

**CONTRACT OF LEASE
OF STANDARD C-BAND SPACE SEGMENT**

KNOW ALL MEN BY THESE PRESENTS:

This **Contract** is made and entered into by and between:

PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE, a government office duly authorized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 2nd Floor, New Executive Building, J.P Laurel Street, Malacañang, Manila, herein represented by its Secretary, **HON. HERMINIO B. COLOMA, JR.**, hereinafter referred to as the **PCOO**;

-and-

WE ARE IT PHILIPPINES, INC. (WIT), a duly registered company organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at unit 36, 3rd Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City, represented by its Corporate Secretary, **MR. JOSEPH P. MADDATU**, hereinafter referred to as **WIT**.

-WITNESSETH-

WHEREAS, **PCOO** through the Bids and Awards Committee (**PCOO-BAC**), invited bids for the procurement of lease of standard c-band space segment of a qualified and established network services provider, particularly the supply, delivery, installation, testing of standard c-band space segment, hereinafter referred to as the "**Project**";

WHEREAS, **WIT** offered to provide the above services required by **PCOO**; and by virtue of **BAC Resolution No. 010**, dated 30 January 2015 and duly approved by the Head of the Agency, **PCOO** has accepted the proposals of **WIT**, the latter being determined as the Bidder who offered a responsive bid;

NOW THEREFORE, for and in consideration of the foregoing premises and the undertaking herein set forth, **PCOO** and **WIT** (collectively referred to as **Parties**) mutually comply and agree as follows:

**ARTICLE I
SCOPE OF SERVICES**

WIT shall undertake and provide **PCOO** transponder/satellite services in accordance with the following requirements:

A. Space Segment Availability Requirements:

Space Segment Capacity	6 MHZ
Space Segment Availability	99.9% of the time
Total Allowable Outage Time per year	525.6 minutes

B. Link Budget Analysis

Earth Station Type	Network Hub
Antenna Diameter	4.6 m
Antenna Model	8 Segment Andrew ESA
Operating Frequency Band	
C-Band Receive	3.4 - 4.2 GHz
C-Band Transmit	5.850 - 6.725 GHz

Polarization	Linear
HPA	50W
Rx Gain	42.4 – 44.6 dBi
Tx Gain	47.8 – 48.7 dBi

C. Earth Station Requirements

PCOO's Network Hub/Network Control Center (NCC) is located at PIA Building, Visayas Avenue, Quezon City.

Earth Station Type	Remote Station
Antenna Diameter	2.4 m
Antenna Model	2 piece Channel Master
Operating Frequency Band	
C-Band Receive	3.4 – 4.2 GHz
C-Band Transmit	5.850 – 6.725 GHz
Polarization	Linear
HPA	5W
Rx Gain	38.0 dBi @ 3.913 GHz
Tx Gain	42.0 dBi @ 6.138 GHz

D. Location of Remote Sites

SITE NAME	LATITUDE	LONGITUDE
Agoo BBS	16.32653	120.3724
Baguio BBS	16.41653	120.6137
Baguio PIA	16.41472	120.6202
Batanes BBS	20.45292	121.965
Bontoc BBS	17.09048	120.9845
Butuan PIA	8.9501	125.5291
Butuan BBS	8.95005	125.5288
Cagayan de Oro BBS	8.47519	124.6437
Calbayog BBS	12.06621	124.5947
Dagupan BBS	16.08	120.35
Dagupan PIA	16.03564	120.3322
Davao BBS	7.05376	125.5971
Davao PIA	7.05376	125.5971
Gingoog BBS	8.81822	125.1076
Iloilo BBS	10.70371	122.5685
Jolo BBS	6.04341	121.0027

Lagazpi PIA	13.14809	123.7507
Lucena BBS / PIA	13.92805	121.6119
Naga BBS / PIA	13.62753	123.1966
Puerto Princesa BBS	9.78702	118.7365
Quezon City PIA	14.65527	121.0461
Tacloban PIA	11.25225	125.0042
Tawi-Tawi BBS	5.02345	119.7675
Tuguegarao BBS / PIA	17.62613	121.7186
Virac BBS	13.58488	124.2093
Zamboanga BBS	6.91453	122.0591

E. Detailed Technical Specifications

Operating Frequency Band :	Standard C-Band Uplink Frequency Range – 5850-6425 MHz Downlink Frequency Range – 3625-4200 MHz
Space Segment Bandwidth	Total of 6 MHz 2MHz for audio/video broadcast carrier 2MHz for iDirect Outbound carrier 2MHz for the 2 Inbound carriers at 1MHz
Effective Isotropic Radiated Power (EIRP)	>37 dBW
Polarization	Linear Polarization
Transmit and Receive Cross-Polarization Isolation	≥30.0 dB
Baseline info bit rates	Broadcast carrier – 1800 kbps Outbound carrier – 2048 kbps 1 Inbound carriers – 1024 kbps each
Orbital Location	Nearest to 122 deg E
Elevation Angle	≥56 degrees (closest to 90 deg)
Satellite End of Life	Must not be earlier than December 2016

**ARTICLE II
INSTALLATION AND SUPERVISION**

It is agreed upon by the **Parties** that **WIT** shall supply, deliver, install, test and commission the provision of the standard c-band space segment dedicated to **PCOO** at the designated sites as pre-identified by **PCOO**.

The supervision of the entire work shall be undertaken by the **WIT** in coordination with **PCOO's** end-user or project implementer/s.

**ARTICLE III
TESTING PROCEDURE**

WIT shall submit to **PCOO** a detailed procedure or methodology in the conduct of testing the subscription of standard c-band space segment and the same shall be fully validated and tested by the **PCOO** on site. The procedure shall be such that it can easily be accomplished using standard equipment test and external power supplies. It is likewise agreed that **WIT** shall provide **PCOO** the means to monitor the bandwidth utilization for each radar station at any given period.

**ARTICLE IV
SYSTEM COMMISSIONING**

WIT shall fully demonstrate the capability of the standard c-band space segment to successfully operate continuously within a reasonable period of three (3) days from date of complete installation thereof, after which, **PCOO** representative/s shall certify the connection as commissioned.

**ARTICLE V
INSPECTION AND ACCEPTANCE**

The inspection and acceptance of the whole project by **PCOO** will be accomplished upon the completion of delivery, installation, testing and commissioning of the subscription to standard c-band space segment. Within ten (10) calendar days of such completion of installation, testing and commissioning of the subscription to standard c-band space segment, **WIT** shall notify **PCOO** in writing who in turn shall perform such inspection, operation and acceptance. **PCOO**, upon inspection of the connection to standard c-band space segment and upon finding that the same conforms to the requirements of the **Project**, shall issue acceptance to **WIT** within three (3) working days; after which **WIT** will issue its billing for the monthly recurring charges.

**ARTICLE VI
SATELLITE INTERRUPTION**

The Supplier shall be responsible for monitoring **PCOO**'s transmission and shall immediately notify **PCOO**'s NCC in Quezon City, in case of an emergency. The Supplier shall notify and coordinate planned downtimes with the NCC at least five (5) business days prior to the planned interruption. The Supplier shall also notify NCC, immediately upon discovery of any unplanned interruptions. The appropriate telephone/facsimile number/s and email address/es are listed below:

- Pio Jose Avestruz / 09159748604 / pio_avestruz@yahoo.com
- Johwell Ramirez/ 09157595011 /johwell_ramirez@yahoo.com
- Neil Getes / 09178262036 / leonilgetes@yahoo.com.uk

If the services being provided to **PCOO** under this contract (744 hours monthly [31 days x 24 hours per day] are interrupted for longer than one (1) HOUR ("Interruption"), **WIT** is required to refund a portion of the monthly contract amount, which is the firm-fixed price for the year divided by twelve (12), directly proportional to the time of the outage, by crediting the same to the **PCOO** on **WIT**'s next monthly invoice after the Interruption.

**ARTICLE VII
LOCAL TECHNICAL SUPPORT**

WIT shall provide a copy of resumes of its satellite engineers and IT/network engineers and/or specialists who are available 24/7 to provide local technical support.

**ARTICLE VIII
DURATION OF THE CONTRACT**

PCOO's subscription of standard c-band space segment shall be for a period of one (1) year to commence on the date specified in the Notice to Proceed which is an integral part of this Contract.

**ARTICLE IX
CONTRACT PRICE/PAYMENT SCHEDULE**

For and in consideration of the fulfillment of all the terms and conditions of this **Contract**, **PCOO** shall pay **WIT**, in Philippine Currency, the amount of TEN MILLION NINE HUNDRED SIXTY-TWO THOUSAND SIX HUNDRED FOUR AND 80/100 (Php 10,962,604.80, inclusive of Value-Added Tax (VAT) and other applicable fees and taxes, as the total contract price for the **Project** to be paid on a monthly basis for twelve (12) months with a monthly recurring charge of Nine Hundred Thirteen Thousand Five Hundred Fifty and 40/100 Pesos (Php 913,550.40). The monthly recurring charges shall be paid by **PCOO** within a reasonable period upon receipt of **WIT's** monthly billing, subject to second paragraph of Article VI.

**ARTICLE X
EXTENSION OF SUBSCRIPTION PERIOD**

The **PCOO**, as its interest may require, shall further extend this Contract after consuming the one (1) year bidded contract, on a monthly basis (but not to exceed 1 year) until such time that a new service provider has been selected by **PCOO** in accordance with GPPB Resolution No. 23-2007 (Guidelines on the Extension of Contracts for General Support Services).

**ARTICLE XI
SERVICE AVAILABILITY**

Beginning with the service commencement date as specified in the Notice to Proceed, **WIT** shall provide **PCOO** satellite service twenty-four (24) hours per day, seven (7) days per week during the term of the contract. The service shall be provided as "non-pre-emptible /non-restorable." "Non-pre-emptible" is defined as capacity that is not subject to interruption by the Supplier for use by another entity except as specified in the terms of the agreement. "Non-restorable" is defined as capacity that will not be restored to capacity on an alternate spacecraft in the event of the failure of the current spacecraft. If the service becomes unusable, **WIT** shall use its reasonable efforts to restore the attached service utilizing any other available capacity.

**ARTICLE XII
LIQUIDATED DAMAGES**

It is understood that time is an essential feature of this Contract and that upon **WIT's** failure to complete this Contract within the time stipulated herein, **WIT** shall pay **PCOO** liquidated damages in the amount equivalent to one-tenth (1/10) of one percent (1%) of the unperformed portion of contract price for each calendar day of delay.

**ARTICLE XIII
NON-DISCLOSURE**

WIT agrees to hold in confidence and not to disclose any and all information it may obtain in the course of its transaction with **PCOO** and shall not use the same for any purpose without the consent of **PCOO**.

WIT further agrees to use its best efforts to prevent and protect the confidential information, or any part thereof, from disclosure to any person other than its employees having a need for disclosure in connection with the authorized use of the confidential information.

**ARTICLE XIV
TERMINATION OF CONTRACT**

PCOO reserves the right to terminate this Contract at any time for a valid cause, without incurring liability and without prejudice to any other right of **PCOO**, upon **WIT**'s material default or significant delay in the delivery of its obligations under this Contract that is not attributable to *force majeure* or fortuitous events; or in the event the transponder/satellite should fail to operate and **WIT** fails to provide identical capacity and service on another transponder or satellite, and, as a result, **PCOO**'s video and audio services are suspended or cancelled for at least two (2) continuous days (48 hours).

**ARTICLE XV
MISCELLANEOUS PROVISIONS**

1. Any amendment or revision to this Contract may be executed through a supplemental contract which shall be agreed upon mutually by both parties.
2. If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.
3. The **Parties** agree that any and all action arising from this Agreement shall be exclusively filed before the proper courts of competent jurisdiction in the City of Manila.
4. The **Parties** represent and warrant that at the time of the execution of this Agreement, the performance and observation of the terms and conditions hereof are duly authorized and approved by their respective Boards or deciding authority, and will not conflict with or constitute breach of the laws governing them.
5. The Bidding Documents for the Procurement of Lease of Standard C-Band Space Segment for **PCOO**'s Philippine Administrative Network Project (PANP) issued last 06 November 2014 shall form an integral part of this contract.

IN WITNESS WHEREOF, the parties hereto affixed their signatures this ___ day of February 2015 at Manila, Philippines.

**PRESIDENTIAL COMMUNICATIONS
OPERATIONS OFFICE**


By:



HON. HERMINIO B. COLOMA, JR.
Secretary

WE ARE I.T. PHILIPPINES, INC.

By:



MR. JOSEPH P. MADDATU
Authorized Representative

Signed in the presence of:



ENGR. DANTE P. MADRIAGA
End-User



JANELLE C. BAUTISTA
Authorized Representative

ACKNOWLEDGMENT

BEFORE ME, this ___ day of February 2015 at Manila, personally appeared the parties to this agreement, known to me to be the same persons who executed the foregoing instrument, and acknowledged to me that the same is their free act and deed and the free act and deed of the entity/corporation they represent and that they have been duly authorized to execute this instrument, having personally exhibited to me the following current identification documents issued by an official agency that bears their photographs and signatures:

Name	Government Issued Identification	Date/Place Issued
Herminio B. Coloma, Jr.	DIPLOMATIC PASSPORT DE0010217 /	4/02/2014
Joseph P. Maddatu	DL DOG -93-111916	01/14/1971 2012 expiring date 2017 - Jan - 14

This instrument consisting of seven (7) pages, including the page on which this acknowledgment is written, has been signed by the above-named parties and their witnesses, and sealed with my notarial seal.

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

Doc. No.: 432
Page No.: 33
Book No.: 11
Series of 2015.

ATTY. HENRY D. ADASA
Notary Public, City of Manila
Comm. No. 2011-100 until Dec. 31, 2015
S.C. No. NO. 29679
FRC Bldg., TROSA ST., Malate, Manila.
IBP No. 800100 1/5/15 Z.N.
PTR No. 3821852 Manila, 1/5/15
MCLE Compliance No. III-0023245