



**Contract for the Procurement of NLRC Cloud Services Subscription,
Web Hosting with Back-up Server and Maintenance Requirements**

KNOW ALL MEN BY THESE PRESENTS:

THIS CONTRACT made and entered into on the OCT 09 2018 day of _____ 2018
in Mandaluyong City Philippines, by and between:

NATIONAL LABOR RELATIONS COMMISSION with address at PPSTA Bldg. 5, Banawe cor. P. Florentino Sts., Quezon City, herein represented by its Chairman, **GERARDO C. NOGRALES**, and hereinafter referred to as the "Procuring Entity",

Gerardo C. Nograles
Chairman, NLRC

-and-

TELCOM LIVE CONTENT, INC. with address at 12th Floor, Unit 1204 Summit One Tower Building, 530 Shaw Blvd., Mandaluyong City, herein represented by its President, **DENNIS G. BAGUYO**, and hereinafter referred to as the "Bidder".

Dennis G. Baguyo
President, Telkom Live Content, Inc.

WITNESSETH THAT:

WHEREAS, the Procuring Entity, as part of its mandate to provide modes of settling labor and management disputes, seeks the services of a competent Information and Communication Technology Bidder to provide a Managed Cloud and Web Hosting environment complete with back-up and maintenance services to host its website and web-enabled systems for the public services;

WHEREAS, the Procuring Entity invited Bids for the **Procurement of Cloud Services Subscription, Web Hosting with Back-up Server and Maintenance Requirements** with an Approved Budget for the Contract (ABC) in the sum of **TWO MILLION AND FOUR HUNDRED THOUSAND PESOS (Php 2,400,000.00)** inclusive of twelve percent (12%) Valued-Added Tax and other applicable Philippine government taxes;

WHEREAS, the Bidder, after having represented and warranted itself as capable, competent and duly licensed to undertake the service contract for the Services submitted the highest rated and responsive bid in a Public Bidding conducted by the Bids and Awards Committee in the total amount of **TWO MILLION ONE HUNDRED SIXTY THOUSAND PESOS (Php 2,160,000.00)**;

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual covenant stipulated hereinafter provided, the parties hereby agree as follows:

**ARTICLE I
DOCUMENTS COMPRISING THE CONTRACT**

The following documents are made part of this Contract as though fully written out and set forth herein insofar as they are consistent with the terms thereof:

- (a) Bidding Documents;
- (b) Winning bidder's bid, including the Technical and Financial Proposal, and all other documents/statements submitted by the Supplier;
- (c) Technical Specifications and Terms of Reference;
- (d) General Conditions of the Contract (GCC);
- (e) Special Conditions of the Contract (SCC);
- (f) NLRC Bids and Awards Committee (BAC) Resolution No. 14-01, Series of 2018;
- (g) Supplemental Bid Bulletin No. 11-1, Series of 2018
- (h) Procuring Entity's Notice of Award;
- (i) Procuring Entity's Notice to Proceed; and
- (j) Performance Security.

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

In the event that there is any discrepancy or inconsistency between the provisions of this Contract and the Contract Documents mentioned above, the former shall govern. Should there be any discrepancies or inconsistencies among the Contract Documents, the document with the latest date shall prevail.

ARTICLE II SCOPE OF SERVICES

The NLRC Cloud Service is a centralized, internet-accessed, detached data repository that would store and host websites, application systems, and their data owned by the NLRC and its regional arbitration branches, such as the NLRC Portal (nlrc.dole.gov.ph), e-Case Tracking System (eCTS), Public Service Facility (PSF), and other network resources that should be made available.

The NLRC Web Portal is a common hub on the internet for relevant information about the agency's functions and services that is readily accessible by the public.

The following are the major components and scope of services, to wit:

A. Project Description: NLRC Cloud Services Subscription, Web Hosting with Back-up Server and Maintenance

Digitization of the Agency's processes from the Single-Entry Approach (SEADO), compulsory arbitration (Labor Arbiter), and resolution of appealed cases (Commissioner) nationwide requires capacity, connectivity, and speed in the operation of all its applications and systems. To extend its information and services to the public, a central database and server is required to be kept active and accessible 24/7 that is achieved through active back-up and maintenance.

B. Key Features: NLRC Cloud Services Subscription, Web Hosting with Back-up Server and Maintenance

1. High capacity and performance cloud-based server
2. Online presence for web-portal and its attached systems
3. Daily appended back-up and weekly full back-up services
4. Managed maintenance of equipment, licenses, and security

[Signature]
M. C. NOGRALES
Chairman, NLRC

[Signature]
DENNIS G. BAGUYO
President, Telkom Live Content, Inc.

[Signature]

C. Technical Requirements: NLRC Cloud Services Subscription, Web Hosting with Back-up Server and Maintenance

Minimum System Unit Requirement.

Processor	3 gigahertz (GHz) or faster, 4 cores or more, 8 megabyte (MB) cache or higher processor
Random Access Memory	16 gigabyte (GB) RAM
Primary Storage Device (HDD)	2 TB available hard disk space
Operating System	Windows Server and other Open Source Operating System

Solution Platform Requirement. The solution must adhere to open standards architecture. It must be able to efficiently and speedily handle e-commerce based transactions and processing requirements. It must be robust enough to support enterprise-wide workflow and business transaction processing on the web platform.

The hardware, software and network infrastructure must be able to efficiently and easily handle online web based business processing and transactions demanded by simultaneous and concurrent access to the system. The network capacity must be sufficient to cater the requirements of global and nationwide network covering Luzon, Visayas, and Mindanao.

Description of the Desired Service. The NLRC cloud is a web based/enabled shared environment that will run on an Internet Client/Server computing platform. Access to the cloud will be based on user-specific roles and authority levels for both external and internal clients. The general public should have access to the front-end services of the NLRC Web Portal, the Electronic Case Tracking System, and the Public Service Facility through the Internet.

The cloud must be secured, implementing authentication and authorization password protection features. User specific and role-based access rights determined in the business process analysis phase, shall define the extent and scope by which functions and process can be executed. Disaster recovery and fail-over support features must be implemented in the system. This must be completed by redundancy implementation both in the logical and physical levels.

The desired over-all setup must have the following general qualitative characteristics:

- ✓ *Scalability* – for the ability to accommodate expansion and future technology development.
- ✓ *User-Friendly* – or the facility of cloud usage even by users with very limited computing knowledge.
- ✓ *Technology-Friendly* – or the capability to administer and manage the entire cloud given the limited number of MIS/ICT staff on NLRC and the capacity of users to handle and process transactions in real time with minimal technical knowledge and support.
- ✓ *Integrated Solution* – or the viability of the cloud to incorporate all components of the project utilizing a single network.
- ✓ *Security Environment* – or the responsiveness to address different levels of security environment and protection issues from various forms of system security risks and hazards.

MR. RARDO C. NOGRALES
 Chairman, NLRC

DENNIS G. BAGUYO
 President, Tekom Law Content, Inc.



Functional Requirements. The NLRC Cloud services subscription, web hosting with back-up server and maintenance project should have the following major functional components as minimum requirements:

1. Capability to store and maintain data uploaded to the cloud via the NLRC Web Portal's Content Management System.
2. Capability to operate and host the NLRC Web Portal, the Electronic Case Tracking System, the Public Service Facility, and other network-based applications.
3. Capacity for convenient and speedy retrieval of files.
4. Facility for storing back-ups from the cloud server to the back-up server.
5. Facility for NLRC clients to perform onsite and offsite monitoring of files and other vital systems.
6. Capacity for information assistance through online query and response facilities.
7. Development and implementation of 24/7 online service.
8. Capacity for online and batch uploading and downloading of data from remote sites.
9. Capability to prevent malicious software and unauthorized access from tampering with files on the cloud and the backup server

[Signature]
ERARDO C. NOGRALES
Chairman, NLRC

Maintenance Requirements. On the whole, the NLRC Cloud requires that the following processes of its back-up functions can be provided by the service provider:

1. Back-up Schedule
 - o Weekly Full Backup
 - o Daily Incremental Backup
2. System Maintenance
 - o Security Back up and System Maintenance
 - o Redundancy and Fail-over support

D. Other Requirements: NLRC Cloud Services Subscription, Web Hosting with Back-up Server and Maintenance

Design Specification, Migration, Configuration and Testing shall be completed within 5 calendar days from receipt of NTP. (Creation of the design, determine correctness of service and conduct of demonstration)

Roll-out Phase within the 1st week from receipt of NTP (actual deployment to online operations)

Maintenance Phase/Warranty period shall be within one (1) year from receipt of NTP (to fix any possible problems)

[Signature]
DENNIS G. BAGUYO
President, Telecom Live Content, Inc.

**ARTICLE III
DISCLOSURE OF INFORMATION AND CONFIDENTIALITY**

The Bidder and its Personnel shall not, at any time, communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Bidder and its Personnel make public the recommendations formulated in the course of, or as a result of, the Services except with the prior written consent of the Procuring Entity.

[Signature]

For purposes of this clause, "confidential information" means any information or knowledge acquired by the Bidder and/or its Personnel arising out of, or in connection with, the performance of the Services under this Contract that is not otherwise available to the public.

ARTICLE IV CONFLICT OF INTEREST

The Bidder shall provide professional, objective, and impartial advice and at all time hold paramount the Procuring Entity's interests, without any consideration for future work, and strictly avoid situations where a conflict of interest shall arise with their other projects or their own interests. The Bidder shall not be hired for any project that would be in conflict with their prior or current obligations to other entities, or that may place them in a position of not being able to carry out the Project in the best interest of the Procuring Entity.

[Signature]
RICHARD C. NOGRALES
Chairman, NLRC

ARTICLE V SERVICE DURATION

The services shall cover a period of one (1) year from the date of receipt of Notice to Proceed, and upon registration of NLRC in the Cloud-hosting services.

ARTICLE VI MODE OF PAYMENT

The total contract price of the services shall be in the amount of **TWO MILLION ONE HUNDRED SIXTY THOUSAND PESOS (Php 2,160,000.00)** inclusive of VAT and all applicable taxes payable.

Payments shall be made on a month-to-month basis of **ONE HUNDRED EIGHTY THOUSAND PESOS (Php 180,000.00)** for the duration of 12 months.

The initial payment shall be made only after the first month of service is rendered and as such, shall have been approved as satisfactory by the Procuring Entity. The Services shall be deemed completed and finally accepted by the Procuring Entity and the final report and final statement shall be deemed approved by the Procuring Entity as satisfactory sixty (60) calendar days after receipt of the final report and final statement by the Procuring Entity unless the Procuring Entity, within such sixty (60)-day period, gives written notice to the Bidder specifying in detail deficiencies in the Services, the final report and final statement shall then be deemed to have been approved unless such modification as agreed upon has not been done.

[Signature]
DENNIS G. BAGUYO
President, Telecom Live Content, Inc.

Any amount which the Procuring Entity has paid or caused to be paid in excess of the amounts actually payable in accordance with the provisions of this Contract shall be reimbursed by the Bidder to the Procuring Entity within sixty (60) days after receipt by the Bidder of notice thereof.

ARTICLE VII PERFORMANCE SECURITY

To guarantee the faithful performance by the Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10)

[Signature]

calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of this contract.

The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the schedule provided in the Bidding Documents.

The failure of the Bidder to comply with the requirement set forth in the Contract Documents shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security.

ARTICLE VIII LIQUIDATED DAMAGES

The failure of the Bidder to deliver any or all of the Services within the period(s) specified in this Contract shall, without prejudice to its other remedies under this Contract and under the Applicable Law, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth (1/10) of one (1) percent of the price of the unperformed portion of the Services for each day of delay based on the approved contract schedule up to a maximum deduction of ten percent (10%) of the contract price. Once the maximum is reached, the Procuring Entity may consider termination of this Contract pursuant to Clause 23 of the General Conditions of Contract.

MDV
DEBARRADO C. NOGRALES
Chairman, NLRC

ARTICLE IX WARRANTY SUPPORT

The warranty shall be for a period of one (1) year and shall commence from the effectivity up to the end of the contract. During the warranty period, the Bidder is required to resolve any and all system errors, problems, flaws, deficiencies in functionalities, among others, that may be uncovered during the warranty period.

During the warranty period, the Bidder must describe the staffing plan, location and operational processes for its support center in order to match the following minimum service level requirements:

- A. Make qualified personnel available to NLRC by telephone, electronic mail or common messaging application during business hours of Manila (8:00 AM to 5:00 PM) for the reporting of issues or problems with the system;
- B. During or as a result of telephone conferences, or electronic conferences or exchanges (collectively, "electronic contract"), the Bidder shall make every reasonable effort to resolve such issues or problems within four (4) hours. If any such issues or problems are not corrected within four (4) hours after initial electronic contact, the Bidder shall provide for a work-around solution until the problem is ultimately resolved; and,
- C. Provide one (1) day site visit every month to check on system implementation for a maximum period of one (1) year.

Dennis G. Baguyo
DENNIS G. BAGUYO
President, Telkom Live Content, Inc.

ARTICLE X VALIDITY CLAUSE

The term and condition of this contract declared invalid or contrary to law shall not affect the validity of other term and conditions hereof.

[Signature]

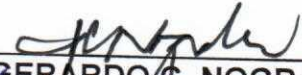
**ARTICLE XI
VENUE OF ACTION**


The parties hereto agree that the venue of action for any cause or causes of action which may arise in connection with this contract shall be exclusively in the proper court of Quezon City.

IN WITNESS WHEREOF, the Parties thereto have caused this Contract to be executed the day and year first before written.

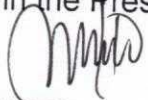
Signed, sealed, and delivered by:

Signed, sealed, and delivered by:


GERARDO C. NOGRALES
 Chairman


DENNIS G. BAGUYO
 President
 12th Floor, Unit 1204 Summit
 One Tower Building, 530, Shaw Blvd
 Mandaluyong City

Signed in the Presence of:


HAROLD M. CARBO
 Accountant IV

ACKNOWLEDGEMENT

Republic of the Philippines)
Mandaluyong City) S.S.

BEFORE ME OCT 09 2018 day of _____ 2018 at Mandaluyong City,
 personally appeared:

NAME	GOV'T. ISSUED ID	ISSUED BY
GERARDO C. NOGRALES	L02-80-005121	
DENNIS G. BAGUYO	EC3064325	DLA MANILA

all known to me and to me known to be the same persons who executed the foregoing instrument consisting of two (2) pages including this page, together with the documents deemed construed part of the contract agreement, on which this acknowledgement is written, duly signed by their instrumental witnesses, and they acknowledged to me that the same is their own free and voluntary act and deed as well as that entities which they represent.

WITNESS MY HAND on the date and place first herein above stated.

Doc. No. 73 ;
 Page No. 16 ;
 Book No. XIII ;
 Series of 2018.

ATTY. ELMAR H. MALAPITAN
 Notary Public for the City of Mandaluyong
 Appointment No. 0348-17 until Dec. 31, 2018
 Unit 30, 2nd Fl., Facilities Centre Bldg.,
 548 Shaw Blvd., Mandaluyong City
 Roll No. 58192
 PTR No. 3389568 / 01-04-2018 / Mand. City
 IBP No. 019958 / 01-03-2018 / Or. Mindoro
 MCLE Comp. No. V-0014084 / 02-08-2016