portion of works for every day of delay, until the work is completed and accepted by the ENTITY or until such time as the ENTITY may procure the completion of the work by another SUPPLIER to complete the work itself.

It is understood that the payment for delays as herein provided are to be considered as liquidated damages, to which the ENTITY shall not be required to prove that it had incurred actual damages. In case the ENTITY becomes entitled to payment for liquidated damages as provided herein, the ENTITY is hereby authorized to deduct the amount from any money due to the SUPPLIER under this or any other existing contract that the SUPPLIER may have with the ENTITY and/or collect such liquidated damages from the Performance Security or Surety Bond of the SUPPLIER, whichever may be more convenient and/or expeditious to the ENTITY. The ENTITY shall be free to select any of the remedies provided herein and the selection of one shall not preclude LRA to take another remedy.

- 7. *Warranty.* The SUPPLIER shall assume responsibility and shall be held responsible for any damage and/or destruction of the data center components, overall functions and processes of the Project. The SUPPLIER shall be responsible for the safety and protection of data/information for the whole duration of the project.

Defect liability period for the project shall be thirty-six (36) months upon the final acceptance of the project. During this period, the SUPPLIER shall supply, deliver, install, configure, test and commission all data center components to the satisfaction of the end-user.

Components	Subscription	Warranty & Support
1. Infrastructure Development		

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a. Site Preparation (Civil, Mechanical and Electrical Works)	N/A	3 yrs
b. Structured Cabling	N/A	3 yrs
c. Equipment / Modular Rack(s)	N/A	3 yrs
d. Environmental Monitoring System	N/A	3 yrs
e. Energy Monitoring System	N/A	3 yrs
f. Door Access System	N/A	3 yrs
2. Power and Cooling Solutions		
a. Uninterruptible Power Supply (UPS)	N/A	3 yrs
b. Power Distribution Units (PDUs)	N/A	3 yrs
c. Precision Air-Conditioning Units (PACU)	N/A	3 yrs
d. Comfort Cooling	N/A	3 yrs
e. Backup Power Generator (Diesel)	N/A	3 yrs
3. Security (Physical & Data) and Safety Systems		
a. Fire Detection, Alarm, and Suppression System	N/A	3 yrs
b. CCTV System	N/A	3 yrs
c. Managed Cyber Security Services	3 yrs	3 yrs
d. Endpoint Security	3 yrs	3 yrs
4. IT Infrastructure and Services		
a. Servers, Software Licenses, and Hyper Converged Infrastructure (HCI)	3 yrs	3 yrs
b. Active Directory (Installation, Configuration, Testing)	3 yrs	3 yrs

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c. Web Server	3 yrs	3 yrs
d. SD-WAN and Perimeter Firewall	3 yrs	3 yrs
e. Network Switches and Devices	3 yrs	3 yrs
f. Web Application Firewall with Server Load Balancers	3 yrs	3 yrs
g. Managed Kubernetes and DBASS System	3 yrs	3 yrs
5. Operational Management and Support		
a. NOC/SOC Manpower (3 personnel on 24/7 technical support)	3 yrs	3 yrs
6. Disaster Recovery and Business Continuity		
a. Backup Server and Backup Software Solution	3 yrs	3 yrs
b. Backup Repository	3 yrs	3 yrs
7. Data Center Storage Solution		
a. Data Center NAS Storage	3 yrs	3 yrs
b. Data Center Backup Solution	3 yrs	3 yrs

8. *Warranty Security.* To guarantee that the SUPPLIER shall perform its responsibilities, the provisions under subsection 62.2.3 and 62.2.3.1 of the Revised IRR of RA No. 9184 shall be adopted. The SUPPLIER shall be required to post a warranty security in accordance with the following schedule:

FORM OF WARRANTY SECURITY	AMOUNT OF WARRANTY SECURITY (EQUAL TO PERCENTAGE OF THE TOTAL CONTRACT PRICE)
Cash or Letter of Credit (LC) issued by a Universal or Commercial Bank: Provided, however, that the LC shall be confirmed or authenticated by a	Five percent (5%)

Universal or Commercial Bank, if issued by a foreign bank	
Bank guarantee confirmed by a Universal or Commercial Bank	Ten percent (10%)
Surety bond callable on demand issued by Government Service Insurance System (GSIS) or a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	Thirty percent (30%)

The warranty security shall be denominated in Philippine Pesos, remain effective for one (1) year from the date of issuance of the Certificate of Final Acceptance by the ENTITY, and returned only after the lapse of the said one (1) year period.

9. *Force Majeure.* For purposes of this Agreement 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 PARTIES could not have foreseen, or which though foreseen, was inevitable and shall be limited to the following: (1) war and other hostilities (whether war be declared or not), invasion act of foreign of enemies; (2) military or usurped power or civil war; (3) natural disasters of overwhelming proportions, including acts of God, typhoon, hurricane, flood, pandemic, landslide, earthquakes and tsunami. 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 PARTIES.

The PARTIES shall be liable for and bear all of their own losses suffered and incurred as a result of an occurrence of force majeure.

A PARTY affected by an event of force majeure shall notify the other PARTY of such event as soon as possible, and in any event not later than seven (7) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give notice of the restoration of normal conditions as soon as possible.

9. *No assignment.* The contents of this Agreement are personal to the PARTIES. The SUPPLIER shall not assign, transfer or subcontract any obligations under this Agreement without prior written consent of ENTITY. Any attempt to do so shall be void.
10. *Amendments.* Any changes or modifications or waivers to this Agreement shall be in writing and signed by both Parties.
11. *Separability.* If any provision of this Agreement shall be held or made illegal or unenforceable, by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of this Agreement shall not be affected thereby.

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12. *Confidentiality.* The SUPPLIER shall diligently and faithfully serve the best interest of the ENTITY in rendering its services and shall not, during the period of this Agreement or at any time thereafter, use or disclose to any unauthorized person or entity, any classified information which the SUPPLIER may have obtained in the performance of duties.
13. *No Injunction.* For the avoidance of doubt, the PARTIES shall not have any right to unilaterally terminate, to enjoin or restrain the execution of the Project pursuant to this Agreement.
14. *Pre-termination.* This contract may be terminated prior to its expiry date by either of the PARTIES for failure of the other to comply, and or violation of any of the terms and conditions stipulated therein, provided that the other party shall be notified of the pre-termination.
15. *Disputes.* The PARTIES shall resolve all disputes or differences arising between them, in connection with the implementation of the Agreement, amicably. Should any legal or judicial action be necessary to enforce any of the provisions of this Agreement or to remedy any violations thereof, the PARTIES shall first bring their actions through Arbitration. In case the parties do not agree to arbitration, the said legal or judicial action shall be exclusively filed with the proper court of Quezon City, Philippines

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

**LAND REGISTRATION
AUTHORITY**

**MICROGENESIS BUSINESS SYSTEMS
JV PHILCOX (PHILIPPINES), INC.**

By:

By:

GERARDO PANGA SIRIOS
Administrator

MARILYN M. BARBECHO
Vice President for Commercial Sales

Signed in the presence of:

SER JOHN C. PASTRANA
Chief, ICT Division

MECAH ANGELLA VALLARIN
Sales Assistant

FUNDS AVAILABLE

JAIRUS M. CABUSI
Chief, Accounting Division

A C K N O W L E D G M E N T

Republic of the Philippines)
Quezon City) SS.

BEFORE ME, a Notary Public for and in the above jurisdiction, this _____ day of _____, personally appeared the following, presenting credible proofs of identity, to wit:

PARTY	PROOF OF IDENTITY
GERARDO PANGA SIRIOS	Driver's License No. N02-88-094706 Valid until : July 14, 2032
MARILYN M. BARBECHO	SSS ID No: 33-1279825-6

The aforementioned persons are known to be the same persons who executed the foregoing instrument and they acknowledge to me that the same is their own free and voluntary act and deed that of the entities herein represented for the above purpose.

This instrument refers to a Contract Agreement for the Supply, Delivery, Installation, Configuration, Testing and Commissioning of a Data Center consisting of nine (9) pages including this page wherein the Acknowledgment is written, signed by the Parties and the instrumental witnesses on the left margin of each and every page hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and place first above written.

WITNESS MY HAND AND SEAL, this _____ day of _____.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series No. _____

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