

MAINTENANCE AGREEMENT FOR THE DFA PRIVATE AUTOMATED BRANCH EXCHANGE (PABX) SYSTEM

KNOW ALL MEN BY THESE PRESENTS:

This Agreement for the Maintenance of the DFA Private Automated Branch Exchange (PABX) System (hereinafter, the AGREEMENT) entered into in Pasay City, Philippines, this 2012-08-15, 2012 by and between the:

The **DEPARTMENT OF FOREIGN AFFAIRS** (hereinafter, the **CLIENT**), with principal office address at 2330 Roxas Blvd., Pasay City, Metro Manila, represented by the Honorable Rafael E. Seguis, Undersecretary of Foreign Affairs,

and

TRENDS AND TECHNOLOGIES, INC. (hereinafter, the **CONTRACTOR**), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at **6th Floor Trafalgar Plaza, 105 H.V. Dela Costa Street, Salcedo Village, 1227 Makati City**, represented by Ms. Mylene B. David, Head of the Enterprise Business Group, who is duly authorized to enter into this Agreement pursuant to Board Resolution/Secretary's Certificate dated _____ and attached hereto as ANNEX A, and made an integral part of this Agreement.

WHEREAS, the **CONTRACTOR** has been selected by the **CLIENT** to provide maintenance services to the DFA Private Automated Branch Exchange (PABX) System for one (1) year since its offer was determined to be the most advantageous to the Government, as provided for under Bids and Awards Committee Resolution No. 131-12 dated 04 July 2012, attached hereto as ANNEX B, and Notice of Award dated 04 July 2012, attached hereto as ANNEX C and made integral parts of this Agreement;

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree as follows:

1. **DEFINITIONS:** The following expressions shall have the following meanings in this Agreement:

- 1.1. **"Equipment"** means any and all of the items specified in ANNEX D.
- 1.2. **"Site"** means the principal office address of the Client.
- 1.3. **"Maintenance Service"** means service of the Equipment, by remote diagnostic/modem access and where determined necessary by the Contractor to maintain the Equipment in accordance with specifications and manuals of the Equipment at the time of installation.
- 1.4. **"Response Time"** means the time, specified in ANNEX E, the Contractor will respond by remote diagnostic/modem access or on-site when

determined as necessary by the Contractor.

2. PERIOD OF THE AGREEMENT

- 2.1 This Agreement shall be valid for a period of one year from the signing thereof, unless terminated by a Party's by written notice to the other Party 90 days prior to the proposed termination date.
- 2.2 At the expiration of the said one-year period, this Agreement shall continue on a month-to-month basis, which shall not exceed **three (3)** months under the same terms and conditions as contained herein, unless terminated in accordance with Paragraph 2.1.
- 2.3 The renewal of this Agreement shall be subject to the written mutual consent of the Parties.

3. MAINTENANCE SERVICES

- 3.1 The Contractor shall provide the Maintenance Service described herein during the period of validity of this Agreement.
- 3.2 When the Client informs the Contractor that the Equipment is faulty, the Contractor's service personnel shall attend to the Site within the specified Response Time as prescribed in ANNEX E to undertake diagnosis and repair.
- 3.3 Where the fault is cleared by the replacement of a faulty item, the replacement item may be either new or if not new, the replacement will assume existing warranty rights of the replaced item.
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- 3.5 The Contractor shall assist the Client in troubleshooting of operational problems such as testing of new or existing trunk or on-site technical support for fault management.
- 3.6 The Contractor shall furnish the Client a written report for every maintenance service done including recommendation, software alteration and adjustment, parts replacement and troubleshooting performed in order to have a readily available historical data.
- 3.7 The Contractor must conduct a quarterly preventive maintenance check-up of the PABX System, covering the following tasks:
- i) Environmental
 - a) Inspection of surrounding environment and measurement of PABX room temperature.
 - b) Check Power Supply input and output voltages and frequency.
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- b) Visual inspection of all parts and components for possible signs of deterioration.
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iii) Clean-up and Performance Test

- a) Check, clean and replace filters
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- a) Check and verify if trunk lines connected to the PABX are all in good working conditions.
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3.8 The Contractor shall, on its own account, employ and detail at the premises of the Client, such number of personnel as shall be sufficient to accomplish – completely and expeditiously – the Contracted Services.

4. MAINTENANCE SERVICES EXCLUDED

The Client acknowledges and agrees that the obligation to provide Maintenance Services does not apply to:

- 4.1 Equipment or Services excluded or not described in this Agreement;
- 4.2 Equipment that has been operated used or stored in a manner that is not in accordance with the supplied documentation;
- 4.3 Equipment that has suffered damage through excessive use, misuse, fault or negligent act or omission of the Client or any person other than the Contractor. For the purpose of this clause, the activities deemed to be "non-maintenance" are those activities which are not referred to within ANNEX E, and which arise outside of the scope of this agreement and "excessive use" refers to use of the Equipment that is not contemplated by the specifications.
- 4.4 Equipment which has been damaged by electromagnetic or electrostatic interference or power disturbances;
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If the Contractor provides any of the Maintenance Services covered by this Section in accordance with the written approval and instructions of the Client, the Contractor may increase the Maintenance Charge or charge an additional amount(s) for the cost of such maintenance service.

5. Maintenance Charges

5.1 In return for the provision of the Maintenance Services under this Agreement the Client shall pay the Contractor on a quarterly basis for four (4) quarters. The quarterly payments shall be in the amount of **Two Hundred Eighty Seven Thousand Nine Hundred Seventy One Pesos and Seventy Five Centavos (Php 287,971.75)**, inclusive of Value Added Tax (VAT) and other lawful charges, payable within thirty (30) calendar days from the submission of the complete documentary requirements for purposes of payment.

5.2 The Client acknowledges that the Maintenance Charges payable in accordance with Clause 5.1 are also based on the Equipment as at the date of this Agreement. In the event that the Client adds any hardware, software, programs or peripheral equipment to the Equipment, or otherwise increases the capacity or functionality of the Equipment ("Equipment Enhancements") during the period of validity of this Agreement, the Contractor may reasonably increase the Maintenance Charge to reflect the additional maintenance services required supporting the Equipment Enhancements, subject to the approval of the Client. If no agreement is reached regarding the increase, the Equipment Enhancement shall not be covered by this Agreement. Any such increase will be added to the Maintenance Charges on such date as may be agreed upon by the Parties.

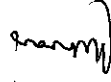
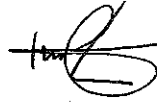
5.3 The Client shall pay for any work performed outside the scope of this Agreement (including work performed under Section 3.4) at the prevailing rate at the time that the services were rendered, in accordance with the written approval and instructions of the Client.

5.4 The Contractor reserves the right to review the Maintenance Charges every twelve (12) months after the start of the period of this Agreement. Notice of any such increase shall be sent to the Client thirty-(30) days prior to the proposed date of effectivity. Should the Client disagree with the increase, the Client may terminate this Agreement upon 30 days notice in writing without any further liability to pay the increased charges.

5.5 If the Client defaults in payment as stipulated in Section 5.1 of this Agreement, the Contractor shall have the right to do any or all of the following:

- (i) Suspend its obligations to provide Maintenance Services;
- (ii) Immediately terminate the Agreement;
- (iii) The Client agrees to pay an interest rate of 1 % calculated on a monthly basis within 30 days of the date of invoice or written demand.

5.6 The obligations of the Client pursuant to the clauses 5.2, 5.3, and 5.5 shall remain in full force and effect after the termination of this Agreement and shall not be deemed to have been waived, merged or extinguished upon such termination.



6. RESPONSIBILITY OF THE CLIENT

6.1 To permit the Contractor to fulfill its obligations pursuant to this Agreement, the Client shall:

- (i) Nominate at least one appropriate person to be the Client's contact with the Contractor regarding Maintenance Services (such person to be regularly available during normal business hours).
- (ii) Ensure that Contractor's maintenance personnel have free, safe and uninterrupted access to the Equipment at all times during the Validity Period;
- (iii) Make available on request the services of any person who operates the Equipment at the Site. In such case, the Contractor shall give reasonable notice to the Client as to the necessity of the presence of such person during the provision of Maintenance Services.
- (iv) Notify the Contractor immediately in writing if the Client ceases to be in possession of the Equipment at the Site.

6.2 The Client shall not carry out, or cause to be carried out by other persons, modifications or adjustments to the equipment without the prior written consent of the Contractor.

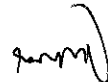
7. PERFORMANCE SECURITY:

To guarantee faithful performance, the CONTRACTOR shall post a performance security as provided in Section 39.2 of the Implementing Rules and Regulations of R.A. 9184 and shown as follows:

- 1. Cash, certified check, cashier's check, manager's check, bank draft or irrevocable letter of credit – five percent (5%) of the total contract price.
- 2. Bank Guarantee – ten percent (10%) of the total contract price.
- 3. Surety bond callable on demand issued by any reputable surety or insurance company – thirty percent (30%) of the total contract price.

8. **TERMINATION:** This Agreement may be terminated by a Party's by written notice to the other Party 90 days prior to the proposed termination date:

- 8.1 When a Party commits material breach of this Agreement and fails to rectify such breach within seven (7) days of written notice or commits 10 material breaches in any three-month period;
- 8.2 When the Equipment, the system or associated spare parts and services cease to be manufactured, distributed, supplied or supported by the manufacturer, distributor or any reseller or other person from whom that the Contractor received such goods or services including replacement parts and technical assistance. The Contractor should notify the Client for any end-of-life announcement by the manufacturer;
- 8.3 When the Contractor ceases to sell, distribute or support the Equipment or the system (or any part) due to termination of any reseller agreement for relevant products or spare parts;



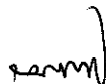
- 8.4 When the Contractor ceases to carry on the business of providing the Maintenance Services reasonable notice to the Client;
- 8.5 When the Contractor commits a breach of any of the terms and conditions of this Agreement or it provides unsatisfactory services.

9. Force Majeure

The **CLIENT** and the **CONTRACTOR** shall not be liable in any way whatsoever for delays or failure in performance resulting from acts beyond their reasonable control, which may not be overcome by due diligence. Such acts shall include but not be limited to acts of God, strikes, lock outs, labor disputes, material shortages, riots, acts of war, governmental regulation imposed after the fact, flood, fire, earthquake, power supply disturbances, blackouts or other such natural disasters. The obligations of the **CLIENTS** and the **CONTRACTORS** in so far as they are affected by such occurrence, shall be suspended during the continuance of any inability so caused, and such inability shall not be a breach of this Agreement.

10. WARRANTIES AND LIMITATION OF LIABILITY

- 10.1 The Client acknowledges that no promise, representation, warranty or undertaking has been or will be made or given by the Contractor or any person on behalf of the Contractor in relation to the Maintenance Services, the Equipment or this Agreement including the quality of the Maintenance Services or any goods supplied. The Client has relied upon its own skill and judgment in entering into this Agreement.
- 10.2 The Contractor warrants that the Maintenance Services shall be provided with due care, skill and attention. Subject only to its warranties or conditions implied by relevant legislation that cannot be excluded and any warranties set out in this Agreement, the Contractor gives no warranty or consequential damage or loss except as expressly provided in this Agreement or when the loss, liability or expense is due to the fault or negligence of the Contractor, its staff or its representative. Without limitation in no event shall the liability of the Contractor for any particular Maintenance Service(s) or in relation to this Agreement, exceed the greater of US\$100,000 or the Maintenance Charges in a year.
- 10.3 To the extent that any warranty or condition under any legislation cannot be excluded, the liability of the Contractor is limited, in relation to goods, to the replacement or repair of those goods or payment of the cost of replacement, the supply of equivalent goods or repair, and in relation to services, to the re-supply of those services or payment of the cost of having those services re-supplied.
- 10.4 The contractor shall warrant that, to the best of its knowledge, all personnel assigned to provide maintenance services to the Client:
- a. are physically fit and of good moral character;
 - b. have not been convicted of, or facing trial for any crime or offense and have favourable National Bureau of Investigation Clearances



- c. are factory-trained AVAYA PABX System authorized service engineer and/or technician and thoroughly screened by the Contractor prior to their engagement.

11. INDEMNITY

A Party shall indemnify the other Party for any loss, claim, liability or damage caused by or arising from, whether directly or indirectly, the provision of the Maintenance Services, possession or use of the Equipment or this Agreement including damage to person or property during the provision of the Maintenance Services at the Site except where such loss, claim, liability or damage is caused directly from a negligent act or omission of the indemnified party or an employee of the indemnified party. This indemnification shall survive termination of this Agreement.

12. CONFIDENTIALITY

Except as required by law or pursuant to prior written consent, each Party agrees to keep confidential and not disclose any information or document of the other Party or which the other Party designated as confidential. Each Party shall take all reasonable steps to ensure its employees, contractors, agents and advisers comply with this clause. This clause shall survive the termination of this Agreement.

13. ASSIGNMENT

Either Party may assign any benefit of or obligation or liability under this Agreement with the prior written consent of the other Party.

14. WAIVER AND SEVERANCE

Any indulgence granted by a Party to the other party and any failure by any of the Parties to insist upon strict performance of these terms and conditions shall not be deemed a waiver of any of such party's rights or remedies nor be deemed a waiver of any subsequent default by the defaulting Party. The invalidity in whole or in part of any clause in these terms and conditions shall not affect the validity of the remainder of such clause of these terms and conditions.

If any term or condition of this Agreement is declared invalid or contrary to law, the other terms or conditions that are not covered by such declaration shall remain valid and binding. The Parties shall amend or modify the term or condition declared invalid or contrary to law, to conform to the subject and objective thereof.

15. GOVERNING LAW

The validity and interpretation of the terms and conditions of this agreement shall be governed by and construed in accordance with the laws of the Philippines.

16. ENTIRE AGREEMENT

This agreement constitutes all the covenants and agreements of the Parties.

17. AMENDMENT

The terms and conditions of this Agreement may not be changed or modified in any way, except by a written instrument signed by the Parties or their authorized representatives.

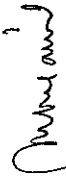
18. VENUE OF ACTION

In case of any action brought by one Party against the other for the enforcement or interpretation of any provision hereof, the same shall be brought before the proper court of Pasay City, Philippines only.

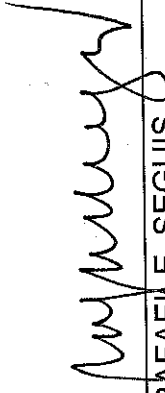
IN WITNESS WHEREOF, the Parties have caused their respective representatives to execute this Agreement on the date and the place above-stated.

TRENDS AND TECHNOLOGIES, INC.

DEPARTMENT OF FOREIGN AFFAIRS



MYLENE B. DAVID
Head, Business Enterprise Group




RAFAEL E. SEGUIS
Undersecretary


SIGNED IN THE PRESENCE OF:



ALVARO E. ROSALES
Chief Accountant, DFA



VICTORIANO M. LECAROS
Director, CMISD- DFA



JERENILYM PANIM
Services Account Manager,
Trends and Technologies, Inc.

ACKNOWLEDGEMENT

Republic of the Philippines)
Pasay City, **MAKATI CITY** s.s.

BEFORE ME, a NOTARY PUBLIC for and in the City of Pasay, Philippines, on this ____ day of _____ personally appeared **Honorable RAFAEL E. SEGUIS**, Undersecretary of Foreign Affairs and **Ms. MYLENE B. DAVID**, Head of the Enterprise Business Group of **TREND AND TECHNOLOGIES, INC.** known to me to be the same persons who executed the foregoing **MAINTENANCE AGREEMENT**, consisting of fifteen (15) pages including the Annexes attached thereto and the page on which this Acknowledgement is written, all pages of which have been signed at the left hand margin by the Parties and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed.

The Philippine Passport/ Community Tax Certificate of the Parties were exhibited to me, the same bearing:

NAME	ID No.	PLACE OF ISSUE	DATE OF ISSUE
RAFAEL E. SEGUIS	Passport #00065751	Manila	5/11/2010
MYLENE B. DAVID	XX0484134	Manila	2/08/2008

SEP 05 2012

MAKATI CITY

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day, year and place above written.

AT NOTARY PUBLIC BATALILLA

NOTARY PUBLIC FOR MAKATI CITY

APPOINTMENT NO. M-618

UNTIL DECEMBER 31, 2012

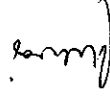
RCN OF ATTORNEY 48348

MCIF COMPLIANCE NO. 111-21854

IBP NO. 705762 - LIFETIME MEMBER

PTR. NO. 0009231 JAN 2, 2012

Doc. No. 28
Page No. 67
Book. No. 99
Series of 2012.



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

SECRETARY'S CERTIFICATE

1. **JOSE DANIEL L. BALAJADIA**, of legal age, married, Filipino citizen and with office/business address at 6th Floor Trafalgar Plaza, 105 H.V. dela Costa Street, Salcedo Village, Makati City after being duly sworn, hereby depose and state that:

1. I am the Corporate Secretary of **TRENDS AND TECHNOLOGIES INC.**, the "Corporation" hereafter, a domestic corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at 6th Floor Trafalgar Plaza, 105 H. V. dela Costa Street, Salcedo Village, Makati City.

2. As such, I hereby certify that at the Special Meeting of the Board of Directors of the Corporation held on Aug 10, 2012 at Makati City to which I am the Secretary and during which a quorum was present, the following Resolution was unanimously passed and adopted:

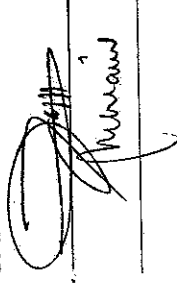
- a) "RESOLVED, that **Trends and Technologies Inc.**", authorized and empowered any of the following: **JERENILYN A. PANIM**, and/or **MYLENE B. DAVID** whose specimen signatures appear below to negotiate, enter into, sign, execute, and deliver pertinent documents for the **Department's Private Automated Branch Exchange (PABX) System Maintenance Agreement** for Department of Foreign Affairs.

NAME

JERENILYN A. PANIM

MYLENE B. DAVID

SPECIMEN SIGNATURE



- b) "RESOLVED, FURTHER, that the foregoing resolution and the authority herein above granted to the aforementioned officers of the Corporation shall remain valid and subsisting until the same are expressly revoked by the Board of Directors of the Corporation."

3. I hereby certify that the foregoing Resolution is still valid, binding and effective.

AUG 15 2012

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of August 2012 in Makati, City.



JOSE DANIEL L. BALAJADIA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this **AUG 15 2012** day of August 2012 at Makati City, affiant having exhibited to me his Passport ID No. EB1099124 issued on 04 October 2010 at DFA, Manila, Philippines.

Doc. No. 177
Page No. 37
Book No. 52
Series of 2012

ATTY. VIRGILIO R. BATAALLA
NOTARY PUBLIC FOR MAKATI CITY
APPROPRIATEMENT NO. 14-678
UNTIL DECEMBER 31, 2012
ROLL OF ATTORNEY 48948
MCLE COMPLIANCE NO. 113-21354
IBP NO. 706762 - LIFETIME MEMBER
PTR. NO. 0009281 JAN 2, 2012

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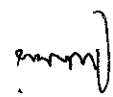
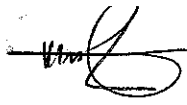
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5. Maintenance Charges

5.1 In return for the provision of the Maintenance Services under this Agreement the Client shall pay the Contractor on a quarterly basis for four (4) quarters. The quarterly payments shall be in the amount of **Two Hundred Eighty Seven Thousand Nine Hundred Seventy One Pesos and Seventy Five Centavos (Php 287,971.75)**, inclusive of Value Added Tax (VAT) and other lawful charges, payable within thirty (30) calendar days from the submission of the complete documentary requirements for purposes of payment.

5.2 The Client acknowledges that the Maintenance Charges payable in accordance with Clause 5.1 are also based on the Equipment as at the date of this Agreement. In the event that the Client adds any hardware, software, programs or peripheral equipment to the Equipment, or otherwise increases the capacity or functionality of the Equipment ("Equipment Enhancements") during the period of validity of this Agreement, the Contractor may reasonably increase the Maintenance Charge to reflect the additional maintenance services required supporting the Equipment Enhancements, subject to the approval of the Client. If no agreement is reached regarding the increase, the Equipment Enhancement shall not be covered by this Agreement. Any such increase will be added to the Maintenance Charges on such date as may be agreed upon by the Parties.

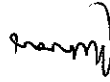
5.3 The Client shall pay for any work performed outside the scope of this Agreement (including work performed under Section 3.4) at the prevailing rate at the time that the services were rendered, in accordance with the written approval and instructions of the Client.

5.4 The Contractor reserves the right to review the Maintenance Charges every twelve (12) months after the start of the period of this Agreement. Notice of any such increase shall be sent to the Client thirty-(30) days prior to the proposed date of effectivity. Should the Client disagree with the increase, the Client may terminate this Agreement upon 30 days notice in writing without any further liability to pay the increased charges.

5.5 If the Client defaults in payment as stipulated in Section 5.1 of this Agreement, the Contractor shall have the right to do any or all of the following:

- (i) Suspend its obligations to provide Maintenance Services;
- (ii) Immediately terminate the Agreement;
- (iii) The Client agrees to pay an interest rate of 1 % calculated on a monthly basis within 30 days of the date of invoice or written demand.

5.6 The obligations of the Client pursuant to the clauses 5.2, 5.3, and 5.5 shall remain in full force and effect after the termination of this Agreement and shall not be deemed to have been waived, merged or extinguished upon such termination.



6. RESPONSIBILITY OF THE CLIENT

6.1 To permit the Contractor to fulfill its obligations pursuant to this Agreement, the Client shall:

- (i) Nominate at least one appropriate person to be the Client's contact with the Contractor regarding Maintenance Services (such person to be regularly available during normal business hours).
- (ii) Ensure that Contractor's maintenance personnel have free, safe and uninterrupted access to the Equipment at all times during the Validity Period;
- (iii) Make available on request the services of any person who operates the Equipment at the Site. In such case, the Contractor shall give reasonable notice to the Client as to the necessity of the presence of such person during the provision of Maintenance Services.
- (iv) Notify the Contractor immediately in writing if the Client ceases to be in possession of the Equipment at the Site.

6.2 The Client shall not carry out, or cause to be carried out by other persons, modifications or adjustments to the equipment without the prior written consent of the Contractor.

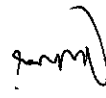
7. PERFORMANCE SECURITY:

To guarantee faithful performance, the CONTRACTOR shall post a performance security as provided in Section 39.2 of the Implementing Rules and Regulations of R.A. 9184 and shown as follows:

1. Cash, certified check, cashier's check, manager's check, bank draft or irrevocable letter of credit – five percent (5%) of the total contract price.
2. Bank Guarantee – ten percent (10%) of the total contract price.
3. Surety bond callable on demand issued by any reputable surety or insurance company – thirty percent (30%) of the total contract price.

8. **TERMINATION:** This Agreement may be terminated by a Party's by written notice to the other Party 90 days prior to the proposed termination date:

- 8.1 When a Party commits material breach of this Agreement and fails to rectify such breach within seven (7) days of written notice or commits 10 material breaches in any three-month period;
- 8.2 When the Equipment, the system or associated spare parts and services cease to be manufactured, distributed, supplied or supported by the manufacturer, distributor or any reseller or other person from whom that the Contractor received such goods or services including replacement parts and technical assistance. The Contractor should notify the Client for any end-of-life announcement by the manufacturer;
- 8.3 When the Contractor ceases to sell, distribute or support the Equipment or the system (or any part) due to termination of any reseller agreement for relevant products or spare parts;



8.4 When the Contractor ceases to carry on the business of providing the Maintenance Services reasonable notice to the Client;

8.5 When the Contractor commits a breach of any of the terms and conditions of this Agreement or it provides unsatisfactory services.

9. Force Majeure

The **CLIENT** and the **CONTRACTOR** shall not be liable in any way whatsoever for delays or failure in performance resulting from acts beyond their reasonable control, which may not be overcome by due diligence. Such acts shall include but not be limited to acts of God, strikes, lock outs, labor disputes, material shortages, riots, acts of war, governmental regulation imposed after the fact, flood, fire, earthquake, power supply disturbances, blackouts or other such natural disasters. The obligations of the **CLIENTS** and the **CONTRACTORS** in so far as they are affected by such occurrence, shall be suspended during the continuance of any inability so caused, and such inability shall not be a breach of this Agreement.

10. WARRANTIES AND LIMITATION OF LIABILITY

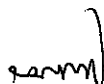
10.1 The Client acknowledges that no promise, representation, warranty or undertaking has been or will be made or given by the Contractor or any person on behalf of the Contractor in relation to the Maintenance Services, the Equipment or this Agreement including the quality of the Maintenance Services or any goods supplied. The Client has relied upon its own skill and judgment in entering into this Agreement.

10.2 The Contractor warrants that the Maintenance Services shall be provided with due care, skill and attention. Subject only to its warranties or conditions implied by relevant legislation that cannot be excluded and any warranties set out in this Agreement, the Contractor gives no warranty or consequential damage or loss except as expressly provided in this Agreement or when the loss, liability or expense is due to the fault or negligence of the Contractor, its staff or its representative. Without limitation in no event shall the liability of the Contractor for any particular Maintenance Service(s) or in relation to this Agreement, exceed the greater of US\$100,000 or the Maintenance Charges in a year.

10.3 To the extent that any warranty or condition under any legislation cannot be excluded, the liability of the Contractor is limited, in relation to goods, to the replacement or repair of those goods or payment of the cost of replacement, the supply of equivalent goods or repair, and in relation to services, to the re-supply of those services or payment of the cost of having those services re-supplied.

10.4 The contractor shall warrant that, to the best of its knowledge, all personnel assigned to provide maintenance services to the Client:

- a. are physically fit and of good moral character;
- b. have not been convicted of, or facing trial for any crime or offense and have favourable National Bureau of Investigation Clearances



- c. are factory-trained AVAYA PABX System authorized service engineer and/or technician and thoroughly screened by the Contractor prior to their engagement.

11. INDEMNITY

A Party shall indemnify the other Party for any loss, claim, liability or damage caused by or arising from, whether directly or indirectly, the provision of the Maintenance Services, possession or use of the Equipment or this Agreement including damage to person or property during the provision of the Maintenance Services at the Site except where such loss, claim, liability or damage is caused directly from a negligent act or omission of the indemnified party or an employee of the indemnified party. This indemnification shall survive termination of this Agreement.

12. CONFIDENTIALITY

Except as required by law or pursuant to prior written consent, each Party agrees to keep confidential and not disclose any information or document of the other Party or which the other Party designated as confidential. Each Party shall take all reasonable steps to ensure its employees, contractors, agents and advisers comply with this clause. This clause shall survive the termination of this Agreement.

13. ASSIGNMENT

Either Party may assign any benefit of or obligation or liability under this Agreement with the prior written consent of the other Party.

14. WAIVER AND SEVERANCE

Any indulgence granted by a Party to the other party and any failure by any of the Parties to insist upon strict performance of these terms and conditions shall not be deemed a waiver of any of such party's rights or remedies nor be deemed a waiver of any subsequent default by the defaulting Party. The invalidity in whole or in part of any clause in these terms and conditions shall not affect the validity of the remainder of such clause of these terms and conditions.

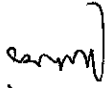
If any term or condition of this Agreement is declared invalid or contrary to law, the other terms or conditions that are not covered by such declaration shall remain valid and binding. The Parties shall amend or modify the term or condition declared invalid or contrary to law, to conform to the subject and objective thereof.

15. GOVERNING LAW

The validity and interpretation of the terms and conditions of this agreement shall be governed by and construed in accordance with the laws of the Philippines.

16. ENTIRE AGREEMENT

This agreement constitutes all the covenants and agreements of the Parties.



17. AMENDMENT

The terms and conditions of this Agreement may not be changed or modified in any way, except by a written instrument signed by the Parties or their authorized representatives.

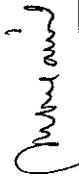
18. VENUE OF ACTION

In case of any action brought by one Party against the other for the enforcement or interpretation of any provision hereof, the same shall be brought before the proper court of Pasay City, Philippines only.

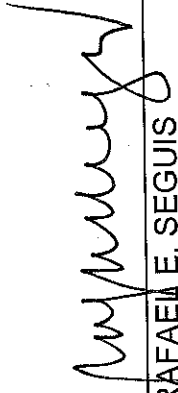
IN WITNESS WHEREOF, the Parties have caused their respective representatives to execute this Agreement on the date and the place above-stated.

TRENDS AND TECHNOLOGIES, INC.

DEPARTMENT OF FOREIGN AFFAIRS



MYLENE B. DAVID
Head, Business Enterprise Group

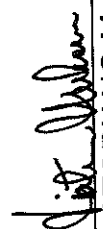


RAFAEL E. SEGUIS
Undersecretary


SIGNED IN THE PRESENCE OF:



ALVARO E. ROSALES
Chief Accountant, DFA



VICTORIANO M. LECAROS
Director, CMISD- DFA



JERENIL YM PANIM
Services Account Manager,
Trends and Technologies, Inc.

ACKNOWLEDGEMENT

Republic of the Philippines)
Pasay City, **MAKATI CITY** s.s.

BEFORE ME, a NOTARY PUBLIC for and in the City of Pasay, Philippines, on this ____ day of _____ personally appeared **Honorable RAFAEL E. SEGUIS**, Undersecretary of Foreign Affairs and **Ms. MYLENE B. DAVID**, Head of the Enterprise Business Group of TREND AND TECHNOLOGIES, INC. known to me to be the same persons who executed the foregoing **MAINTENANCE AGREEMENT**, consisting of fifteen (15) pages including the Annexes attached thereto and the page on which this Acknowledgement is written, all pages of which have been signed at the left hand margin by the Parties and their witnesses, and who acknowledged to me that the same is their free and voluntary act and deed.

The Philippine Passport/ Community Tax Certificate of the Parties were exhibited to me, the same bearing:

NAME	ID No.	PLACE OF ISSUE	DATE OF ISSUE
RAFAEL E. SEGUIS	Passport #00065751	Manila	5/11/2010
MYLENE B. DAVID	XX0484134	Manila	2/08/2008

SEP 05 2012

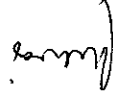
MAKATI CITY

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day, year and place above written.

Doc. No. 28
Page No. 67
Book. No. 99
Series of 2012.

ATNOTARY PUBLIC
MAKATI CITY
ATNOTARY PUBLIC
MAKATI CITY

APPOINTMENT NO. M-618
UNTIL DECEMBER 31, 2012
ROLL OF ATTORNEY 48348
NOTICE OF COMPLIANCE NO. 111-21854
IBP NO. 705762 - LIFETIME MEMBER
PTR, NO. 0009331 JAN 2, 2012



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

SECRETARY'S CERTIFICATE

I, **JOSE DANIEL L. BALAJADIA**, of legal age, married, Filipino citizen and with office/business address at 6th Floor Trafalgar Plaza, 105 H.V. dela Costa Street, Salcedo Village, Makati City after being duly sworn, hereby depose and state that:

1. I am the Corporate Secretary of **TRENDS AND TECHNOLOGIES INC.**, the "Corporation" hereafter, a domestic corporation duly organized and existing under and by virtue of the laws of the Philippines; with principal office at 6th Floor Trafalgar Plaza, 105 H. V. dela Costa Street, Salcedo Village, Makati City.
2. As such, I hereby certify that at the Special Meeting of the Board of Directors of the Corporation held on Aug 10, 2012 at Makati City to which I am the Secretary and during which a quorum was present, the following Resolution was unanimously passed and adopted:

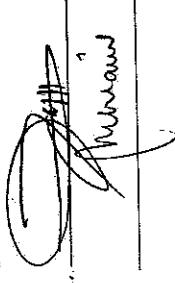
- a) "RESOLVED, that **Trends and Technologies Inc.**, authorized and empowered any of the following: **JERENILYN A. PANIM**, and/or **MYLENE B. DAVID** whose specimen signatures appear below to negotiate, enter into, sign, execute, and deliver pertinent documents for the **Department's Private Automated Branch Exchange (PABX) System Maintenance Agreement** for Department of Foreign Affairs.

NAME

JERENILYN A. PANIM

MYLENE B. DAVID

SPECIMEN SIGNATURE



- b) "RESOLVED, FURTHER, that the foregoing resolution and the authority herein above granted to the aforementioned officers of the Corporation shall remain valid and subsisting until the same are expressly revoked by the Board of Directors of the Corporation."

3. I hereby certify that the foregoing Resolution is still valid, binding and effective.

AUG 15 2012

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of August 2012 in Makati, City.

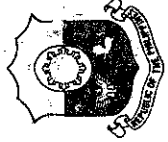


JOSE DANIEL L. BALAJADIA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this **AUG 15 2012** day of August 2012 at Makati City, affiant having exhibited to me his Passport ID No. EB1099124 issued on 04 October 2010 at DFA, Manila, Philippines.

Doc. No. 137
Page No. 37
Book No. 52
Series of 2012

ATTY. VIRGILIO R. BATAJALA
NOTARY PUBLIC FOR MAKATI CITY
APPOINTMENT NO. M-638
UNTIL DECEMBER 31, 2012
ROLL OF ATTORNEY 48848
MCLE COMPLIANCE NO. 1116-21854
IBP NO. 705762 - LIFETIME MEMBER
PTR. NO. 0009281 JAN 2, 2012



BIDS AND AWARDS COMMITTEE

BAC Resolution No. 131-12

RESOLUTION RECOMMENDING THE AWARD OF CONTRACT FOR THE
DEPARTMENT'S PRIVATE AUTOMATED BRANCH EXCHANGE (PABX) SYSTEM
MAINTENANCE AGREEMENT PROJECT

WHEREAS, the Office of the Secretary-Communications (CORATEL) and Management Information System Division (CMISD) intends to procure through competitive public bidding, a maintenance service agreement for the DFA-Private Automated Branch Exchange (PABX) System for CY 2012 which is necessary for the operations of the office;

WHEREAS, the Office of Fiscal Management (OFM) issued a **Certificate of Availability of Funds** for the DFA-Private Automated Branch Exchange (PABX) System Maintenance Agreement in the amount of **One Million Two Hundred Five Thousand Pesos Only (Php1,205,000.00)** chargeable against CMISD MOOE Funds;

WHEREAS, 30 May 2012, in compliance with Section 20.1 of the Revised Implementing Rules and Regulations (RIRR) of the Government Procurement Reform Act (R.A. 9184), the BAC with the representatives from OSEC-CMISD conducted a **Pre-Procurement Conference** to discuss the bidding documents, including the Terms of Reference (TOR), scope and contract duration, as well as the schedule of bidding activities for the project;

WHEREAS, in compliance with Section 21.2 of the RIRR of R.A. 9184, the Department of Foreign Affairs (DFA) advertised in Manila Times and posted, for seven (7) consecutive days an **Invitation to Bid** for the Procurement of the DFA-Private Automated Branch Exchange (PABX) System Maintenance Agreement in the DFA Website, PhilGePs and in conspicuous places within the premises of the DFA;

WHEREAS, in response to said advertisements, only one company, **Trends & Technologies, Inc.**, purchased **Bid Documents** in the amount of **Twelve Thousand Five Hundred Pesos Only (Php12,500.00)**;

WHEREAS, on 15 June 2012, in compliance with Section 22 of the RIRR of R.A. 9184, the DFA-Bids and Awards Committee (DFA-BAC), in the presence of the observers from the Internal Audit Services (IAS), Commission on Audit (COA), Coalition Against Graft and Corruption- Bishops-Businessmen's Conference (CAC-BBC) and representatives from the OSEC-CMISD, held a **Pre-Bid Conference** with the prospective bidder to discuss the eligibility requirements and the technical and financial components of the contract to be bid and to allow the bidder to raise or submit written queries or clarifications;

WHEREAS, on 27 June 2012 during the **Opening of Bids**, consistent with Section 23 of the RIRR of R.A. 9184, **Trends & Technologies, Inc.** submitted its sealed **Eligibility and Technical Requirements, and Financial Proposal** envelope and was declared "ELIGIBLE TO BID", as well as "TECHNICALLY COMPLYING";

WHEREAS, the financial bid of the bidder was:

Bidders	Financial Bid
Approved Budget for the Contract	Php 1,205,000.00 (One Million Two Hundred Five Thousand Pesos Only)
Trends & Tecnologies, Inc.	Php 1,151,887.00 (One Million One Hundred Fifty-One Thousand Eight Hundred Eighty-Seven Pesos Only)

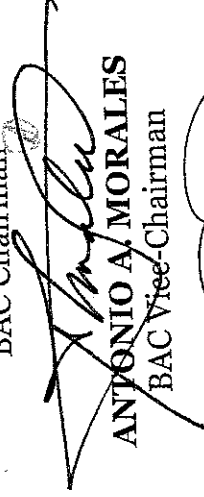
WHEREAS, in compliance with Section 34 of the RIRR of R.A. 9184, **Trends & Technologies, Inc.** after being declared as the company with the **Lowest Calculated Bid** underwent **Post-Qualification** conducted on 3 July 2012 by the DFA-BAC and representatives of OSEC-CMISD, as the end-user office and was determined to have passed all the criteria for **Post-Qualification** and is therefore the company with the **Lowest Calculated Responsive Bid**;

WHEREFORE, premises considered, the Committee unanimously resolves to recommend to the Head of the Procuring Entity of the Department Foreign Affairs:

- 1.) to award the contract of the Private Automated Branch Exchange (PABX) System Maintenance Agreement for the Department of Foreign Affairs to **Trends & Technologies, Inc.** for having submitted the **Lowest Calculated Responsive Bid** in the amount of **Php1,151,887.00**; and
- 2.) to commence **Contract Negotiation** with **Trends & Technologies, Inc.** upon the issuance of the **Notice of Award**.

ADOPTED this 4th day of July 2012, Pasay City.

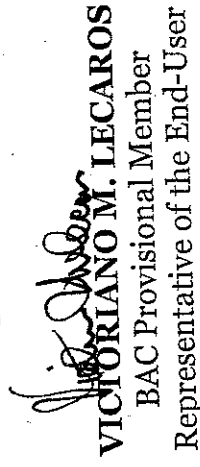
JOSEPH GERARD B. ANGELES
BAC Chairman


ANTONIO A. MORALES
BAC Vice-Chairman

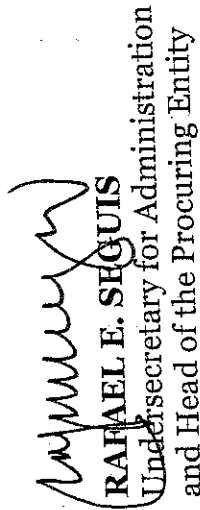
LAMBERTO V. MONSANTO
BAC Member

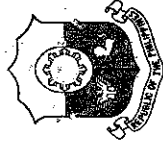

KRISTINE LEILAN
BAC Member


JAN KENNETH E. BOLANTE
BAC Member


VICTORIANO M. LECAROS
BAC Provisional Member
Representative of the End-User

Approved:
By the Authority of the Secretary of Foreign Affairs:


RAFAEL E. SEGUIS
Undersecretary for Administration
and Head of the Procuring Entity



Kagawaran ng Ugnapang Panlabas

Department of Foreign Affairs

OFFICE OF THE UNDERSECRETARY FOR ADMINISTRATION

NOTICE OF AWARD

4 July 2012

MS. JERENILYN A. PANIM

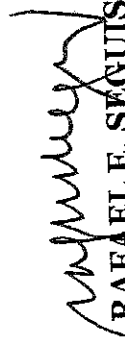
Service Account Manager
TRENDS AND TECHNOLOGIES, INC.
6/F Trafalgar Plaza, 105 H.V. dela Costa St.,
Salcedo Village, Makati City

Dear **Ms. Panim**:

Please be informed that, upon the recommendation of the Bids and Awards Committee (BAC) of the Department as contained in its Resolution No. 131-12, the Department of Foreign Affairs is awarding the Contract for the Department's Private Automated Branch Exchange (PABX) System Maintenance Agreement to your company, **Trends & Technologies, Inc.**, in the amount of One Million One Hundred Fifty-One Thousand Eight Hundred Eighty-Seven Pesos only (**Php1,151,887.00**), inclusive of all taxes and other lawful charges, subject to the successful negotiation and signing of the contract.

Please signify your conformity to the award of contract to your company by affixing your signature on the space provided below.

Sincerely yours,


RAFAEL E. SEGUIS
*Undersecretary for Administration
and Head of Procuring Entity*

Conforme:

MS. JERENILYN A. PANIM
Service Account Manager
TRENDS AND TECHNOLOGIES, INC.

Date: _____

ANNEX D: LIST OF EQUIPMENT

QTY	PART NO.	DESCRIPTION
Core System Elements for IP Telephony System		
5	NTUJ68AA	Universal Trunk
1	NT5Y50LA	Communication Server 1000M Multi Group (base pkg) with COTS Signalling Server
1312	NTHN32AA	Non Blocking Traffic Port
14	NTHN07EC	8 Enhanced Service Package Digital Extension
150	NTHN08EC	8 Enhanced Service Package Analog Extension
16	NTHN12HA	SIP Access Port License
1	NTHN20BA	Option 51C-81C 2.048MBs/E1 Dual PRI with D-Channel (DPRI2/DDP2 and DCH/DDCH/MSDL)
7	NTHZ99CA	Additional Digifone Receiver PCP
3	NTPY58DC	Media Card 32S (MC 32S)
1	NTPY61JA	HP 1U Server
1	NTPY61LB	Signalling Server IP Applications on 1U Server R5.5
System Management		
1	NT3Y18AA	TM-Server License -50 Sets
1	NT3Y18BA	TM 50 Sets License Exp
1	NT3Y18CA	TM 250 Sets Licenses Expansion
1	NT3Y18DA	TM 1000 Sets Licenses Expansion
1	NTYC45AA	TM/OTM Access Server
2	NTYC46AA	TM/OTM Additional Client for One (1) PC
1		PC for System Management + Lexmark printer
CallPilot / Call Attendant		
2	NTFZ57AA	CallPilot Voice Users -200
4	NTFZ96AA	CallPilot 2 Additional Voice Channels
1	NTHY49AAE5	CallPilot 5.0 600r Base System Package
1	NTHY78CA	MGATE Card 32 DS30X Channels
1	NTRH9234E5	Combo Key/Mouse (RoHS)
1	NTRH9235E6	17inch LCD Monitor (RoHS)
1	NTRH9236E6	Portable External SLR75 Tape Assembly (RoHS)

ANNEX E: MAINTENANCE PROGRAM DETAILS

DESCRIPTION OF SUPPORT SERVICES		ENTITLEMENT
Telephone Technical Support	HELPDESK	Provided
	Response Time	30 minutes
Engineering Services	Service Availability	24 x 7
	Response Time	Within 4 hours
Hardware Parts Replacement	Parts Charges	Covered in the Contract
	Labor Charges	Covered in the Contract
	Availability	10 Business Day upon receipt of defective unit
Maintenance Services	Preventive	Quarterly
	Corrective	Unlimited
Manufacturer's Support Services	Software Support	Fix Releases
	Hardware Support	Enrolled

