



September 20, 2022

EASTERN TELECOMMUNICATIONS PHILIPPINES, INC.

316 Telecoms Plaza Bldg.,  
316 Sen Gil Puyat Avenue, Makati City  
09177029402  
[biaresjb@etpi.com.ph](mailto:biaresjb@etpi.com.ph)

NOTICE OF AWARD (NOA)

Dear Sir/Ma'am:

We are pleased to notify you that your price quotation for the Procurement for the [Project Name], amounting to **FOUR HUNDRED THREE THOUSAND TWO HUNDRED PESOS (PhP403,200.00)**, inclusive of all applicable taxes and fees, has been accepted pursuant to the approval of the LIBI BAC Resolution No. 010, series of 2022.

Please be advised that you are required to formally submit a contract with us within ten (10) calendar days from the receipt of this NOA and secure performance security in an amount not less than the required percentage of the total contract price in accordance with the following schedule:

| Form of Performance Security                                                                                                                                                                                                                               | Amount of Performance Security<br>(Not less than the required percentage of the<br>Total Contract Price) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 1. Cash or cashier's/manager's check issued by a Universal or Commercial Bank.                                                                                                                                                                             | Five percent (5%)                                                                                        |
| 2. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, That it shall be confirmed or authenticated by a Universal or Commercial Bank if issued by a foreign bank.                            |                                                                                                          |
| 3. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.<br><small>Kindly coordinate with Ms. Angie Montes, 09193434484 for Bonds Requirements</small> | Thirty percent (30%)                                                                                     |

Failure to do so shall constitute sufficient ground for the cancellation of this award.

Should you agree with the award, please sign at the space provided below signifying your concurrence, and return the signed NOA to this office the soonest.

Thank you.

Very truly yours,

**ATTY. REYNAULD R. VILLAFUERTE**  
Chairperson, BAC / General Manager

CONFORME:

\_\_\_\_\_  
Date: \_\_\_\_\_



September 20, 2022

**ATTY. REYNAULD R. VILLAFUERTE**  
LBP INSURANCE BROKERAGE, INC.  
12/F SYCIPLAW CENTER PASEO DE ROXAS AVE  
MAKATI CITY

**Re: Proposal To Provide Internet Service**

Dear **ATTY. VILLAFUERTE:**

We are pleased to submit this proposal to provide Internet service (the 'Service') to **LBP INSURANCE BROKERAGE, INC.** ("Customer").

This proposal summarizes the description of the Services, our proposed fee and the other terms and conditions governing the Service. Upon acceptance by the Customer, this proposal shall serve as the binding Agreement between the parties to provide the Service.

**SERVICE DESCRIPTION**

Based on our understanding of your needs, we offer to provide the Service to the Customer as follows:

|                      |                                                                                                                                   |                                               |     |       |     |                        |         |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----|-------|-----|------------------------|---------|
| Service              | IDS                                                                                                                               | Committed Information Rate/Transmission Speed | 100 | Burst | N/A | Installation Lead Time | 30 days |
| Installation Address | 12/F SYCIPLAW CENTER 105 PASEO DE ROXAS AVE LEGASPI VILLAGE AYALA AVENUE-PASEO DE ROXAS MAKATI CITY METRO MANILA 1226 PHILIPPINES |                                               |     |       |     |                        |         |

**Package Inclusions**

| Description               | Qty | Description              | Qty |
|---------------------------|-----|--------------------------|-----|
| 1. /29 IP BLOCK           | 1   | 4. 24/7 CUSTOMER SERVICE | 1   |
| 2. MRTG ACCESS            | 1   | 5.                       |     |
| 3. 1 GB EMAIL/DNS HOSTING | 1   | 6.                       |     |

Note: 1. The services and equipment included in the Package Inclusions are provided by Eastern Communications free of charge. As such, downtimes of any of these services or equipment shall not entitle the Customer to any rebate.  
2. The Customer shall be billed for all NDD, IDD, mobile calls and other toll calls that may be made from the free voice service provided.  
3. Eastern Communications does not provide any warranty on the equipment included in the Package Inclusion. The same shall be subject to the manufacturer's and supplier's warranty.  
4. Eastern Communications reserves the right to discontinue the provision of the free services if it determines that the Service is or has been used for fraudulent or illegal activities, including bypass activity and national and international simple resale.

**SERVICE CHARGES**

In consideration of the Service, we propose to bill you the following fees and charges in accordance with the payment terms set forth below:

| Particulars                 | Amount        | Due Date                           |
|-----------------------------|---------------|------------------------------------|
| Deposit                     | PHP 33,600.00 | Upon Signing                       |
| Service/Installation Charge | PHP 0.00      |                                    |
| Monthly Service Fee (MSF)   | PHP 30,000.00 | On or before the 25th of the month |
| Other Charges               | PHP 0.00      |                                    |

The above-mentioned fees are exclusive of the applicable government taxes, i.e., 12% VAT and the 10% OCT, and adjustments in case of material currency re-valuation.

**TERM**

The term of Agreement is 12 months from the date of the acceptance of the Service. The Service is deemed accepted by the Customer after the expiration of **one (1) hour** from the date of its activation, unless the Customer informs Eastern Communications in writing that the Service does not meet the agreed specifications. The term shall be automatically renewed for another twelve (12) months period unless the Agreement is terminated in accordance with the attached Service Agreement.

**OTHER TERMS OF ENGAGEMENT**

Please refer to the attached Service Agreement for the other terms and conditions of this proposal. This proposal and the attached Service Agreement shall collectively be referred to as the "Agreement".

Should you find the terms of the Agreement acceptable, kindly indicate **LBP INSURANCE BROKERAGE, INC.'s** conformity to the terms thereof by having its authorized representative sign on the space provided below and return to us the originally-signed duplicate for our files. In addition, please furnish us copies of the following:

- Proof of Billing
- Valid ID
- SEC/DTI Registration

**Validity of the Offer**

This proposal is valid for thirty (30) days from date hereof. Eastern Communications reserves the right to adjust or change the terms of the Agreement without prior notice, or reject Customer's acceptance of the Agreement, after the said 30-day validity period.

Should you need further clarifications, please do not hesitate to contact us.

Very Truly Yours,

  
**Jennifer B Biales**  
Account Manager

**Rowena C. Beltran**  
Industry Head

To: **MICHAEL S. CASTAÑEDA**  
Head - Sales  
**EASTERN TELECOMMUNICATIONS PHILIPPINES, INC.**  
Telecom Plaza, 316 Sen. Gil Puyat Avenue  
Salcedo Village, Makati City  
Phone: 300-8888, Fax: 338-8711

On behalf of **LBP INSURANCE BROKERAGE, INC.**, the undersigned hereby confirms **LBP INSURANCE BROKERAGE, INC.'s** acceptance of the terms of the Agreement as set out in your engagement proposal dated **September 20, 2022** and in the Service Agreement.

The undersigned further warrants that he is duly authorized to bind **LBP INSURANCE BROKERAGE, INC.** to the terms of the Agreement.

Date: .....  
Signature :  .....  
Name : **ATTY. REYNAULD R. VILLAFUERTE** .....  
Position : **General Manager** .....



SERVICE AGREEMENT

This Service Agreement for the provision of telecommunications services (the "Agreement") has been concluded between EASTERN TELECOMMUNICATIONS PHILIPPINES, INC. a corporation duly organized and existing under the laws of the Republic of the Philippines and with office at Telecom Plaza, 316 Sen. Gil Puyat Avenue, Salcedo Village, Makati City, Philippines, herein referred to "EASTERN COMMUNICATIONS" and the Customer named herein as represented by its authorized representative:

|                                              |                                                                                                     |             |  |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------|--|
| CUSTOMER NAME                                | LBP INSURANCE BROKERAGE, INC.                                                                       |             |  |
| SEC/DTI REGISTRATION NO.                     |                                                                                                     | NATIONALITY |  |
| ADDRESS                                      | 12/F SYCIPLAW CENTER 105 PASEO DE ROXAS AVE LEGASPI VILLAGE AYALA AVENUE-PASEO DE ROXAS MAKATI CITY |             |  |
| AUTHORIZED REPRESENTATIVES NAME AND POSITION | ATTY. REYNAULD R. VILLAFUERTE<br>General Manager                                                    | SIGNATURE   |  |

EASTERN COMMUNICATIONS and Customer are hereinafter collectively referred to as the "Parties"; and individually, as the "Party".

Preamble

- i. EASTERN COMMUNICATIONS is a duly enfranchised telecommunications entity as well as a registered Value-Added Service (VAS) Provider authorized to provide various telecommunications services.
- ii. Customer wishes to avail from EASTERN COMMUNICATIONS certain telecommunications services listed in Annex "A" hereof and such other telecommunications services it may need in the future (collectively the "Services").
- iii. EASTERN COMMUNICATIONS offered, and Customer agreed to secure the services of the EASTERN COMMUNICATIONS, to provide the Services to Customer.
- iv. NOW, THEREFORE, in consideration of the foregoing premises, the Parties agree as follows:

1. TERM

- 1.1 This Agreement shall be effective for five (5) years from date of execution hereof, unless either Party serves the other Party a thirty (30) days written notice of its intention to terminate this Agreement. Notwithstanding the effectivity of the termination notice or the expiry of the 5-year period, this Agreement shall continue to be effective until the termination date of the last Service secured by Customer from EASTERN COMMUNICATIONS, but only as regards to such remaining Service or Services.
- 1.2 The initial term for the provision of the Service shall start on Service Acceptance Date and shall end two (2) years from the Service Acceptance Date or for the period indicated in Annex "A" or in a supplemental agreement, for all existing Services availed of Customer, or in the duly accepted Service Order Form ("Order Form") or signed and accepted proposal for Services that the Customer may hereafter avail ("Initial Term"). The Initial Term shall automatically be renewed for another one (1) year period after the expiration of the Initial Term ("Renewed Term", and collectively with the Initial Term as the "Term"), unless either Party has given a written notice of its desire not to renew the provision of the Service at least thirty (30) days prior to the end of the Initial Term. Notwithstanding the expiration of the Term, the terms and conditions herein stipulated as well as the charges due corresponding to the continuous usage of the Service shall continue to be enforceable until the effective date of termination or Customer's actual cessation of the use of the Service, whichever comes later. EASTERN COMMUNICATIONS is not bound to provide the Service until a duly authorized official of EASTERN COMMUNICATIONS signs and accepts the Order Form or the proposal.

2. SERVICE ACCEPTANCE

- 2.1 Customer shall be deemed to have accepted and confirmed that the Service is working based on the agreed specification if no valid written notice of complaint is received by EASTERN COMMUNICATIONS within twenty-four (24) hours from date of actual activation of the Service ("Service Acceptance Date").

3. CONTENTS/ENTIRE AGREEMENT

- 3.1 This Agreement, together with any subsequent appendices and addenda that are incorporated by reference to this Agreement (including the individual Order Forms for each Service or signed proposal) mutually agreed to by the Parties in writing, represents the entire agreement between the Parties with respect to the Service. Any and all previous agreements or contracts entered into by them which are inconsistent herewith are hereby superseded.

4. TERMINATION CHARGE

- 4.1 Either Party may pre-terminate this Agreement with immediate effect if the other Party fails to rectify any breach of its material obligations in this Agreement within thirty (30) days from receipt of written notice of demand to remedy the breach. EASTERN COMMUNICATIONS may also pre-terminate this Agreement if it becomes impossible to continuously provide the Service within the Term due to acts attributable to Customer or circumstances or factors beyond the control of EASTERN COMMUNICATIONS.

- 4.2 If this Agreement or a particular Service is pre-terminated by Customer without the fault of EASTERN COMMUNICATIONS, Customer shall be liable to a pre-termination charge equivalent to three (3) months' monthly service fee ("MSF") or the MSF due for the unexpired Term, whichever is higher.
- 4.3 In case of pre-termination, whether by Customer or EASTERN COMMUNICATIONS, Customer shall promptly return to EASTERN COMMUNICATIONS the Equipment provided for the Service without need of demand within five (5) days from the date of pre-termination; otherwise, in addition to the pre-termination charge, it shall be liable for the replacement cost of the lost, damaged or unreturned Equipment, as shall be determined by EASTERN COMMUNICATIONS.

5. AUTHORITY

- 5.1 Each Party warrants that it has obtained all the corporate approvals and has the legal capacity to enter into this Agreement and perform its obligations herein stipulated. Each Party further warrants that the person signing this Agreement for and on its behalf has been duly authorized to bind such Party to the terms and conditions of this Agreement.

6. PAYMENT AND DEPOSIT

- 6.1 EASTERN COMMUNICATIONS shall provide Customer with a monthly statement of account ("SOA") corresponding to the MSF and other charges due. Customer shall pay the MSF and all the other charges indicated in the SOA ("Charges") no later than the indicated payment due date. Should Customer fail to pay the Charges set forth in the SOA on the payment due date, Customer shall be liable to EASTERN COMMUNICATIONS for any and all costs and/or expenses incurred by EASTERN COMMUNICATIONS, whether directly or indirectly, in the collection or attempted collection of any amount due including reasonable attorney's fees and expenses.
- 6.2 Any deposit posted by Customer ("Deposit") shall not earn interest and shall remain intact for the duration of this Agreement. At the sole option of EASTERN COMMUNICATIONS, Customer may be required to post additional Deposit. The posting of the Deposit shall not discharge Customer from the payment of the Charges on due date. Any claim of EASTERN COMMUNICATIONS against Customer may, at the sole option of EASTERN COMMUNICATIONS, be deducted and charged against the Deposit. The Deposit shall be returned to Customer within sixty (60) days from termination of this Agreement, after deducting all obligations due from Customer.

7. CREDIT PRIVILEGES

- 7.1 Unless otherwise indicated in the SOA, the credit term is only for a maximum of twenty-five (25) days from the date of the SOA.
- 7.2 As a condition precedent to the granting by EASTERN COMMUNICATIONS of credit privileges, Customer hereby agrees to submit itself to a periodic credit check. EASTERN COMMUNICATIONS may, from time to time, require Customer to provide information regarding its financial condition at the time the requirement is made. When required, Customer shall promptly provide EASTERN COMMUNICATIONS such information.
- 7.3 EASTERN COMMUNICATIONS reserves the right to suspend the credit privilege and discontinue the provision of any or all of the Service without prior notice should Customer fail to settle any and all accounts/Charges due after the lapse of the credit term or when Customer has exceeded its assigned credit limit.
- 7.4 EASTERN COMMUNICATIONS may be required by law to submit the credit information of CUSTOMER. As such, EASTERN COMMUNICATIONS will, from time to time and in compliance with relevant laws and issuances, submit certain customer information to the concerned government agencies.

8. COMPLAINTS ON SOA

- 8.1 Customer shall submit a written complaint, exception and/or query on the SOA within fifteen (15) days from receipt thereof. After the lapse of the said period, Customer shall be deemed to

have irrevocably confirmed the correctness and validity of the Charges and waived its right to raise any question thereon.

- 8.2 Any adjustment in the SOA, as validated by EASTERN COMMUNICATIONS, shall be included in the monthly billing of the immediately succeeding month.

**9. PENALTY FOR LATE PAYMENT**

- 9.1 All past due accounts shall be imposed with interest at the rate of 2% per month and penalty charge by way of liquidated damages equivalent to 5% of the outstanding amount per month.

**10. PROVISION AND USE OF SERVICE AND EQUIPMENT**

- 10.1 Title to any EASTERN COMMUNICATIONS-furnished equipment in Customer's premises ("Equipment") shall at all times remain with EASTERN COMMUNICATIONS or its designee(s). Customer shall not permit any liens or encumbrances to be placed upon the Equipment, and EASTERN COMMUNICATIONS shall have the right to take all actions necessary to protect its ownership of, and other interests in, the Equipment. In this regard, Customer hereby recognizes that it holds the Equipment in trust for EASTERN COMMUNICATIONS and that EASTERN COMMUNICATIONS has the right to recover the same at any time.
- 10.2 Customer shall exercise the care, prudence and diligence expected of a good father of the family in the handling of the Equipment. Customer shall compensate EASTERN COMMUNICATIONS for any loss or damage to, whether intentional or non-intentional, including theft or robbery of, the Equipment, other than those caused by ordinary wear and tear.
- 10.3 Customer shall not, under any circumstance, resell the Service to any third party or permit any third party to use the Service or the Equipment. Customer shall comply with all rules and regulations imposed by EASTERN COMMUNICATIONS and applicable laws concerning the use of the Service and the Equipment, as such rules and regulations may change from time to time. Customer agrees to allow EASTERN COMMUNICATIONS or any of its agents or authorized representatives reasonable access to Customer's premises whenever necessary for the purpose of inspection, maintenance or repossession of the Equipment.
- 10.4 Customer shall not use the Service for the purpose of conducting fraudulent or illegal activities, including bypass activity and national and international simple resale. It shall not store any material or use the Service in any manner that constitutes an infringement of third party intellectual property rights as defined under Republic Acts No. 8293 (also known as the Intellectual Property Code) and 9239 (also known as the Optical Media Act of 2003) and other applicable laws.
- 10.5 Customer shall be solely responsible in providing security measures, devices and software for the protection of its communications and/or computer network and all the data stored therein, especially those that may be accessed through the Service (e.g. hacking, etc.). Customer agrees to hold EASTERN COMMUNICATIONS free and harmless from any and all claims and liabilities relating to, and the risks associated with, the unauthorized access by third parties via the Service to Customer's computer network and data.

**11. USE OF IP ADDRESS FOR INTERNET SERVICE**

- 11.1 EASTERN COMMUNICATIONS shall provide Customer an Internet Protocol Address/es ("IP Address(es)") for the Service. Title to each of the IP Addresses shall at all times remain with the EASTERN COMMUNICATIONS and is not transferable to Customer or any third party. If, in EASTERN COMMUNICATIONS' sole determination, Customer is not fully utilizing all the IP Addresses assigned to it by EASTERN COMMUNICATIONS, EASTERN COMMUNICATIONS may withdraw the underutilized IP Address/es from Customer upon notice.
- 11.2 EASTERN COMMUNICATIONS shall not be responsible for obtaining Customer's existing IP Address from Customer's previous Internet service provider.
- 11.3 Each of the IP Addresses provided to Customer is intended for its exclusive use. Thus, Customer shall be responsible in ensuring the IP Address/es against any unauthorized use. Customer shall be solely responsible for the use of the Service, including without limitation, posting, downloading, adding, deleting, sending messages and any other use or act done via the IP Address/es assigned to Customer, whether or not made with Customer's authorization and knowledge. Customer shall immediately notify EASTERN COMMUNICATIONS in writing as soon as it becomes aware or suspects that the security of the IP Address has been compromised. Upon receipt of such notice, EASTERN COMMUNICATIONS shall either provide a replacement IP Address to CUSTOMER or take such other reasonable measures as EASTERN COMMUNICATIONS deems appropriate under the circumstances. Should any investigation be conducted by any government agency/agencies with respect to the Service or the IP address provided

to Customer, Customer hereby allows EASTERN COMMUNICATIONS to furnish or disclose information about Customer and its use of the Service to such government agency/agencies pursuant to the said investigation.

**12. NETWORK USAGE**

- 12.1 All use of EASTERN COMMUNICATIONS' network and the Service by Customer must comply with internationally acceptable quality and ethical standards, in addition to such terms and conditions contained in this Agreement. EASTERN COMMUNICATIONS reserves the right to suspend or terminate the Service without need of notice if it reasonably determines that Customer violates the foregoing standards of quality and ethical use of the Service, or if, in the judgment of EASTERN COMMUNICATIONS, Customer's continued use of the Service is harmful to the network or operation of EASTERN COMMUNICATIONS or will affect its ability to provide satisfactory service to other customers.
- 12.2 Customer understands that the security and integrity of its network and of its customer base are vital to the business operation of EASTERN COMMUNICATIONS. Customer further understands that (i) any act or attempt to directly or indirectly circumvent user authentication or security of any host, network or customer, including but not limited to, unauthorized accessing of data, logging into a server or other customer accounts without authority to do so; (ii) any acts tending directly or indirectly to probe into the security of other networks or that of EASTERN COMMUNICATIONS, (iii) any act or attempt to interfere with the service to other Internet users, hosts or networks, including, but not limited to, using programs, script, command to effect "flooding" of any network, overloading a service or crashing or causing destruction to a host or other customers via "nuking" programs or by sending malicious e-mails, whether such malice arises out of the content, frequency, number or size of the messages or messages of any kind, designed or intended to interfere with, annoy or offend other users of the Internet whether within or outside EASTERN COMMUNICATIONS' network, are strictly prohibited.
- 12.3 Any of the foregoing and similar acts committed by Customer or by any other person using the Service, whether or not such use is with the knowledge and/or consent of Customer, shall constitute a breach of this Agreement and shall be a valid ground for EASTERN COMMUNICATIONS to immediately suspend or terminate the Service and this Agreement. Should any investigation be made by any governmental agency/agencies in regard to the commission of such acts, Customer hereby allows EASTERN COMMUNICATIONS to disclose all information relative to Customer and the Service, as may be needed by such investigating agency/agencies.
- 12.4 This Agreement does not constitute a license for Customer to copy, reproduce, distribute or otherwise use any proprietary information provided or accessible through the Service.

**13. SERVICE LEVEL AGREEMENT**

- 13.1 Unless otherwise specified in a separate written document executed by the duly authorized representatives of the Parties, the provision of the Service is pursuant to a Service Level Agreement ("SLA") is as follows:

**Service Availability** - EASTERN COMMUNICATIONS shall endeavor to deliver and maintain the Service with the following Service Availabilities, when applicable:

- High Availability Service (HAS) – 99.9%
- Domestic Lease Line (DLL) – 99.8%
- Internet Direct Service (IDS) – 99.8%
- IDS Select – 99.5%
- Fiber 1 – 99.0%
- Fiber1 Micro – 99.0%

**Committed Information Rate** - The Service offers premium Internet access direct to the global Internet, ensuring optimal throughput and full port delivery. The Service will provide guaranteed dedicated bandwidth from EASTERN COMMUNICATIONS' Internet network to the global Internet. The Committed Information Rate ("CIR") is the guaranteed bandwidth available to CUSTOMER for the duration of the use of the Service, defined per service, as follows:

- High Availability Service (HAS) – 99.9%
- Domestic Lease Line (DLL) – 99.8%
- Internet Direct Service (IDS) – 99.8%
- IDS Select – 99.5%
- Fiber 1 – 99.0%
- Fiber1 Micro – 99.0%

In any event, the CIR is subject to, among others, the computer specifications of the end-user, the connection of the intended website and global internet, and such other physical factors affecting the connection to the Internet.

*For Internet Services, or when applicable:*

**Burstable Rate** - The Burstable Rate is defined as the maximum

bandwidth or utilization of the Service that CUSTOMER may attain when no other customer is using the bandwidth. As such, EASTERN COMMUNICATIONS does not guarantee the attainment of the Burstable Rate at any given time.

**Latency** - The Service will provide guaranteed latency from two hundred (200) to three hundred (300) ms measured from CUSTOMER router up to EASTERN COMMUNICATIONS' upstream provider at any time of the day provided that CUSTOMER's link utilization does not exceed the subscribed bandwidth.

14. **CUSTOMER EXPERIENCE**

- 14.1 EASTERN COMMUNICATIONS shall maintain a Customer Experience Center (CEC) which shall operate twenty-four (24) hours a day, seven (7) days a week, to monitor and maintain the Service within the SLA performance levels specified in this Agreement. EASTERN COMMUNICATIONS shall use all reasonable measures to remedy the fault as soon as practicable in consonance with the SLA performance levels herein specified.
- 14.2 EASTERN COMMUNICATIONS shall endeavor to make available, when necessary by reason of the nature of the fault, an on-site technical assistance/support within eight (8) hours from the time a trouble ticket shall have been issued. Availability of the on-site technical assistance / support shall be subject to the sole discretion of EASTERN COMMUNICATIONS. The obligation of EASTERN COMMUNICATIONS to restore the Service shall be limited only to the Equipment and its facilities.

15. **SERVICE INTERRUPTIONS AND REBATES**

- 15.1 Customer acknowledges that it is necessary for the Equipment and EASTERN COMMUNICATIONS' network to undergo periodic preventive maintenance work which may affect the provision of the Service. Customer holds EASTERN COMMUNICATIONS free from any liability on account of any loss or damage it may sustain during the performance of the maintenance work.
- 15.2 Customer further acknowledges that there may be interruption in the provision of the Service as no facility is absolutely free from risks of failure or breakdown.
- 15.3 Customer shall immediately notify EASTERN COMMUNICATIONS, through the CEC, of all faults associated with the availment/operation of the Service for proper logging, issuance of trouble ticket number, and repair/restoration procedure. In the event of a fault, EASTERN COMMUNICATIONS shall use all reasonable measures to remedy the fault as soon as practicable.
- 15.4 **Scheduled Maintenance Work**  
In the event of scheduled maintenance works on EASTERN COMMUNICATIONS' network or any other scheduled maintenance work to be undertaken by EASTERN COMMUNICATIONS which may affect the provision of the Service, EASTERN COMMUNICATIONS undertakes to provide Customer a notice in writing or via electronic mail at least five (5) days prior to the start of the scheduled maintenance works, which shall include:
- the time frame and duration of the works;
  - the nature of the work to be undertaken; and
  - the customers and services to be affected thereby.
- 15.5 Customer undertakes to conform to such scheduled maintenance work, unless the same would be severely detrimental to Customer's business operations. In such a case, Customer may request for a rescheduling of the works and provide EASTERN COMMUNICATIONS with suggested alternative dates for the maintenance works which shall in no case be later than thirty (30) days from the original scheduled date of the maintenance work; provided, however, that EASTERN COMMUNICATIONS is not obligated to approve the request. Once approved by EASTERN COMMUNICATIONS, Customer agrees to abide by the rescheduled maintenance work. EASTERN COMMUNICATIONS may perform emergency maintenance works or works which need to be promptly performed upon notice to Customer.
- 15.6 Customer shall allow EASTERN COMMUNICATIONS access to the Equipment should the need arise to address service issues and other related services.
- 15.7 **Full Service Interruption**  
EASTERN COMMUNICATIONS may grant a rebate to Customer due to full network service interruption. Customer shall file a written claim for rebate with EASTERN COMMUNICATIONS within thirty (30) days from the end of each year of the Service, otherwise, said claim shall be deemed to have been irrevocably waived. EASTERN COMMUNICATIONS shall validate the cause of the full service interruption within five (5) business days from receipt of the written claim. If the full service interruption is determined to have been caused by faulty equipment or the fault or negligence of EASTERN COMMUNICATIONS, EASTERN

COMMUNICATIONS shall grant a rebate to Customer equivalent to a portion of the MSF computed on the basis of the below computation. EASTERN COMMUNICATIONS, at its sole discretion, may set off any said rebates against any billing due from Customer. Notwithstanding the foregoing, Customer shall only be entitled to rebates provided that all its accounts are up to date.

Full network service interruption refers to the period of outage resulting to total information transfer loss in excess of the allowable outage per year of service.

**For HAS (with 99.9% SLA)**

| Service Availability (%) | Downtime/Outage per Year | Rebate Percentage (%) |
|--------------------------|--------------------------|-----------------------|
| <100%                    | 99.9% 0s 8h45m           | 0%                    |

In the excess of 8h and 45min:

$$\text{YTD Rebate (Php)} = \frac{\text{MSF} \times 12 \text{ months}}{365 \text{ days}} \times \frac{\text{Total Hours of Outages Per Year} - 8\text{h}45\text{m}}{24 \text{ Hours}}$$

**For IDS and DLL (with 99.8% SLA)**

| Service Availability (%) | Downtime/Outage per Year | Rebate Percentage (%) |
|--------------------------|--------------------------|-----------------------|
| < 100%                   | 99.80% 0s 17h 30m        | 0%                    |

In the excess of 17h and 30min:

$$\text{YTD Rebate (Php)} = \frac{\text{MSF} \times 12 \text{ months}}{365 \text{ days}} \times \frac{\text{Total Hours of Outages Per Year} - 17.5 \text{ hours}}{24 \text{ Hours}}$$

**For IDS Select (with 99.5% SLA)**

| Service Availability (%) | Downtime/Outage per Year | Rebate Percentage (%) |
|--------------------------|--------------------------|-----------------------|
| < 100%                   | 99.50% 0s 43h 48m        | 0%                    |

In the excess of 43h and 48min:

$$\text{YTD Rebate (Php)} = \frac{\text{MSF} \times 12 \text{ months}}{365 \text{ days}} \times \frac{\text{Total Hours of Outages Per Year} - 43.8 \text{ Hours}}{24 \text{ Hours}}$$

**For Fiber 1 and Fiber 1 Micro (with 99.0% SLA)**

| Service Availability (%) | Downtime/Outage per Year | Rebate Percentage (%) |
|--------------------------|--------------------------|-----------------------|
| < 100%                   | 99.0% 0s 87h36m          | 0%                    |

In the excess of 87h and 36min:

$$\text{YTD Rebate (Php)} = \frac{\text{MSF} \times 12 \text{ months}}{365 \text{ days}} \times \frac{\text{Total Hours of Outages Per Year} - 87\text{h} \ 36\text{mins}}{24 \text{ Hours}}$$

- 15.8 The rebate shall be the only and exclusive remedy available to Customer and no other payment for compensation of any kind whatsoever shall be claimed by Customer against EASTERN COMMUNICATIONS arising from service interruption.

16. **DISCONTINUANCE OF SERVICE**

- 16.1 In addition to any other remedies available to EASTERN COMMUNICATIONS, EASTERN COMMUNICATIONS may, without incurring liability, immediately discontinue the Service in the event of violation by Customer of any of the provisions of this Agreement or of any other agreement with EASTERN COMMUNICATIONS or its affiliates.
- 16.2 Customer shall also be in breach of this Agreement upon the occurrence of any of the following events: (i) the initiation by Customer of a voluntary bankruptcy proceeding; (ii) the initiation of an involuntary bankruptcy proceeding against Customer that is not dismissed within sixty (60) days from initiation; (iii) the appointment of a receiver or a trustee for Customer; (iv) a general assignment by Customer for the benefit of Customer's creditors; (v) Customer's insolvency; (vi) the non-payment of any amount due to EASTERN COMMUNICATIONS and/or its affiliates under this Agreement or any other agreement; (vii) when EASTERN COMMUNICATIONS deems that it is necessary to discontinue the Service in order to protect against its fraudulent or illegal use, or to protect the business interest of EASTERN COMMUNICATIONS, its network, equipment, and/or facilities; (viii) when EASTERN COMMUNICATIONS receives legitimate complaints or claims from third parties regarding Customer's use of the Service; or (ix) Customer fails to comply with the warranties set forth in this Agreement.
- 16.3 Upon any discontinuance of the Service, Customer shall immediately cease utilizing the Service. In the event EASTERN COMMUNICATIONS decides to pre-terminate this Agreement, Customer shall (i) immediately return the Equipment and any Service Agreement Software to EASTERN COMMUNICATIONS within five (5) days from notice; (ii) permit EASTERN COMMUNICATIONS to have access to, and recover possession of the Equipment from, Customer's premises; (iii) pay EASTERN COMMUNICATIONS all Charges incurred up

- to the date when the Service is actually discontinued; and (iv) pay the Termination Charge provided under this Agreement.
- 16.4 EASTERN COMMUNICATIONS reserves the right to discontinue the Service if it becomes impossible, in the judgment of EASTERN COMMUNICATIONS, to maintain the Service without impairing its regular public service or if it has been notified, or it has reason to believe, that Customer has been using the Service, the Internet and / or the Equipment for illegal or fraudulent activities, in violation of the rules, regulations or laws on using the Service, or in infringement of third party's rights.
- 17. INDEMNIFICATION/LIMITATION OF LIABILITY**
- 17.1 Customer shall defend, indemnify and hold EASTERN COMMUNICATIONS or its subsidiaries and affiliates, and their respective directors, officers, employees, principals, agents and representatives, free and harmless from and against all claims, demands, actions, losses, damages, liabilities, suits, proceedings, judgments, fines, penalties, costs and reasonable attorney's fees and expenses of any kind or nature or for any damages of any kind arising from or related to any use of the Service and or the Equipment, whether such use is by the Customer or by any third party irrespective of whether the Customer has authorized or known about such usage, or otherwise arising under or related to this Agreement, the Service and or the Equipment.
- 17.2 In the event Customer uses the Service or the Equipment to perform or conduct bypass activity, national or international simple resale or any fraudulent activities, Customer agrees to pay EASTERN COMMUNICATIONS liquidated damages equivalent to 200% of the losses incurred by EASTERN COMMUNICATIONS, including but not limited to, actual loss, potential revenue loss and claims of third parties, whether disputed or actually paid by EASTERN COMMUNICATIONS. The foregoing is without prejudice to any other remedy available to EASTERN COMMUNICATIONS in this Agreement and under applicable laws, rules and regulations.
- 17.3 In no event shall EASTERN COMMUNICATIONS be liable for any unauthorized access by a third party to Customer's computer network or data, loss of profits or data, or for any incidental, special, exemplary, or consequential damages. EASTERN COMMUNICATIONS' maximum liability for any damages arising out of or any way related to this Agreement or the Service or the Equipment, if any, shall not exceed the total Charges for the Service provided during the month in which such liability arises.
- 18. REPRESENTATION AND WARRANTIES**
- 18.1 EASTERN COMMUNICATIONS shall provide the Service and the Equipment as set forth in this Agreement. EASTERN COMMUNICATIONS does not warrant that the Service or Equipment shall be uninterrupted or error free; nor does EASTERN COMMUNICATIONS guarantee the security or privacy of any computer network or any data. Further, EASTERN COMMUNICATIONS does not warrant that the information available and/or accessed through the Service or the Internet shall be accurate, correct, or appropriate for the Customer or any third party's needs, free from viruses or other disabling codes, or that such information shall not infringe upon any proprietary or other rights of others. The use of the Service or the Internet and any information available and/or accessed through the Service or the Internet, and any security features provided for the Service shall be at Customer's and user's sole risks.
- 18.2 Other than any express warranties contained in this Agreement, EASTERN COMMUNICATIONS disclaims all warranties, either express or implied, with regard to the Service including, without limitation, any implied warranties or conditions of merchantability, fitness for a particular purpose and non-infringement of third party rights.
- 18.3 Customer hereby represents and warrants that use of the Service shall not violate or infringe upon any proprietary or other rights of others, be abusive, threatening, obscene, profane or otherwise offensive, or violate any laws or regulations. Customer shall not represent to any third party that EASTERN COMMUNICATIONS has made any warranty or representation of any kind with respect to the Service, the Internet or the Equipment.
- 19. NON-ASSIGNABILITY**
- 19.1 Customer may not assign or transfer this Agreement or any rights or obligations hereunder without the prior express written consent of EASTERN COMMUNICATIONS. It is hereby agreed and understood that EASTERN COMMUNICATIONS may assign or transfer any of its rights under this Agreement to any of its affiliates upon written notice to Customer.
- 19.2 This Agreement shall not give rise to any third party being a third party beneficiary or being entitled to any rights whatsoever under this Agreement.

**20. CONFIDENTIALITY AND NON-DISCLOSURE**

- 20.1 The Parties hereby agree to keep confidential all information disclosed by reason of the provision of the Service and mutually undertake not to disclose to anybody any information without prior written consent from the other Party. However, Customer hereby allows EASTERN COMMUNICATIONS to disclose information about Customer and its use of the Service if the same is required by reason of any investigation conducted by any governmental agency/agencies relative to Customer's use of the Service.

**21. DATA PRIVACY**

- 21.1 Customer hereby authorized EASTERN COMMUNICATIONS to collect, process and store personal information as may be necessary to provide the Service. EASTERN COMMUNICATIONS will collect, process, and store personal information, and handle personal data breach in accordance with law.

**22. FORCE MAJEURE**

- 22.1 EASTERN COMMUNICATIONS shall not be liable for, and is excused from, any failure or delay in the performance of its obligations due to acts of God, acts of civil or military authorities, acts of the public enemy, war or threats of war, accidents, fires, explosions, earthquakes, floods, severe weather, epidemics, submarine cable break, delay or non-issuance of work permit or refusal of entry by the building or private area administrator where the Service is provided, or due to any other similar causes or those causes that are beyond its reasonable control.

**23. INDEPENDENCE OF PARTIES**

- 23.1 EASTERN COMMUNICATIONS and Customer are independent contracting parties. This Agreement shall not constitute the Parties as principal and agent, partners, joint venturers, or employer and employee.

**24. NOTICE**

- 24.1 Customer shall send all written notice to EASTERN COMMUNICATIONS addressed to the attention of the Head of Customer Experience, Eastern Telecommunication Philippines, Inc., 8th Floor, Telecom Plaza, 316 Sen. Gil J. Puyat Avenue, Salcedo Village, Makati City or through facsimile at +63 2 5300-1111, or through email at CustomerService@etpi.com.ph. Any other written notice that does not comply with the notice requirements specified in this Agreement shall not be considered.

**25. REIMBURSEMENT FOR ATTORNEY'S FEES**

- 25.1 In the event an action is brought by EASTERN COMMUNICATIONS against the Customer to enforce this Agreement, in addition to any other remedy available to EASTERN COMMUNICATIONS under such action, Customer shall reimburse EASTERN COMMUNICATIONS for reasonable attorney's fees and expenses of any kind or nature incurred in connection therewith.

**26. GOVERNING LAW AND VENUE OF SUIT**

- 26.1 This Agreement shall be governed and construed in accordance with the laws of the Republic of the Philippines, including the rules and regulations of the National Telecommunications Commission, which are deemed incorporated by reference to this Agreement. This Agreement may be terminated / suspended by EASTERN COMMUNICATIONS by reason of or on any ground provided for in such rules, regulations, laws or ordinances. Furthermore, the parties hereby agree to observe and be bound by pertinent rules and regulations of the International Telecommunications Union as well as any and all ordinances, statutes, rules or regulations relating to telecommunications, all of which are incorporated to this Agreement by reference.
- 26.2 Any dispute which may arise out of, or in connection with, this Agreement shall be subject to the exclusive jurisdiction of the proper courts of Makati City, Metro Manila, to the exclusion of all other courts.

**27. USE OF ELECTRONIC SIGNATURE**

- 27.1 This Agreement may be executed electronically or by way of electronic signature and such electronic signatures shall be deemed original signatures, have the same force and effect as manual signatures and binding upon the Parties.

**CONFORME:**

I have read and understood the foregoing terms and conditions of this Agreement relative to the provision of the Service by EASTERN COMMUNICATIONS. As proof of my understanding of, and conformity with the foregoing, I hereby affix my signature below.



ATTY. REYNAULD R. VILLAFUERTE - General Manager  
Name and Position