

June 4, 2021

**Mr. Alberto E. Pascual**

President and CEO

**PHILIPPINE GUARANTEE CORPORATION**

3<sup>rd</sup> Floor, Jade Building, 335 Sen. Gil Puyat Ave.,

Bel-Air, Makati City

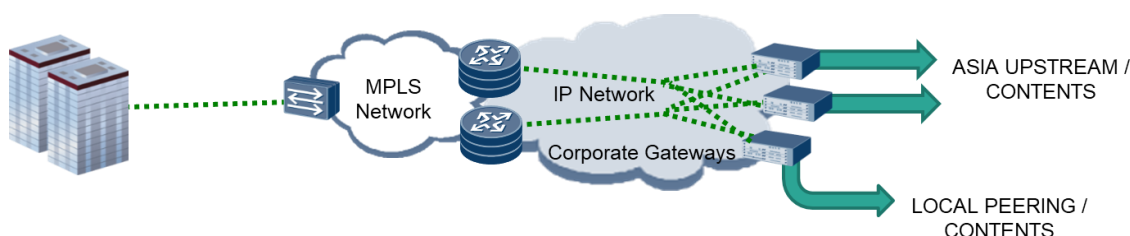
Subject: **Proposal for Renewal of Dedicated Internet Access (DIA Economy) Service**

Thank you for giving **CONVERGE ICT INFORMATION AND COMMUNICATIONS TECHNOLOGY SOLUTIONS, INC.** the opportunity to serve you.

**CONVERGE ICT**, being a CUSTOMER-focused telecommunications company, offers suite of Information and Communications Technology (ICT) solutions for Large Corporate and Small and Medium Enterprise users. Our fully-owned and managed network is built through a backbone infrastructure utilizing DWDM, MPLS IP Core and Packet Transport Network complemented by a pure optical fiber access network.

We are currently engaged in providing Internet, Private Data, Data Center and other Value-Added Services suitable for our CUSTOMER needs. With these network and spectrum of services, **CONVERGE ICT** is fully committed to deliver its service with high reliability, rapid deployment, fast restoration time, competitive pricing and devoted account management.

Based on the information we have gathered, we are pleased to present our **Dedicated Internet Access (DIA) Economy service** – An economical version of our DIA service that balances performance and cost while delivering enterprise grade service, allowing you to do business transaction and activities over the internet. DIA Economy is designed for enterprise customers that requires dedicated, but basic internet access for applications that are non-critical and non-real time in nature.



#### FINANCIAL SUMMARY

Installation Address	Current Bandwidth	Proposed Bandwidth	Monthly Recurring Charge Vat Inc	Total Annual Charge Vat Inc
<b>PHILIPPINE GUARANTEE CORPORATION</b> 3 <sup>rd</sup> Floor, Jade Building, 335 Sen. Gil Puyat Ave., Bel-Air, Makati City	<b>DIA Economy 40Mbps</b>	<b>DIA Economy 45Mbps</b>	<b>Php35,000.00 (Same MRC)</b>	<b>Php420,000.00</b>

#### Notes:

- Rates are VAT Inclusive.
- Renewal/Upgrade with same MRC
- Contract Period is 12-Months
- Routers and switches are not included.

- Customer to allow and assist on the use of existing building horizontal conduits necessary for the installation or provide in case not available.

Attached are the Terms and Conditions related to your subscription to CONVERGE ICT Service.

## **Terms and Conditions**

### **1. Responsibilities**

CONVERGE ICT and CUSTOMER shall jointly manage and maintain the CUSTOMER circuit installed which carries the subscribed service.

#### **a) SERVICE INSTALLATION AND PROVISIONING**

##### **CONVERGE ICT RESPONSIBILITIES:**

CONVERGE ICT shall provide to CUSTOMER the Service in accordance with the terms and conditions of the signed proposal. The provision of Service shall include the following:

- Design and planning of the Service to be provided
- Installation and configuration of CONVERGE ICT-provided equipment at CUSTOMER premise
- Provide necessary updates to the CUSTOMER on the progress of service delivery
- Conduct standard testing of the service and provide service acceptance report
- Provide Multi-Router Traffic Grapher (MRTG) account on applicable services

##### **CUSTOMER RESPONSIBILITIES:**

The CUSTOMER shall have the following responsibilities for the proper installation and provisioning of the service requested:

- Provide CONVERGE ICT authorized personnel all necessary access permits in building and/or customer premise to conduct all activities in connection with the installation and activation of the service
- Provide CUSTOMER owned equipment and required interface/s and/or cables for the successful provisioning and testing of the service
- Provide representative on the actual activation, testing and acceptance of the service

#### **b) OPERATION AND MAINTENANCE OF THE SERVICE**

##### **CONVERGE ICT RESPONSIBILITIES:**

- Maintain and ensure operation of the service provided to the CUSTOMER
- Maintain proper working condition of all the equipment provided to the CUSTOMER
- Respond to support requests within periods as written in this SLA document
- Provide 24 x 7 Call center and Field Engineer support

##### **CUSTOMER RESPONSIBILITIES:**

- Grant CONVERGE ICT authorized personnel required access and clearance to CUSTOMER and/or building to conduct all activities in connection operations and maintenance of the Service at all reasonable hours
- Ensure availability of on-site representative in times of service restoration and maintenance
- Regularly update CONVERGE ICT on the CUSTOMER contact information including internal escalation matrix

- Provide required Uninterruptible Power Supply (UPS) or Automatic Voltage Regulator (AVR), equipment grounding and air-conditioning/ventilation to ensure smooth and continuous operation of the Service.
- Ensure that no activities such as, but not limited to, change-out of equipment, disconnection, movement, reconfiguration, repair, preventive maintenance of any equipment and facilities provided by CONVERGE ICT are conducted other than by authorized CONVERGE ICT personnel
- Send prior notice to CONVERGE ICT before conducting any unavoidable activities that may cause service interruption and possible damage to equipment and accessories provided by CONVERGE ICT
- Protect the equipment provided by CONVERGE ICT from negligence such as, but not limited to, theft, accident, vandalism and fire
- Practice cleanliness of the installation area and introduction of necessary pest control method to protect CONVERGE ICT provided equipment and facilities from pests and rodents that may affect quality of the service
- Report service failures, outages and degradation to CONVERGE ICT in a promptly manner.
- Notify CONVERGE ICT on any site improvement, renovation, transfer, and any related activity, scheduled or not, that may affect the Service
- Unless offered and accepted as part of the signed proposal, CUSTOMER shall provide a security system for its own network, equipment, operating systems and other similar network and operating software

## **2. Applicable Prices and Taxes**

- Unless agreed as final by both parties, prices quoted are based on the initial design and installation plan and is subject to change upon conclusion of the final design based on actual survey. CONVERGE ICT shall notify CUSTOMER about any changes in initial quote provided.
- Unless otherwise indicated, prices quoted are exclusive of Value Added Tax (VAT).
- For CUSTOMER claiming tax exemptions, the necessary exemption certificates or related documents shall be submitted prior to installation of the service.
- Prices offered shall be valid for thirty (30) days from the date of proposal and subject to change after the validity period.

## **3. Service Installation and Activation**

- Installation and activation of the Service shall be within 30 to 45 days from the date of receipt of the signed proposal by the assigned Key Account Manager. Installation and activation may go beyond 45 days if the subject site is outside CONVERGE ICT service areas and requires new build of network and facilities.

## **4. Service Testing**

- Internet Services
  - Browsing
  - Ping Test
  - Speedtest to CONVERGE ICT test Server (Speedtest.net)
- Transport Services
  - RFC2544 Ethernet Testing:
    - a) Throughput Test
    - b) Frame Loss Test
    - c) Jitter Test
    - d) Latency Test
  - Ethernet Tester of CONVERGE ICT will be used and all the test results will be based from, according to industry standards. Testing will be for 15 to 30 minutes and will be conducted only once, CUSTOMER may request for an additional test subject to payment of charges imposed by CONVERGE ICT.

- Not Applicable for FAST (FTTX As A Transport) Service

## **5. Service Acceptance & Billing**

- Upon completion of the installation and testing, CONVERGE ICT will turn over the service and will issue a Service Acceptance Report (SAR) for CUSTOMER signature.
- CUSTOMER shall have 24 hours from date thereof to notify CONVERGE ICT issues, technical difficulties, complaints and/or problems related to the Service. Failure of notifying CONVERGE ICT within the provided time frame, the service shall be deemed accepted.
- Start of billing will commence on the following day after the date of installation and acceptance.

## **6. Payment Terms**

- The CUSTOMER shall pay the required one (1) month advance and/or One Time Charge (OTC) prior to installation or based on the agreed terms.
- Any U.S. dollar charge can be paid in Philippine currency at the exchange rate prevailing on the date of payment as set by the Bangko Sentral ng Pilipinas (BSP).
- CUSTOMER shall pay the amount stated in the invoice on or before the set due date. Otherwise, the CUSTOMER shall be charged a late payment interest of 1.5% per month or a fraction thereof.
- In case of delay in payment, CONVERGE ICT reserves the right, without incurring any liability, to suspend or temporarily disconnect the Service upon issuance of a written Notice of Disconnection and such shall remain until invoice is paid in full. However, no Notice of Disconnection is required for disconnection or suspension of Service if payment delay shall have reached 30 days from due date. In addition, CONVERGE ICT may likewise opt to immediately terminate this Letter Agreement, at its own discretion by service of a written Notice of Termination to the CUSTOMER if such delay shall be more than 30 days. Further, the suspension, disconnection or termination of Service due to delayed payment or arrears shall not toll, prevent nor exempt the billing & payment of the unexpired portion of the remaining agreed period of the Service. The CUSTOMER hereby accepts that the expenses invested by CONVERGE ICT in this connectivity is in contemplation of a minimum period as indicated in the terms of this Letter Agreement.

## **7. Contract Period**

- The Service to be provided under this agreement shall be for a minimum period of Twelve (12) Months term. This agreement is automatically renewed unless a written notice of termination is received from the CUSTOMER, thirty (30) days prior to expiration of this agreement.

## **8. Cancellation of Order**

In case of cancellation of order:

- When installation works have been started and in progress but before the turnover of the Service, CUSTOMER shall be charged on the actual charges incurred during the installation. The cost will be charged against the (1) month advance and (1) month security deposit. CUSTOMER shall pay the balance if the actual cost is higher than the amount of advance and deposit.
- If Service is rejected by CUSTOMER without due cause and defect, CUSTOMER shall pay the cancellation charges as follows:
  - Installation fee quoted or actual cost incurred (whichever is higher);
  - Two (2) months bill of the Service; and
  - Dismantling charges equivalent to the installation fee.
- If installation fee is waived, actual cost shall apply.

## 9. Termination of the Contract

- Any pre-termination of this Agreement made by the CUSTOMER for reasons other than breach of contract shall cause CUSTOMER to be liable to CONVERGE ICT for one hundred per cent (100%) of the total charges of the remaining contract. In addition, the cost of dismantling the equipment or disconnecting the service shall be for the account of CUSTOMER.
- CONVERGE ICT may terminate this Agreement at any time that it may not be possible to provide the service, due to causes beyond the control of CONVERGE ICT, or due to fortuitous events. For causes falling under this paragraph, CONVERGE ICT shall serve written notice thereof to CUSTOMER at least thirty (30) days prior to the intended date of termination. CONVERGE ICT may terminate this Agreement at any time with immediate effect if any of the monthly fees or installation fees shall not be paid within the period specified therefore. In case of breach of any of the terms and conditions of this Agreement, either party to this Agreement may terminate the same with immediate effect, if the breaching party fails to remedy or correct such violation within thirty (30) days from receipt of the written notice of such breach given by the non-breaching party. Termination of this Agreement shall not relieve the other party from liability to pay fees or charges, which have accrued, to the other party prior to the date of termination. Neither party will be liable to the other because of such termination for damages arising from loss of prospective profits, anticipated sales, or goodwill.

## 10. Ownership of Equipment

- All equipment installed and/or provided by CONVERGE ICT shall remain the property of CONVERGE ICT. CUSTOMER shall have no property right or interest over the same but only the right to use them as stated in this Agreement. In the event that the equipment of CONVERGE ICT are damaged due to acts or omissions of the employees, guests or any persons allowed access by CUSTOMER to the premises where the equipment are located, CUSTOMER shall pay for the value of the damage suffered by CONVERGE ICT including replacement cost if necessary.
- All equipment and related telecommunications devices shall be dismantled and retrieved by CONVERGE ICT, in the event that the services are terminated, with prior notice to the CUSTOMER, in a manner least inconvenient to both CUSTOMER and CONVERGE ICT. For this purpose, CUSTOMER authorizes CONVERGE ICT to gain access to the former's premises and retrieve the equipment of CONVERGE ICT. Failure on the part of CUSTOMER to allow CONVERGE ICT to exercise its right under this paragraph, CUSTOMER shall pay the value of the equipment plus such other incidental damages suffered by CONVERGE ICT no later than fifteen (15) days from receipt of such written notice from CONVERGE ICT that it had been denied entry to the premises of CUSTOMER or CUSTOMER has not allowed CONVERGE ICT to retrieve its materials within the mandate of this paragraph.

## 11. Use of Service

- The use of Service for any activity that is contrary to laws, morals, customs or public policy or which violates any ordinance, decree, order or regulation, or affects, interferes with or disrupts the use of the Service by other parties or the manner by which CONVERGE ICT provides the Service or any other services shall be deemed inappropriate use and shall be considered as a violation of the acceptable use of the Service under these Terms and Conditions.

## 12. Assignment

- CONVERGE ICT, at its option, may assign its rights under this Letter Agreement, partly or in full, to any third party or entity within the same industry provided that the same shall have the legal, technical & financial capability to fulfill in full and under the same standards all of the terms and conditions set forth under this Letter Agreement.

### 13. Non-Liability

- CONVERGE ICT shall not be liable for any loss or damage suffered by CUSTOMER as a result of interruption or termination of the services, any act or omission of the employees of CUSTOMER representatives or agents, such as, but not limited to distortions, garbles in the messages caused by brownouts, power fluctuations, or other mechanical or electrical faults. Furthermore, CUSTOMER agrees to hold CONVERGE ICT free and harmless from any suit, action, claim or demand by third parties, arising out of, or in connection with the use by CUSTOMER of the services provided by CONVERGE ICT, as well as to indemnify CONVERGE ICT for any damages, it may be held liable for, in connection with any of the aforesaid claims of third parties.

### 14. Service Level Commitments

#### a) Network Availability

- Converge ICT hereby guarantees 99.96% Network Availability.

#### b) Circuit Availability

Service	Availability
Dedicated Internet, Metro-E, Metro Lambda, EIPL, IP MPLS / China Connect / IP VPN	99.7%
IBIZ / MicroBiz / FAST	98.3%

- Circuit availability refers to the available period of the subscribed service in a given month and is calculated as follows:

$$\frac{(\text{Hours in a Day} \times \text{Days in a Month}) - \text{Service Outage Time in hours}}{\text{Hours in a Day} \times \text{Days in a Month}}$$

#### c) Latency

Origin / Destination	Latency (in milliseconds)
PH POP to US POP	200 ms
PH POP TO ASIA POP	70 ms
DOMESTIC LUZON	10 ms

- This latency is applicable to Converge ICT on-net facility. Latency may vary for use of third-party service.
- Committed latency is applicable only to Dedicated Internet, Metro-E, Metro Lambda, EIPL and IP MPLS Services.
- Values indicated refers to Converge ICT POP to POP latency

#### d) Packet / Frame Loss and Jitter

Criteria	Measurement
Packet / Frame Loss	≤ 1%
Jitter	≤ 20ms

- Applicable to Converge ICT on-net facility. Latency may vary for use of third-party service.
- Applicable only to Transport Services such as Metro-E, IP MPLS, EIPL and Metro Lambda
- At 80% link utilization



e) Mean Time To Respond / Restore

Ticket creation from time of report	Within thirty (30) mins	Within sixty (60) mins
For Field Dispatch (After initial troubleshooting)	Dedicated Internet, Metro-E, Metro Lambda, EIPL, IP MPLS	IBIZ / MicroBiz / FAST
MANILA	90 minutes	90 minutes
CAMANAVA	90 minutes	90 minutes
QUEZON CITY	90 minutes	90 minutes
PASIG	90 minutes	90 minutes
CAINTA	90 minutes	90 minutes
MARIKINA	90 minutes	90 minutes
PASAY	120 minutes	120 minutes
TAGUIG	90 minutes	90 minutes
LAS PINAS	120 minutes	120 minutes
PARANAQUE	120 minutes	120 minutes
MUNTINLUPA	120 minutes	120 minutes
SAN JUAN	90 minutes	90 minutes
MAKATI	90 minutes	90 minutes
MANDALUYONG	90 minutes	90 minutes
SOUTH LUZON	>120 minutes	>120 minutes
MABALACAT	60 minutes	60 minutes
SAN LUIS / ARAYAT	90 minutes	90 minutes
TARLAC	90 minutes	90 minutes
CAMILING	120 minutes	120 minutes
GAPAN	120 minutes	120 minutes
NUEVA ECIJA	120 minutes	120 minutes
SAN FERNANDO	60 minutes	60 minutes
APALIT	60 minutes	60 minutes
MALOLOS BULACAN	60 minutes	60 minutes
BALIUAG BULACAN	60 minutes	60 minutes
SAN RAFAEL BULACAN	120 minutes	120 minutes
SAN MIGUEL BULACAN	120 minutes	120 minutes
STA MARIA BULACAN	90 minutes	90 minutes
SAN JOSE DEL MONTE BULACAN	120 minutes	120 minutes
GUIGUINTO BULACAN	60 minutes	60 minutes
GUAGUA	60 minutes	60 minutes
DINALUPIHAN	60 minutes	60 minutes
ORANI	90 minutes	90 minutes
BALANGA	90 minutes	90 minutes
MORONG	120 minutes	120 minutes
MARIVELES	120 minutes	120 minutes
SUBIC	90 minutes	90 minutes
OLONGAPO	90 minutes	90 minutes
After Business Hours	On-call (Field Operation Engineers)	On-call (Field Operation Engineers)

- On-site dispatch will take place when reported problem can't be resolved by remote troubleshooting
- Service restoration target is 4 hours after the allotted response time, 80% of the time.

f) Trouble Ticket Status Update

CONVERGE ICT shall provide necessary status update after issuance of trouble ticket. The following update times and frequency shall be followed depending on the level of severity:

Severity Level	Status Update (DIA, Transport and EIPL)	Status Update (IBIZ / MicroBiz / FAST)
Severity 1 Hard Down / No connection	1 hour	1 hour
Severity 2 Intermittent / slow connection	2 hours	2 hours
Severity 3 Non-service affecting (customer requests)	3 hours	3 hours

g) Monthly SLA Report

CONVERGE ICT will provide an SLA report for all applicable circuits upon the request of CUSTOMER. Report contents will be based on Technical Support records, in connection with the trouble tickets issued to the CUSTOMER during the subscription.

h) Maintenance Activities

It may occasionally be necessary for CONVERGE ICT to carry out essential network maintenance and/or enhancement programs as well as emergency activities that may be critical to operations. In these cases, CONVERGE ICT shall provide notice to the customer as specified below:

Activity	Notice Period
Scheduled	Seven (7) days
Emergency	One (1) day

## 15. Rebate

- The Service shall be provided on a 24-hour per day, 365-day per year basis (The Service Schedule). The duration of service interruption is measured by the number of elapsed hours within the service schedule, starting from the time of the interruption as reported by the CUSTOMER and acknowledged by CONVERGE ICT to the time that CONVERGE ICT notifies the CLIENT that the Service has been restored.
- The CUSTOMER shall be eligible to receive a rebate in accordance with the following schedule:

Length of Interruption	Credit
Less than 130 minutes	None
130 – 239 minutes	1/6 day
240 – 479 minutes	2/6 day
480 – 719 minutes	3/6 day
720 – 959 minutes	4/6 day
960 – 1199 minutes	5/6 day
1200 – 1440 minutes	One day

- CONVERGE ICT shall promptly provide rebates for interruptions in the service in the amounts set forth in the below schedule. However, the CUSTOMER shall not be entitled to a rebate if the interruptions or outages are caused by any of the following:
  - The act, omission, fault or negligence of the CUSTOMER
  - The CUSTOMER's applications, equipment, or facilities including any third-party equipment other than equipment furnished by Company as part of their access services (i.e., CUSTOMER's equipment and application failure etc.)
  - Interruptions during any period where CONVERGE ICT or its agents are not allowed access to the CUSTOMER premises where the access lines are terminated
  - Scheduled maintenance
  - Power interruption, power surges or fluctuation at the CUSTOMER site
  - Force Majeure (e.g., typhoons, lightning, flood, earthquakes, etc.)
  - Civil disturbance, military insurrection and/or government takeover of Services
- The act, omission, fault or negligence of the CUSTOMER
- All downtime shall be reported to Technical Support for verification of claims. All rebates must be supported by a trouble ticket to be valid.
- CONVERGE ICT, in no event shall be liable for indirect, remote, or consequential damage, loss of profits, loss of business or loss of opportunity and other like damages howsoever they may have been caused



even if it has been notified of the possibility of such damages. CONVERGE ICT's maximum liability for any damage arising out of or in any way related to this Agreement shall be limited to the rebate as set forth above, and in no event shall the rebate granted in any one month to exceed the Monthly Recurring Charge.

- Rebates shall be credited to CUSTOMER on the next month's billing.

#### 16. Escalation Matrix

CONVERGE ICT ESCALATION MATRIX		
LEVEL 1 – Service Desk		
Contact Person	Contact Number	Email Address
Service Desk Analyst on Duty	(02) 8667-0500	<a href="mailto:enterprisesupport@convergeict.com">enterprisesupport@convergeict.com</a>
Customer to provide the following:		
1. Company Name:		
2. Circuit ID:		
3. Contact Person / Contact No. / Email Address:		
4. Provide site address:		
5. Brief description of the problem:		
LEVEL 2 – Two (2) Hours after reporting to Service Desk		
Contact Person	Contact Number	Email Address
Mark Ivan Bruan -Service Desk Team Lead	+639461175893	<a href="mailto:miybruan@convergeict.com">miybruan@convergeict.com</a>
Vener Villanueva- Service Desk Team Lead	639499016816	<a href="mailto:vdvillanueva@convergeict.com">vdvillanueva@convergeict.com</a>
Borjz Morales – Service Desk Supervisor	+639558925362	<a href="mailto:jamorales@convergeict.com">jamorales@convergeict.com</a>
Jetro Jude D. Isidro – Key Account Manager	+639174619876	<a href="mailto:jjdisidro@convergeict.com">jjdisidro@convergeict.com</a>
Ivan Paul Sy- CNOE SME	+639065253218	<a href="mailto:iply@convergeict.com">iply@convergeict.com</a>
Glenn Gualdrapa – Service Management Head	+639773674668	<a href="mailto:gmgualdrapa@convergeict.com">gmgualdrapa@convergeict.com</a>
LEVEL 3 – Four (4) Hours after reporting to Service Desk		
Grace Perez-Pastorfide - CTS Assistant Manager	+639257423323	<a href="mailto:mgcperez@convergeict.com">mgcperez@convergeict.com</a>
Frederick Sanchez -CRM Head	+639957667848	<a href="mailto:fpsanchez@convergeict.com">fpsanchez@convergeict.com</a>
Evangeline Aquino – Unit Head	+639773048497	<a href="mailto:eeaquino@convergeict.com">eeaquino@convergeict.com</a>
LEVEL 4 – Eight (8) Hours after reporting to Service Desk		
Sajoo V. George – Network Operation Consultant	+919028004412	<a href="mailto:svgeorge@convergeict.com">svgeorge@convergeict.com</a>
Alan Smyth -Corporate Sales Head	+639175099131	<a href="mailto:afsmyth@convergeict.com">afsmyth@convergeict.com</a>
Ronald Brusola - CTO	+639175386023	<a href="mailto:rgbrusola@convergeict.com">rgbrusola@convergeict.com</a>
LEVEL 5 – Twelve (12) Hours after reporting to Service Desk		
Albert Santos – CCXPO	+639189148078	<a href="mailto:asantos@converge.com">asantos@converge.com</a>
Jesus Romero - COO	+639178180168	<a href="mailto:jcromero@convergeict.com">jcromero@convergeict.com</a>

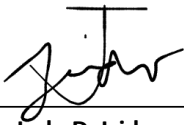
If you find our service price proposal acceptable including the attached Terms and Conditions, kindly affix your signature on the space provided below.

Thank you and we are pleased to be of service to your company.

Sincerely,


**CONVERGE ICT INFORMATION AND COMMUNICATIONS TECHNOLOGY SOLUTIONS, INC:**

**By:**



**Jetro Jude D. Isidro**  
Key Account Manager

**Approved by:**



**Evangeline Aquino**  
Unit Head – Public Sector Group



**CONFORME:**

**PHILIPPINE GUARANTEE CORPORATION**

**By:**



Digitally  
Signed by:  
Pascual,  
Alberto E.

**ALBERTO E. PASCUAL**  
President and CEO

**Date:** June 10, 2021