

**NPM No. 29-2008**

23 September 2008

**Mr. JOSELITO R. MATIAS**

*President*

**NATIONAL TELECOMMUNICATIONS OFFICE-EMPLOYEES UNION**

**DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS**

3<sup>rd</sup> Floor, Telof Main Building, Roces Avenue, Quezon City

**Re : Mixed Procurement**

Dear Mr. Matias:

This pertains to your letter dated 15 April 2008 requesting guidance on the recently held bidding for the project, Repair Services for Various Defective Transmission Cards/Modules of the Telecommunications Office (TELOF) of the Department of Transportation and Communications (DOTC).

As can be gleaned from the facts stated in your letter, the Technical Working Group (TWG) in its post-qualification report recommended to the TELOF-Bids and Awards Committee (BAC) a declaration of a failure of bidding, in view of the following findings:

1. Nature of the business of Allerim Marketing Corporation, the purported winning bidder is trading, while the project calls for repair services which the TWG finds not within the scope or the primary purpose of Allerim's business as authorized by the Securities and Exchange Commission;
2. The mayor's permit of the bidder was not secured under the service contractor's category;
3. Per inquiry with the Bureau of Internal Revenue (in letter dated 12 December 2007), Allerim is engaged in the wholesale of hardware, plumbing, heating equipment and other retail sale in specialized stores and is not engaged in the sale of service of whatever nature; and
4. Violations of Rule 12, Section 69.1.2 of Republic Act No. 9184 (R.A. 9184), to wit:

*In addition to the provisions of Rules XXI and XXII of this IRR-A, the head of the procuring entity, subject to the authority delegated to the BAC, if any, shall impose on bidders or prospective bidders, the administrative penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense  
x x x for the following violations:*

x x x

2. *Submission of Bids that contain false information or falsified documents, the concealment of such information in the Bids in order to*

*influence the outcome of the eligibility screening or any other stage of the public bidding.*

Consequently, the TWG found the bid proposal of Allerim non-responsive and thereafter recommended blacklisting of said bidder. Conversely, BAC issued Resolution No. 006-12-07, recommending award to Allerim to the head of the procuring entity.

Based on the foregoing, this office is requested to:

1. Conduct a clear evaluation on the report of the TWG; and
2. Determine if the project is a procurement of goods or procurement of infrastructure projects.

At the outset, please be informed that the Government Procurement Policy Board (GPPB), although imbued with quasi-legislative or rule-making power to determine policy directions in the area of public procurement, has no investigatory or adjudicatory powers and functions.


Corollary to the foregoing, the determination whether the procurement is one of goods or civil works, likewise falls within the discretion of the procuring entity. For guidance purposes, the procuring entity should take note of Sections 5 (k) and (n) of the Implementing Rules and Regulations (IRR-A) of R.A. 9184, for the categorical definitions of goods procurement and infrastructure procurement, respectively.

Furthermore, paragraph (p), Section 5 of the IRR-A<sup>1</sup> offers an answer to questions of classification in cases involving mixed procurements. Whether an intended procurement is of goods or of infrastructure, the issue necessarily involves the determination of the primary intention for which the contract is sought to be undertaken. While the procurement may have been conceived for a number of purposes or uses, that which is primary or foremost shall dictate in identifying its true nature.

This opinion is being rendered without prejudice to any probe or further investigation which may be conducted by other oversight agencies, (i.e. the Office of the Ombudsman, the Presidential Anti-Graft Commission, or the Commission on Audit) on the action of the responsible procurement officials nor does this preclude any party from instituting any court action which it may deem necessary.

We trust that this clarifies matters.

Very truly yours,

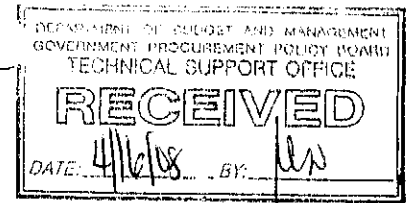
  
for **RUBY U. ALVAREZ**  
Executive Director III

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<sup>1</sup>**Procurement.** Refers to the acquisition of Goods, Consulting Services, and the contracting for Infrastructure Projects by the Procuring Entity. In case of projects involving mixed procurements, the nature of the procurement, i.e., goods, infrastructure projects, or consulting services, shall be determined based on the primary purpose of the contract. x x x



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
**TELECOMMUNICATIONS OFFICE**  
NATIONAL TELECOMMUNICATIONS EMPLOYEES UNION  
3<sup>rd</sup> Floor Telo Main Bldg., Roces Ave Quezon City



15 April 2008

**RUBY U. ALVAREZ**  
Executive Director  
Government Procurement Policy Board  
Unit 2506, Raffles Corporate Center  
F. Ortigas JR Ave. Pasig City

*Agts,  
Pls. prepare memo setting forth  
your findings and recommendations  
as discussed last week.*

*MJ 4/21/08*

Dear Madam :

This is in connection with recently held bidding for the Repair of Switching and Transmission card module last Nov. 12 and 26, 2007 under the supervision of the Telecommunications Office (TELOF) Bids and Award Committee in which the assigned Technical Working Group made a recommendation to declare the bidding process a failure due to the findings that the bidder failed to comply/satisfied the requirement of R.A. 9184 provision .and bidding requirement.

The recommendation of the TWG was ignored by the BAC and instead they made a resolution to award the project with out any piece of evidence presented to support the resolution, the BAC simply indicate " THE TWG FAILED TO SUBSTANTIATE THE RECOMMENDATION TO DECLARED THE BIDDING A FAILURE, BAC did not even bother to disprove/dispute the TWG findings and there's no mention also of the required standard level of substantiation, if any, for consideration for an award

In view of the above may we request to the policy board to make a clear evaluation on the attached Evaluation Report of the Technical Working Group ( Annex B.) if indeed the recommendation made is not a ground for the bidding process a failure and the blacklisting of the bidder, We further request to make evaluation if this kind of project is consider a GOODS or INFRASTRUCTURE and. a query is also raise if there's any violation committed by the BAC on this undertaking?

For clarification on some uncertain item, you may call us at Tel. 3713281 loc 420/449 or at mobile phone # 09206059697.

For your kind consideration.

Very truly yours,

  
**JOELITO R. MATIAS**  
President-NTEU



**REPUBLIC OF THE PHILIPPINES**  
**DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS**  
**TELECOMMUNICATIONS OFFICE**  
**NATIONAL TELECOMMUNICATIONS EMPLOYEES UNION**  
*3<sup>rd</sup> Floor Telo Main Bldg., Roces Ave Quezon City*

15 April 2008

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For your kind consideration.

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President-NTEU



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE

Record:  
JRS 12/13/2007

13 December 2007

**THE CHAIRMAN**  
**Bids and Award Committee (BAC)**  
Telecommunications Office

**Evaluation Report: BID OF ALLERIM MARKETING CORPORATION ON THE  
REPAIR SERVICES OF VARIOUS DEFECTIVE  
TRANSMISSION CARDS/MODULES**

The TWG findings are based on the following documents submitted by Allerim Marketing Corporation in his bid.

1. SEC Registration Certificate
  - a. Articles of Incorporation
2. Valid mayors permit
  - a. Manila Business Permit for WSALE GEN MDSE
  - b. Manila Business Permit for REPAIR SVCS
3. BIR Registration Certificate, which contains the TIN
  - a. Certificate of Registration
4. NTC permits
  - a. Dealers permit (Modification Permit DP-CO-0061-2003)
  - b. Service center's (Permit New permit RS-CO-0001-2007)
5. Manpower Requirements
  - a. Management Plan
6. List of Contractor's service testing equipment, as stated in the BDS and NTC
  - a. Memorandum Circular No. 2-05-88
7. Signing Authority

**FACTS IN THE ABOVEMENTIONED DOCUMENTS**

**1. SEC Registration Certificate**

In the articles of incorporation issued by SEC States that the primary purpose of the corporation is to engage in the business of trading of goods such as electronic, communication parts & equipment, Hardware & electrical supplies, etc

**2. Mayor's Permit**

- a) One business permit issued in the City of Manila states on the kind of business area "WSALE GEN MDSE"
- b) While the other permit issued in the City of Manila, states on the Kind of Business column "REPAIR SVCS" while on the "ADDL. BNS (Telecom EQUIPT. PARTS & ACCESSORIES)"

Annex B

**3. BIR Registration Certificate**

The certificate of registration issued by the BIR has a registration date of 03/03/2000. In the line of business/ industry area, states "5143 WHOLESALE OF HARDWARE, HEATING Equipment" and "OTHER RETAIL SALE IN SPECIALIZED STORES"

**4. NTC Permits**

a) The Dealer's permit grants Allerim Marketing Corporation with shop/laboratory located at 2625 Aurora Blvd., Brgy. 379 Zone 038 Sta. Cruz Manila, the permit to engage in the buy and sell of radio transmitters and transceivers. The affectivity date is from January 1, 2007 to December 31, 2007. This was issued on May 10, 2007. This Dealer's Permit has modification. This permit was issued on August 30, 2007, and effective from August 7, 2007 to August 6, 2008.

b) The Service Center's Permit grants Allerim Marketing Corporation with shop/laboratory located at 2625 Aurora Blvd., corner Leeson St., Sta. Cruz, Manila the permit to engage in the repair and service of radio Transmitter and Transceiver, effective from August 7, 2007 to August 6, 2007. was issued on August 30, 2007.

**5. Manpower Requirements**

The SSS Clearance states that Allerim Marketing Corporation had paid SSS contribution for only two (2) employees

The management plan shows six (6) employees of Allerim Marketing Corporation which includes the names of employees, position, school, course and work experience

**6. List of Contractor's Service Testing Equipment**

- a) No. 1 Tracker (Printed Circuit Diagnostic Test Equipment) Handtrone Tracker 2000 Signal Analyzer, s/n 22A23543
- b) No. 4 IC Functional Meter with IC Tester (digital), Wheeler Digital model WDT57000, s/n WDT570000710374
- c) No. 6 Signal Generator
- d) No. 8 Frequency counter

**7. Authority**

Certificate of Authority in favor for Mr. Rolando M. Lee

**FINDINGS**

After evaluation and verification made by the composite team, the following are our findings:

- 1. The Articles of Incorporation of ALLERIM MARKETING (SEC registration) failed to comply the eligibility requirement because the nature of business of ALLERIM is to engage in the trading of goods such as electronic, communication parts & equipment, Hardware & electrical supplies, etc. The repair services such as the repair of transmission cards that ALLERIM is engaging with TELOF, which is costing the government of more than P 6,000,000.00 is not within the scope or the primary purpose of the business authorized by SEC.

The bidder should have submitted instead an amended SEC registration with the primary purpose of engaging in contracting repair works of electronics, switching parts etc. since the project involves millions of pesos

Sec. 3611 of the corporate law of the Philippines, which states, "To exercise such other function to carry out its purpose of purposes that is stated in its articles of incorporation", does not apply here because Allerim Marketing Corporation had already entered into similar contracts before, which in effect have enough time to amend the Articles of Incorporation

2. The Mayor's Permit issued to ALLERIM MARKETING CORPORATION by the City of Manila is just an ordinary permit without any category. In this case, ALLERIM MARKETING CORPORATION should have secured a permit with a Service Contractor's Category.
3. In the line of business/industry area approved by BIR, ALLERIM MARKETING CORPORATION shall only be engaged in the wholesale of hardware, plumbing, heating equipment and other retail sale in specialized stores.

In the attached 12 December 2007 letter (annex A) reply of Mr. Wilfredo Z. Namola, BIR Revenue District Officer, concerning our query on the matter, informed us that based on their records, ALLERIM MARKETING CORPORATION, with registered address at 2625 Aurora Blvd., Sta Cruz, Manila is engaged in the wholesale of hardware, plumbing, heating equipment and other retail sale in specialized stores, and is not engaged in the sale of service of whatever nature.

In our opinion and based on facts, the submitted BIR certificate of registration failed to comply the eligibility requirement.

4. a) Dealers Permit issued by NTC which covers buy and sell of radio transmitter and transceiver and Service in this Center's Permits which covers repair and service of radio transmitters and transceivers, may deem not necessary undertaking.

In line with this, a team composed of TWG and Acceptance Group conducted ocular inspection and found out that the laboratory/shop referred in note no. 4, which is located at # 19 Sto. Nino St., Brgy. San Jose Antipolo City, does not exist. It is only a house with a receiving room, comfort room and a room with limited piece of tool and equipments displayed and few equipments being repaired. There are two (2) NTC Permits and SEC Certificate displayed on the wall (annex B) and no Mayor's Permit of Antipolo, which enables us to conclude that it is more likely considered a simple house and not a laboratory or shop.

Had the BAC noticed this during the opening of the bid, Allerim Marketing Corporation should have been rated "failed" based on Section 26.6.

Further verification made by the team confirm that ALLERIM MARKETING CORPORATION is not registered as a legitimate shop/laboratory, as stipulated in the attached certification (annex C) issued by Mr. Primer C. Paganuran, Officer-in-charge, Business Permit and Licensing Office of the City of Antipolo.

b) The *Service Center's Permit* of Allerrim Marketing Corporation to repair and service of radio transmitter and transceiver addressed at 2625 Aurora Blvd. corner Teeson St. Sta Cruz Manila, does not exist upon verification of the composite team.

It appears that Allerrim Marketing Corp. is misleading TELCO in the submission of false information which is in violation of Rule 12, Section 69.11 of RA 9184.

5. The Management Plan submitted by Allerrim Marketing Corporation comprises of six personnel: Mr. Rolando M. Lee, President/ General Manager; Merielle L. Gaza, Vice President and Rurik K. Lee, Corporate Secretary while the other three are Jennini Pablico, Jonathan Tindugan and Benjamin Rimando, all are TELCO Technician. However, on the submitted SSS clearance, the scheduled premium payments are only for two employees.

Because of this, we conclude that the bidder failed to comply the eligibility requirement for Management Plan. In this situation, this Office is at risk to engage in this practice of the company.

6. a) As part of equipment's mandatory requirement, Allerrim must own a Tracker (Printed Circuit Diagnostic Test Equipment). However, upon verification, the composite team was able to secure official receipts (annexes D, E & F) showing that the Tracker was actually owned by LNP TELECOM SALES & SERVICE, INC.

b) The RF Signal Generator, Cushman Electronics Inc. - has a frequency range of 0-1GHz (a of annex D) NTC Memorandum Circular No. 2-05-88 Sec.6.1 requires HF to UHF Band which is 3 MHz - 3 GHz.

c) Another required equipment that must be owned by the contractor is IC Functional Meter with IC Tester (WHEELER Digital IC Tester, model WDTS 7000 with SN WDTS 7000L00347) is actually a Digital Trainer based on the attached brochure (annex G). It is apparent that the equipment has been altered as can be seen in the attached photo (annex H).

d) The RF Frequency Counter, Kuramishi Instruments Model 6565C - has a frequency range of 10Hz - 600Mhz (b of Annex D) NTC Memorandum Circular No. 2-05-88 Sec.6.1 requires HF to UHF Bands which is 3Mhz - 3Ghz.

7. In the SEC certificate of incorporation, there was no mention for the position of Board Secretary who gave the authority to Mr. ROLANDO LEE to represent the company. Likewise, there was no Board Resolution document appointing Mr. Rurik Lee and Rolando Lee.
8. Among the permits submitted by the contractor, there was no permit or license as a Service Contractor. The license is a must since Allerrim Marketing Corporation is participating in the government procurement process (bidding).

#### RECOMMENDATION

Premises considered and pursuant to item C, of Sec. 35.1 of Rule X of the Implementing Rules and Regulation (IRR) of R.A. 9184, stated that "all bids fail to comply with all the bid requirement or failed post-qualification, the BAC shall declare the bidding a failure", the Technical Working Group of the Bids and Awards Committee do hereby recommends with deep regret the **DECLARATION OF FAILURE OF BIDDING**.

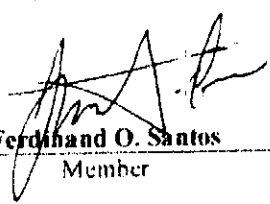


As a result of several violations by the bidder and in pursuant to Rule 11, Section 65.3.2 of the Implementing Rules and Regulations, of RA 9184, we respectfully **recommends the blacklisting of ALLERIM MARKETING CORPORATION to participate in any future procurement process of TELOF.**


**The Technical Working Group:**

  
\_\_\_\_\_  
**Rex Nephi M. Nugui** (12-13-07)  
Member

  
\_\_\_\_\_  
**Vicente Alcantara**  
Member

  
\_\_\_\_\_  
**Ferdinand O. Santos**  
Member

  
\_\_\_\_\_  
**Johnny A. Lcaño**  
End-User, Representative

  
\_\_\_\_\_  
**Nerio P. Madarang**  
Head, TWG



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE  
OFFICE OF THE REVENUE DISTRICT OFFICER  
REVENUE DISTRICT OFFICE NO. 31  
STA. CRUZ, MANILA



December 12, 2007

**ENGR. NERIC P. MADARANG**


Head, TWG  
Bids and Awards Committee  
Telecommunications Office  
A. Roces Ave., Quezon City

Dear Sir,

In reply to your letter request, please be informed that based on our records **ALLERIM MARKETING CORPORATION**, with registered address at 2625 Aurora Blvd., Sta. Cruz, Manila is engaged in the wholesale of hardware, plumbing, heating equipment and other retail sale in specialized stores, and is not engaged in the sale of services of whatever nature.

If your bidder **ALLERIM MARKETING CORPORATION**, wants to join your bidding on the repair service of various defective transmission cards/modules for telecommunications equipment, please advise the former to update their line of industry by using BIR Form 1905.

Very truly yours,

  
**WILFREDO Z. NARNOLA**  
Revenue District Officer



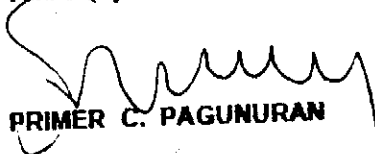
Republic of the Philippines  
CITY OF ANTIPOLO  
Province of Rizal  
Office of the City Mayor  
**BUSINESS PERMIT & LICENSE OFFICE**

## CERTIFICATION

This is to certify that per records on our current File/Database as of this date, there is no business establishment registered under the name of ALLERIM MARKETING CORP with business Address at 19 Sto Nino St. San Jose, Antipolo City while LNP TELECOMS SALES & SERVICE INC with address at # 7 Sto Nino St., San Jose , Antipolo City started its operation on 2003 up to 2005 , and since then, they have not renewed nor retired its business license here in our office in the City of Antipolo.

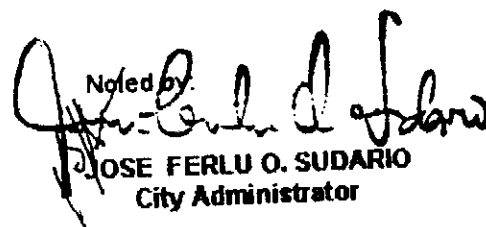
Issued this 12<sup>th</sup> day of December 2007 in Antipolo City upon the request of Engr. Nerio P. Adarang for whatever legal purpose it may serve.

Verified by:

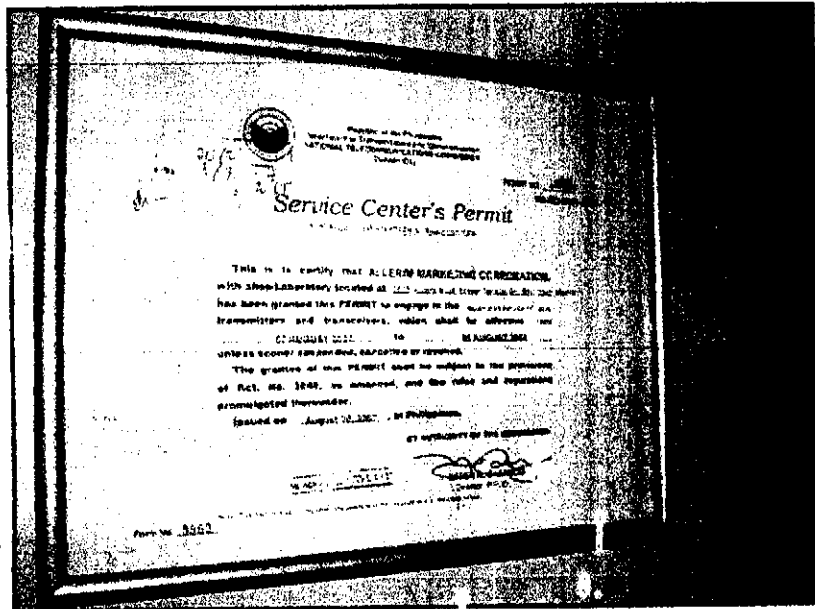
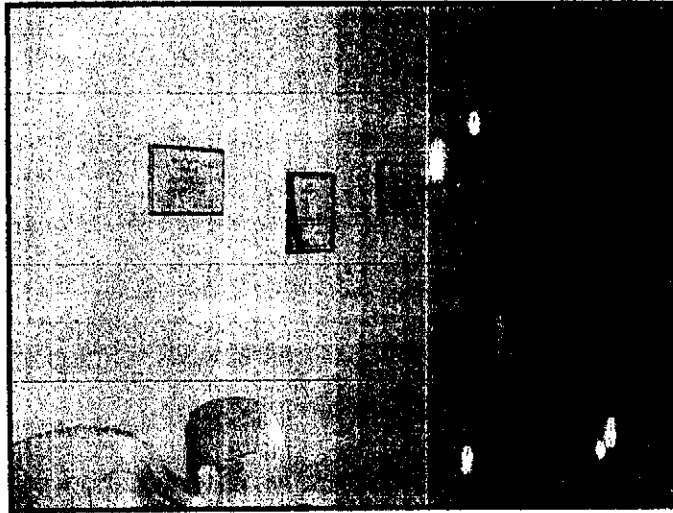
  
PRIMER C. PAGUNURAN

OIC-BPLO

Noted by:

  
JOSE FERLU O. SUDARIO  
City Administrator

ANNEX B



# Telecommunications & Computer Technologies, Inc.

2ND FLOOR, KALAW-LEDESMA CONDOMINIUM  
117 GAMBOA ST., LEGASPI VILLAGE, MAKATI CITY, PHILIPPINES  
TIN: 000-144-850-000-VAT  
TEL NOS: 815-0455 • 819-3141 • 819-3142 • 819-3255

MCC P.O. BOX 2356 MAK  
MAKATI CITY, PHILIPPINES  
FAX: +83 2 8105860

**OFFICIAL RECEIPT** No 1538

Date 1/25/

Amount		of the following
A		
	P 200,000	
Total		
Payment in form of:		
Check:		
Bank <u>MTR BANK</u>		
No. <u>007-402-50186-8</u>		
Cash		
Others		
Total Amount:		

Received from LMP ENTERPRISES

the sum of ONE HUNDRED THOUSAND PESOS ONLY

(P 100,000.-)

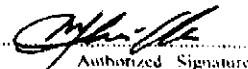
in full / partial payment of accounts thereon

Telecommunications & Computer Technologies, Inc.

This Official Receipt cancels

Provisional Receipt No. ....

Dated .....

  
Authorized Signature

*w*

# Telecommunications & Computer Technologies, Inc.

10 FLOOR, KALIWALEDESMA CONDOMINIUM  
 17 GAMBOA ST., LEGASPI VILLAGE, MAKATI CITY, PHILIPPINES  
 TIN: 000-144-950-000-VAT  
 TEL. NOS. 815-0455 • 819-3141 • 819-3142 • 819-3255

MCC PO BOX 2356 MAKATI 122  
 MAKATI CITY, PHILIPPINES  
 FAX +63 2 8105660

**INVOICE N<sup>o</sup> 396**

Sold to LNP ENTERPRISES  
 Address # 17 St. Nino St. Brgy. San Jose Antipoli City

Date January 24, 2003  
 PO P.O. # 011-02  
 Terms .....

QTY.	UNIT	PARTICULARS	UNIT PRICE	AMOUNT
one (1)	ea.	TRACKER 2000 P/N 22A-23543 P/N 99-0075 WITH POWER CORD, PROBES AND MANUAL  TWO HUNDRED THOUSAND ONLY		P 200,00 ~~~~~

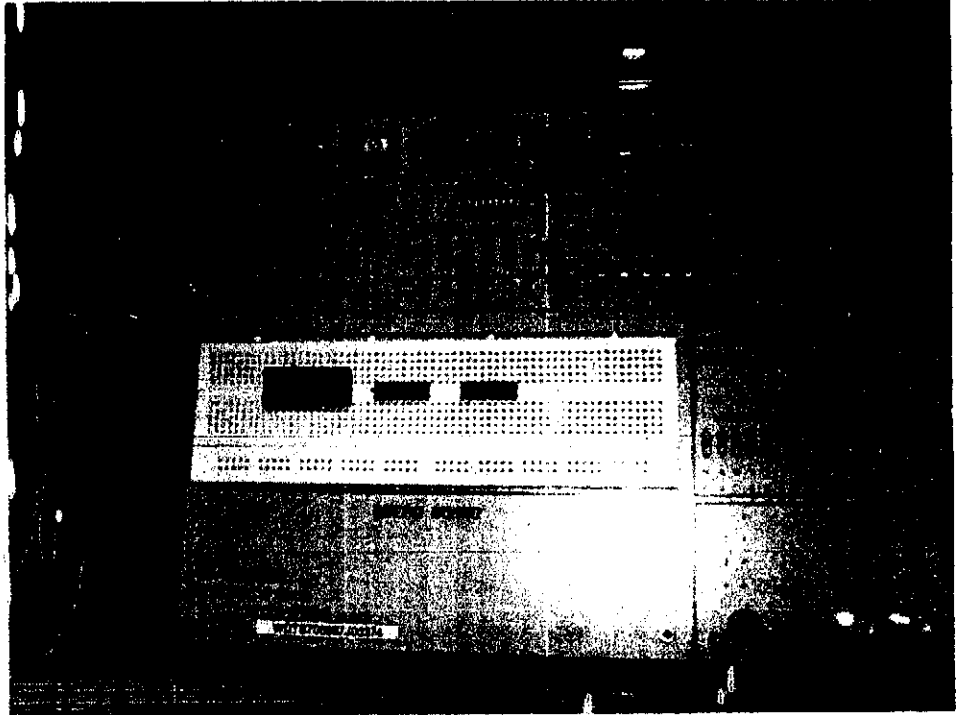
The Company's responsibility ceases as soon as merchandise has been delivered to a public carrier and clean B/L or receipt has been obtained. If goods shall originate from Manila F.O.B. The Company will not accept return of merchandise sold after delivery has been made. Buyer agrees to pay interest at the rate of 12% per annum on all overdue accounts without necessity of demand and an additional sum of 25% as attorney's fee in case of litigation and cost of collection. All claims not made in writing to the seller within ten (10) days of arrival of said article at port of destination are to be deemed waived. Rejection of the buyer without just and cause shall constitute delivery. Buyer promise to turn over the proceeds of the sale of the said articles within thirty (30) days from date hereof. In case of litigation it is hereby agreed that the venue of action shall be the corresponding courts of Makati City.

Approved:  
 Payment not yet received  
 MARCELA D. CARLOS/VP Elect. Division  
 MVC/mgl

Payment Received

Received in good condition  
 LITO P. PABLIICO  
 1/25/03

ANNEX H



a. Wheeler Digital IC Tester

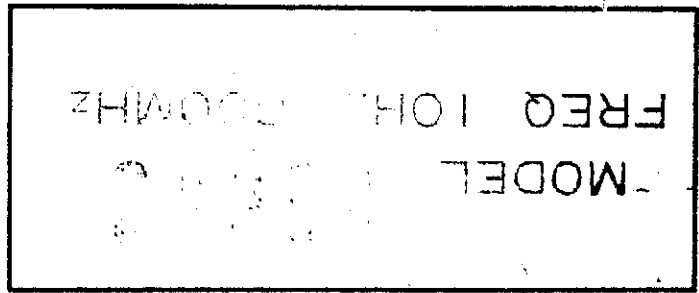


b. Close-up view of altered markings "IC TESTER" the original "TRAINER" word was erased

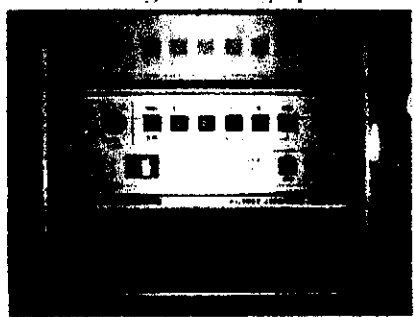
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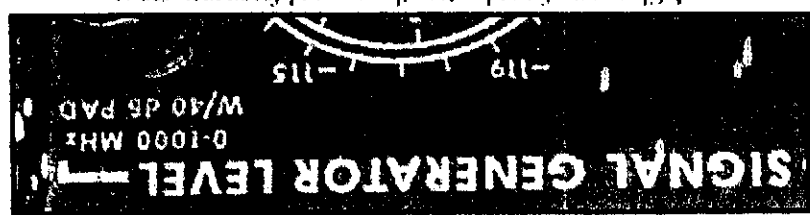
b.1 Close-up of b indicating the model number and frequency range



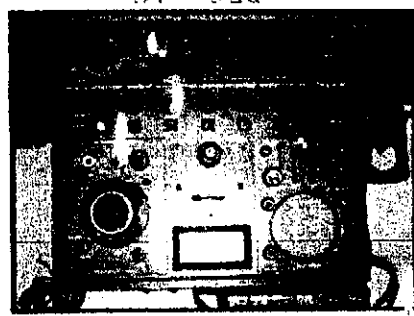
b. Frequency Counter



a.1 Close-up of a indicating the covered frequency range



a. RF Signal Generator





# Telecommunications & Computer Technologies, Inc.

2nd FLOOR, KALAW-LEDESMA CONDOMINIUM  
 117 GAMBOA ST., LEGASPI VILLAGE, MAKATI CITY  
 TIN: 321-000-144-950-VAT  
 TEL. NOS. 819-3141 • 819-3142 • 819-3255  
 FAX: + 63 2 8105660

MCC P.O. BOX 2356, MAKATI CITY, 1229  
 MAKATI CITY, PHILIPPINES  
 VAT. REG. NO. 32A-7-000110

Date: January 24, 2003

Ref: P.O. # 011-02

INV. # 3964

## Delivery Receipt

Nº 11063

Delivered to: LNP ENTERPRISES

Address: # 17 Sto. Nino St. Brgy. San Jose Antipolo City

QTY.	UNIT	PARTICULARS
one (1)	ea.	TRACKER 2000 S/N 22A-23543 P/N 99-0075 WITH POWER CORD, PROBES AND MANUAL

Approved for delivery:  
 Payment not yet received:

MARCELA D. CARLOS/VP Elect. Division  
 MVC/mgl

Received in good condition

*[Signature]*  
 Lito P. Paolico  
 1/25/03

# Telecommunications & Computer Technologies, Inc.

2nd FLOOR, KALAW-LEDESMA CONDOMINIUM  
 117 GAMBOA ST., LEGASPI VILLAGE, MAKATI CITY  
 TIN: 321-000-144-950-VAT  
 TEL NOS. 819-3141 • 819-3142 • 819-3255  
 FAX: +13 2 8105660

MCC PO. BOX 2356, MAKATI CITY, 1229  
 MAKATI CITY, PHILIPPINES  
 VAT. REG. NO. 32A-7-000110

Date: January 24, 2003

Ref: P.O. # 011-02

INV. # 3964

## Delivery Receipt


No 11063

Delivered to: LNE ENTERPRISES  
 Address: # 17 Sto. Nino St. Brgy. San Jose Antipolo City

QTY.	UNIT	PARTICULARS
one (1)	ea.	TRACKER 2000 S/N 22A-23543 P/N 99-0075 WITH POWER CORD, PROBES AND MANUAL

Approved for delivery:  
 Payment not yet received:  
 \_\_\_\_\_  
 MARCELA D. CARLOS/VP Elect. Division  
 MVC/mgl

Received in good condition

  
 LITO P. PABLO  
 1/25/03

27 November 2007

**THE CHAIRMAN**  
**Bids and Award Committee (BAC)**  
 Telecommunications Office

**Evaluation Report: BID OF ALLERIM MARKETING CORPORATION ON THE REPAIR SERVICE OF VARIOUS DEFECTIVE SWITCHING CARDS/MODULES**

The TWG findings are based on the following documents submitted by Allerim Marketing Corporation in his bid.

1. SEC Registration Certificate
  - a. Articles of Incorporation
2. Valid mayors permit
  - a. Manila Business Permit for WSALE GEN MDSE
  - b. Manila Business Permit for REPAIR SVCS
3. BIR Registration Certificate, which contains the TIN
  - a. Certificate of Registration
4. NTC permits
  - a. Dealers permit (Modification Permit DP-CO-0061-2003)
  - b. Service center's (Permit New permit RS-CO-0001-2007)
5. Manpower Requirements
  - a. Management Plan
6. List of Contractor's service testing equipment, as stated in the BDS and NTC
  - a. Memorandum Circular No. 2-05-88
7. Signing Authority

#### FACTS IN THE ABOVEMENTIONED DOCUMENTS

1. **SEC Registration Certificate**  
 In the articles of incorporation issued by SEC States that the primary purpose of the corporation is to engage in the business of trading of goods such as electronic, communication parts & equipment, Hardware & electrical supplies, et.:
2. **Mayor's Permit**
  - a) One business permit issued in the City of Manila states on the kind of business area "WSALE GEN MDSE"
  - b) While the other permit issued in the City of Manila, states on the Kind of Business column "REPAIR SVCS" while on the "ADDL BNS (Telecom EQUIPT, PARTS & ACCESSORIES)"
3. **BIR Registration Certificate**  
 The certificate of registration issued by the BIR has a registration date of 03/03/2000. In the line of business/ industry area, states "5143 WHOLESALE OF HARDWARE, HEATING Equipment" and "OTHER RETAIL SALE IN SPECIALIZED STORES."

Received by  
 B.S. CAMAROTO 11/28/2007  
 3:30 P.M.

*Handwritten signature/initials*

**4. NTC Permits**

a) The Dealer's permit grants Allerim Marketing Corporation, with shop/laboratory located at 2625 Aurora Blvd., Brgy.379 Zone 038, Sta. Cruz Manila, the permit to engage in the buy and sell of radio transmitters and transceivers. The effectivity date is from January 1, 2007 to December 31, 2007. This was issued on May 10, 2007. This Dealer's Permit has modification. This permit was issued on August 30, 2007, and effective from August 7, 2007 to August 6, 2008.

b) The Service Center's Permit grants Allerim Marketing Corporation with shop/laboratory located at 2625 Aurora Blvd., corner Tecson St., Sta. Cruz, Manila the permit to engage in the repair and service of radio Transmitter and transceiver, effective from August 7, 2007 to August 6, 2007, was issued on August 30, 2007.

**5. Manpower Requirements**

The SSS Clearance states that Allerim Marketing Corporation had paid SSS contribution for only two (2) employees.

The management plan shows six (6) employees of Allerim Marketing Corporation which includes the names of employees, position, school, course and work experience.

**6. List of Contractor's Service Testing Equipment**

a) No. 4 IC Functional Meter with IC Tester (digital), Wheeler Digital model WDTS 7000, s/n WDTS700007J0374

b) No.6 Signal Generator

c) No.8 Frequency counter

**7. Authority**

Certificate of Authority in favor for Mr. Rolando M. Lee

**FINDINGS**

After the evaluation, verification and investigation made by the composite team, we find the following conclusions, to wit:

1. It appeared that the submitted SEC registration failed to comply with the eligibility requirements which means non responsive since the primary purpose is limited only for trading of goods and that the repair of switching cards that cost more than P 6,000,000.00 is not covered.

As per Security Exchange Commission reply to queries made, the Corporation should have submitted instead a SEC registration with the primary purpose of engaging in contracting repair works of electronics; switching parts etc. since this already involves millions of peso project. The SEC CERTIFICATE OF INCORPORATION should have reflected an amendment and include a secondary purpose if there is an existing business engagement other than the original purpose.

2. The bidder failed to comply with the eligibility requirement for Mayor's Permit. The submitted Mayor's Permit is not appropriate to the requirement which means non-responsive.

The supposed Mayor's permit for repair service issued is an ordinary permit without category and not for the company who intend to engage in contracting repair work of very sensitive and delicate Switching parts that involve millions of peso-worth. The corporation must instead submit a contractor category Mayor's Permit.

- b) One business permit issued in the City of Manila states on the kind of business area "WHOLESALE GEN MDSE".

- c) While the other permit issued in the City of Manila, states the Kind of Business, "REPAIR SVCS" while on the ADDITIONAL BUSINESS, "telecom EQUIPT, PARTS & ACCESSORIES" are stated.
3. The certificate of registration issued by the BIR has a registration date of 03/03/2000. In the line of business/industry area, states "5143 WHOLESALE OF HARDWARE, HEATING EQUIPMENT" and "5239 OTHER RETAIL SALE IN SPECIALIZED STORES.

It appeared that the submitted BIR certificate of registration failed to comply or made a misrepresentation with the eligibility requirement, which means non-responsive, since the line of business registered by the bidder is only for category 5143 which includes WHOLESALE OF HARDWARE, PLUMBING HEATING EQUIPMENT and 5239 OTHER RETAIL SALE IN SPECIALIZED STORE.

As per Government Procurement Policy Board (GPPB) reply to queries made, the bidder should have submitted a BIR certificate of registration which concerns and covers same as the project to be undertaken since this project is not an ordinary repair work, but a contracting repair work of Switching/Electronic parts to government agency which involves millions of peso project. They should secure category 4520 Line of Business.

4. a) The purpose of the *Dealers Permit issued by NTC* is specific with regards to the buy and sell of transmitter and transceiver. In view thereof, if this permit is *required in the bidding document* it is necessary therefore to look into account the modification noted on the permit, that there is laboratory/shop located at # 19 Sto. Nino St., Bgry. San Jose Antipolo City.

A team of TWG and Acceptance Group visited the alleged laboratory/shop and noticed that there is no laboratory per sé in the place, it is only a house with a receiving room and a room with limited piece of tool and equipment displayed. It is more considered a house and not a laboratory or shop, due to the absence of Business Permit issued by the concerned LGU of Antipolo City, however, there are two (2) NTC Permits and a SEC Certificate displayed on the wall of the same (please see ANNEX D). The Mayor's Permit should have been submitted together with the bid documents. Had the BAC noticed this during the opening of the bid, Allerim Corporation should have been rated "failed" based on Section 26.6 which provides:

*"...failure to submit a requirement, or an incomplete or patently insufficient submission, shall be considered "failed" for the particular requirement concerned. In case one or more of the above required documents in the first envelop of the particular Bid is missing, incomplete, or patently insufficient, TELOF's BAC shall rate the Bid concerned as "failed" and immediately return to the Bidder its second (financial) envelop unopened..."*

- b) The *Service Center's Permit* issued by NTC with the address at 2625 Aurora Blvd. corner Tecson St. Sta Cruz Manila, granted Allerim Marketing Corporation permit to repair and service of radio transmitter and transceiver only.

When a composite team of TWG and Acceptance Group visited the abovementioned address, they found out that there was no shop/Laboratory Service Center. There was no modification noted by the National Telecommunications Commission on the NTC Service Center's Permit regarding the new location of the shop, if there is any.

5. Relative to the SSS Clearance submitted, SSS Premiums are for the two (2) employees only of Allerim Marketing Corporation were paid by the company. While on the Management Plan presented, the company has six (6) personnel. The management composes Mr. Rolando M Lee, President/ General Manager; Merielle L. Gaza, Vice President and Rurik K Lee, Corporate Secretary while the other three are: Jemini Pablico, Jonathan Tindugan and Benjamin Rimando, all are TELCO Technician. Thus, there are only two legitimate personnel in his company, a secretary and a technician.

The bidder failed to comply with the eligibility requirement for Management Plan. The submitted names of technical personnels in the management plan are not regular employees of the same, since these employees are not included in the company's hired worker that is registered to Social Security Service.

6. a) The IC Functional Meter, with IC Tester is one of the three instruments that the contractor must own. This was stated in the Bid Bulletin No.007-10-01 dated November 5, 2007. During the visit of TWG and Acceptance Group to the alleged shop/laboratory in Antipolo, the team found a WHEELER Digital IC Tester; model WDTS 7000 with Serial No. -WDTS 70000L00347, (please refer to Annex A sub a and b). The WDTS 7000 is actually a Digital Trainer and not an IC Tester (please see Annex B) for reference. It has been observed that a deliberate alteration in the original markings of the said equipment was made to mislead the inspectors by making it appear as Digital IC Tester. In this regard, a legal inquiry on this matter is hereby requested.
- b) The RF Signal Generator, Cushman Electronics Inc. - has a frequency range of 0-1Ghz. (a of Annex C) NTC Memorandum Circular No. 2-05-88 Sec.6.1 requires HF to UHF Band which is 3 MHz – 3 GHz.
- c) The RF Frequency Counter, Kuranishi Instruments Model 6565C has a frequency range of 10Hz – 600Mhz. (b of Annex C) NTC Memorandum Circular No. 2-05-88 Sec.6.1 requires HF to UHF Bands which is 3Mhz – 3Ghz.
7. The bidder failed to comply with the eligibility requirement for AUTHORITY OF SIGNATORY, which means non-responsive. The submitted affidavit was misrepresented since the person with alleged position as BOARD SECRETARY who gave Mr. ROLANDO LEE the authority to represent the company was not mentioned in the SEC CERTIFICATE OF INCORPORATION.


#### RECOMMENDATION

Premises considered and pursuant to item C, of Sec. 35.00 of Rule X of the Implementing Rules and Regulation (IRR) of R.A. 9184 states that "All bids fail to comply with all the bid requirement or failed post - qualification..." the BAC shall declare the bidding a failure.

The Technical Working Group of the Bids and Awards Committee, of this office hereby recommends unfortunately the declaration of failure of Bidding.


For your appropriate action.

  
 Rex Nepomuceno M. Nuqui  
 Member

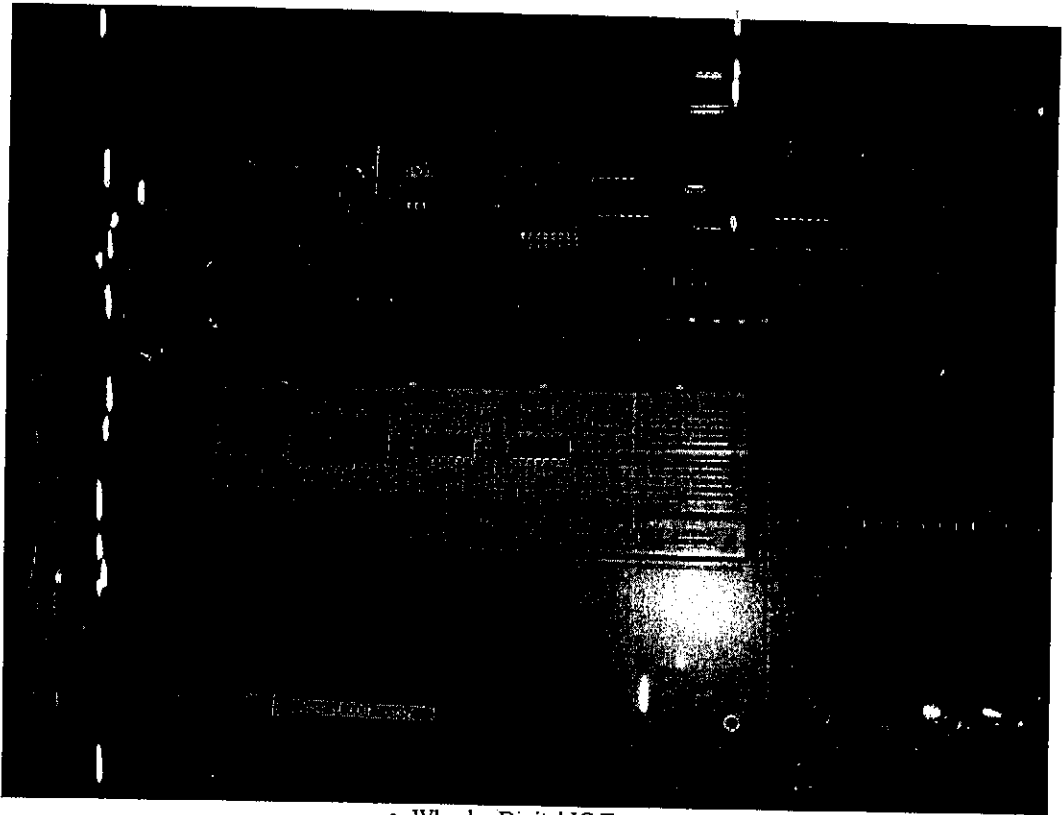
  
 Vicente Alcantara  
 Member

(On official travel)  
 Ferdinand O. Santos  
 Member

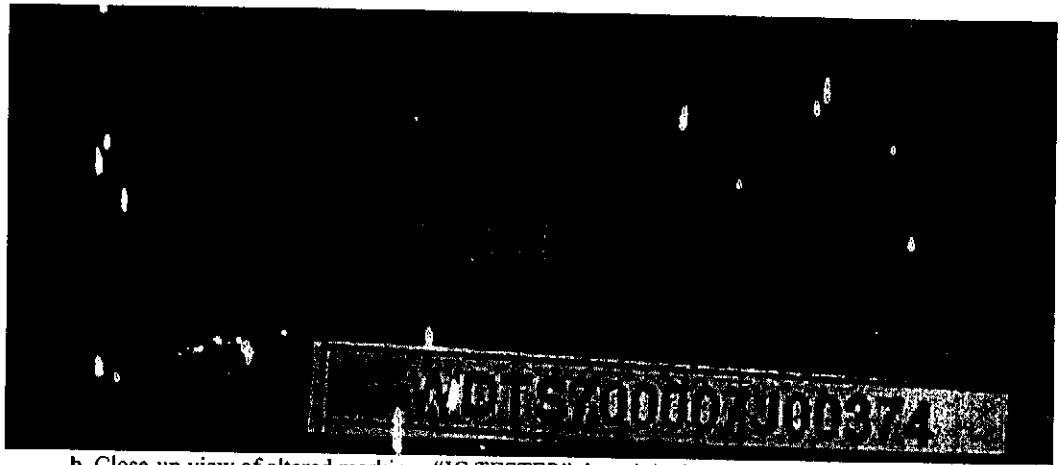
(On official travel)  
 Johnny A. Leaño  
 End User, Representative

  
 Nerio P. Madarang  
 Head, TWG

ANNEX A

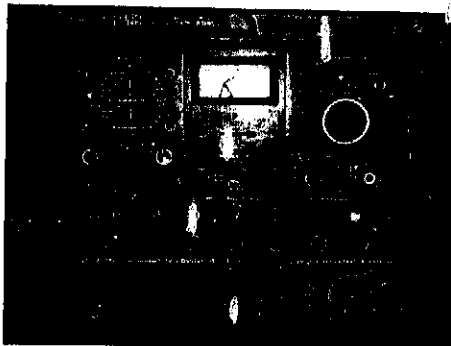


a. Wheeler Digital IC Tester

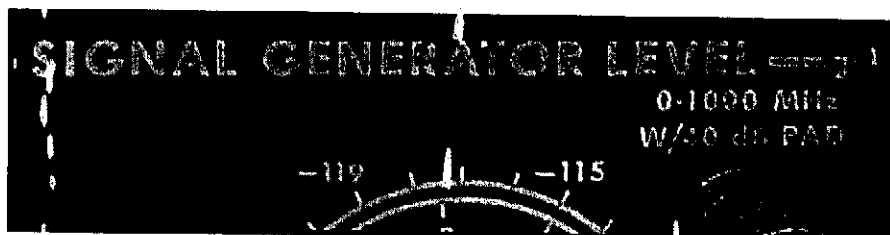


b. Close-up view of altered markings "IC TESTER" the original "TRAINER" word was erased

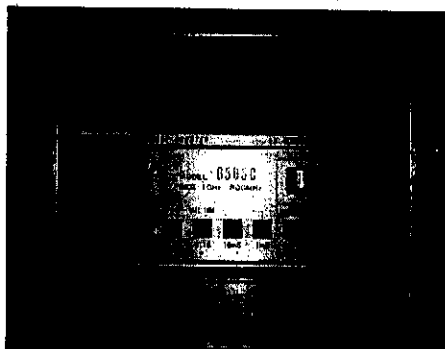
ANNEX C



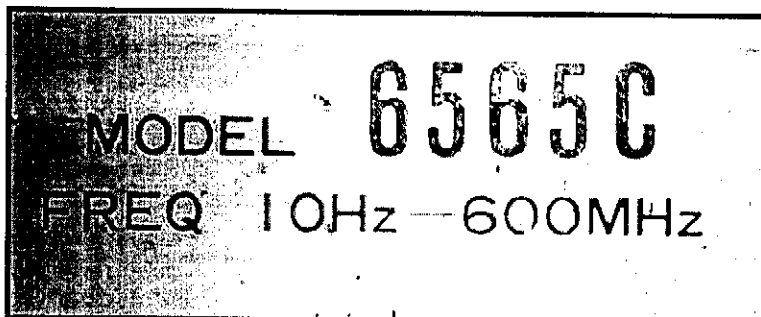
a. RF Signal Generator



a.1 Close-up of a indicating the covered frequency range



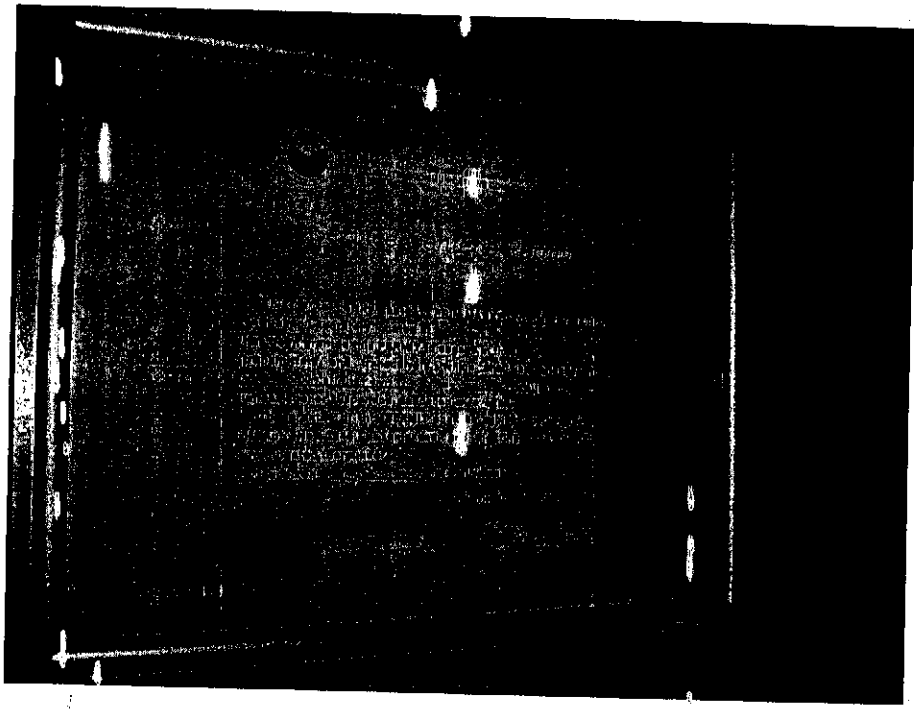
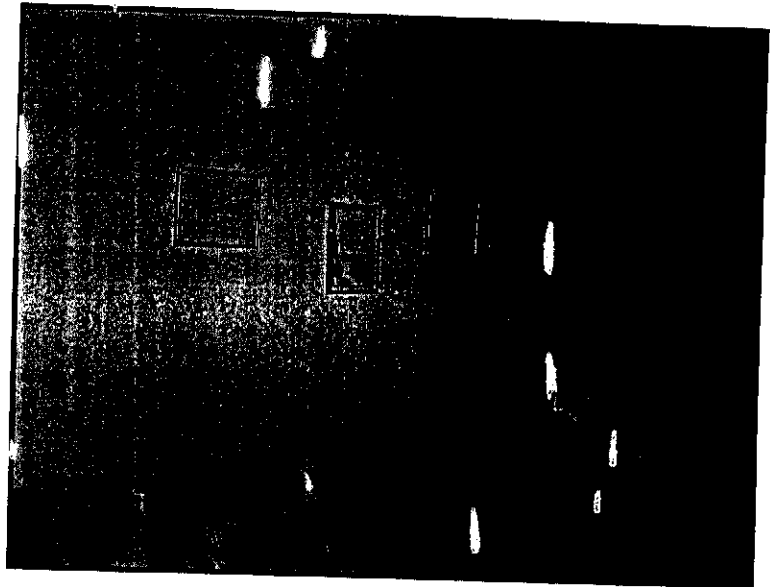
a. Frequency Counter



b.1 Close-up of b indicating the model number and frequency range



ANNEX D



Republic of the Philippines  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE





# **L&P TELECOM SALES AND SERVICES, INC.**

BLK 16 Lot 02 Rial St., Lores Country Homes Brgy. San Roque Antipolo City  
Tel. No. 030-6523 • E-mail: lptel@diglphone.com

January 04, 2008

To Whom It May Concern:

Please be advised that the Office and Telecom Technical work shop address at # 19 Sto. Nino St., Brgy. San Jose, Antipolo City, is under dissolution and all the assets i.e., building, machinery, office equipments and telecom equipments are being inventoried for liquidation and distribution to NELITO P. PABLICO and JOEBERT P. PROVIDO.

As such, please be informed that any transactions entered into using the Office and Technical work shop/or any of the machinery, office equipment and Telecom Technical work shop has no authority from the undersigned as part owner.

See attached: List of Assets

Please be guided accordingly

Respectfully yours

*1/04/08*  
**JOEBERT P. PROVIDO**  
L & P Telecom / President



Republic of the Philippines  
 Department of Transportation and Communication  
 NATIONAL TELECOMMUNICATIONS COMMISSION  
 Quezon City

PERMIT NO. MODIFICATION:  
DP-CO-0061-2003

*Dealer's Permit*  
 FOR RADIO TRANSMITTERS & TRANSCEIVERS

This is to certify that ALLERIM MARKETING CORPORATION,  
 with shop/Laboratory located at 2325 Aurora Blvd., Ergy. 379 Zone 038, Sta. Cruz, Manila  
 has been granted this PERMIT to engage in the buy and sell of radio  
 transmitters and transceivers, which shall be effective from  
01 JANUARY 2007 to 31 DECEMBER 2007  
 unless sooner suspended, cancelled or revoked.

The grantee of this PERMIT shall be subject to the provisions  
 of Act. No. 3846, as amended, and the rules and regulations  
 promulgated thereunder.

issued on May 10, 2007, at Philippines.

BY AUTHORITY OF THE COMMISSION:

*D. M. Vengua*  
DANTE M. VENGUA  
 Acting Chief, FXLMSD

- Notes:
1. The permit is revocable subject to inspection at any available time. Any discrepancies found at the time of inspection will cause revocation of this permit.
  2. Paid under O.P. No. 13376 dated May 09, 2007.  
 Filing Fee: P. 100.00, Modification Fee: P. 300.00
  3. This superseded Dealer's Permit No. DP-CO-0061-2003 issued on January 3, 2007 valid until December 31, 2007.
  4. All shift, overtime and date laboratory is indicated at 319 Sto. Niño St., Ergy., San Jose, Marikina City.

Note: This Permit is valid only when the payment of the required fees is indicated hereon.

Form No. 3919



Republic of the Philippines  
Department of Transportation and Communication  
NATIONAL TELECOMMUNICATIONS COMMISSION  
Quezon City

PERMIT NO. : NEW :

RS-CO-0001-2007

20/22  
8/7/2007  
1/6/2007  
W-

# Service Center's Permit

FOR RADIO TRANSMITTERS & TRANSCEIVERS

This is to certify that **ALLERIM MARKETING CORPORATION,**  
with shop/Laboratory located at 2625 Aurora Blvd. corner Jackson St., Sta. Cruz, Manila  
has been granted this PERMIT to engage in the repair and service of radio  
transmitters and transceivers, which shall be effective from  
07 AUGUST 2007 to 06 AUGUST 2008  
unless sooner suspended, cancelled or revoked.

The grantee of this PERMIT shall be subject to the provisions  
of Act. No. 3846, as amended, and the rules and regulations  
promulgated thereunder.

**Notes:**

1. This permit is void if not inspected in a duly authorized office.
2. This permit is void if not used in accordance with the provisions of this permit.
3. This permit is void if not used in accordance with the provisions of this permit.
4. This permit is void if not used in accordance with the provisions of this permit.

Issued on August 30 2007, at Philippines.

BY AUTHORITY OF THE COMMISSION:

NO ADMINISTRATIVE CASE

  
Efren R. Sabanlig  
Director, RRLD

Note: This Permit is valid only when the payment of the required fees is indicated hereon.

Form No. 3952



# MANAGEMENT PLAN

## ROLANDO M. LEE

Position President / General Manager  
Mapua Institute of Technology, Manila  
\* BS Mechanical Engineering

## MIRIELLE L. GAZA

Position Vice President  
De La Salle University  
\* BS Business Management  
and BA International Studies

## RURIK K. LEE

Position Corporate Secretary  
University of Asia and the Pacific  
\* BS Entrepreneurial Management

## JEMINI PABLICO

Position TELCO Technician  
Institute Of Creative Computer Technology  
\* Radio Communication and Computer Technician  
Undertaken the following projects with DOTC-TELOF, PLDT, Philcom, and Digitel

- Power supply
- Power card
- Rectifier
- PGS 1.8.12 RU & EU
- Programmable ringer
- Office Inverter
- ODU & IDU
- AS200 Controller Card
- L.C-DC Converter
- Alarm card
- P-8XOT ELM Controller
- Regulator Per S up & Battery charger
- 2M Interface Card
- Digital Transmission Analyzer
- ACM card
- NEC rectifier card
- XP4 radio
- 50W power amplifier
- ACT networks frad
- EIU rectifier module
- Wireless telephone terminal
- Dax line card master
- MT310 dryline dehydrator
- Tower light controller
- SVO proc
- P-7K1H
- NPM 128

## JONATHAN TINDUGAN

Position TELCO Technician  
IETI Technical School  
\* Electronic System Technician  
Undertaken the following projects with DOTC-TELOF, PLDT, Philcom, and Digitel

- UFS
- AVR
- Automatic battery charger
- Inverter
- Automatic standby light
- Rectifier
- Power supply
- Power card
- Rectifier

PGS 4.8.12 RU & EU  
 Programmable ringer  
 Office Inverter  
 ODU & IDU  
 AS200 Controller Card  
 DC-DC Converter  
 Alarm card  
 P-8XOT ELM Controller  
 Regulator Per S up & Battery charger  
 2M Interface Card  
 Digital Transmission Analyzer  
 ACM card  
 NEC rectifier card  
 XP4 radio  
 50W power amplifier  
 ACT networks frad  
 EIU rectifier module  
 Wireless telephone terminal  
 Dia x line card master  
 MT310 dryline dehydrator  
 Tower light controller  
 SWO proc  
 P-7K1H  
 NPM 128

**BENJAMIN RIMANDO**

Position TELCO Technician  
 Technical Institute of the Philippines  
 \* BS Electrical Engineer

Undertaken the following projects with L'OTC-TELOF, PLDT, Philcom, and Digitel

UPS  
 AVR  
 Automatic battery charger  
 Inverter  
 Automatic standby light  
 Rectifier  
 Power supply  
 Power card  
 Rectifier  
 PGS 4.8.12 RU & EU  
 Programmable ringer  
 Office Inverter  
 ODU & IDU  
 AS200 Controller Card  
 DC-DC Converter  
 Alarm card  
 P-8XOT ELM Controller  
 Regulator Per S up & Battery charger  
 2M interface Card  
 Digital Transmission Analyzer  
 ACM card  
 NEC rectifier card  
 XP4 radio  
 50W power amplifier  
 ACT networks frad  
 EIU rectifier module  
 Wireless telephone terminal  
 Dia x line card master  
 MT310 dryline dehydrator  
 Tower light controller  
 SWO proc  
 P-7K1H  
 NPM 128

MAN



# ALLERIM MARKETING

## LIST OF REPAIR SHOP'S EQUIPMENT AND TOOLS

<u>Item No.</u>	<u>Equipment / Tools</u>
1.	Tracker (Printed Circuit Diagnostic Test Equipment) * Handtrone Tracker 2000 Signal Analyzer * with IC Tester * Electromechanical * s/n 22A23543
2.	EPROM / PLD Programmer (electromechanical) * Top 2007 USB Universal EPROM/EEPROM Programmer
3.	DVM with IC Tester (digital) a. Fluke 87III True RMS Multimeter s/n 72120021 b. Sanwa Digital Multimeter CD800a s/n 0124683M c. New Star UT30B s/n 1020264296
4.	IC Functional Meter with IC Tester (digital) * Wheeler Digital model WDTS 7000 * s/n WDTS700007J0374
5.	MBT Sehsa Temperature Soldering Iron (digital) * with channel 1 to channel 3 pressure * s/n 01-17-0311 * SMT soldering / desoldering
6.	Frequency Counter (HF to UHF Bands)
7.	RF and AF Signal Generator
8.	Oscilloscope with RF Probes
9.	Signal Generator
10.	Power Meter
11.	Frequency Counter
12.	Dummy Load
13.	Watt Meter
14.	Scope: B & K model 1403 s/n 3A048
15.	Soldering Iron, 60W
16.	DC-DC Converter 5-24V
17.	Aeolus 908 Hot Air with Soldering Iron
18.	Power Supply 48V (analog)
19.	Philips Screw



# ALLERIM MARKETING

20. Flat Screw
21. Pliers: long nose and cutter
22. Hammer, small
23. Exhaust fan
24. Brush
25. Lead 1.0mm dia. & 0.8mm dia.
26. Solda Pault
27. Precision Screwdriver

Note: PATTERN GENERATOR is NOT INCLUDED in the list of required repair shop's equipment and tools (as per Bid Bulletin No. 007-11-01)

Signed:

ROLANDO M. LEE

President / General Manager





Republic of the Philippines  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE

NOTICE OF AWARD

21 December 2007

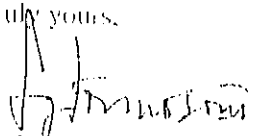
**MR. ROLANDO M. LEE**  
2625 Aurora Blvd. Cor. Tecson St.,  
Sta Cruz, Manila

Dear Mr Lee:


We would like to notify you that your bid dated 9th November 2007 for *the Repair Services for various Defective Switching Cards/Modules* at Telecommunications Office-Main for the Contract Price of **Five Million Sixty Two Thousand Five Hundred Pesos (Php 5,062,500.00)**, is hereby accepted.

You are hereby required to provide within ten (10) calendar days the performance security in the form and the amount stipulated in the Instructions to Bidders. Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,

  
**ATTY. LORENZO G. FORMOSO III**  
Assistant Secretary

Conforme:

  
**MR. ROLANDO M. LEE**  
Allerim Marketing Corporation  
Date:



Republic of the Philippines  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE

**BAC Resolution Declaring Single Calculated Bid and Recommending Approval**

**Resolution No.: 005-12-07**

WHEREAS, on October 12 and 13, 2007, the Telecommunications Office through its Bids and Awards Committee posted and advertised the Invitation to Apply for Eligibility and to Bid (IAEB) for the Repair Services of various Defective Switching Cards/Modules in the Philippine Government Electronic Procurement Service (PhilGEPS) and in the Manila Times, respectively. A copy of the Invitation was also posted in a conspicuous place at the premises of the TELOF-DOTC;

WHEREAS, in response to the said advertisement,

1. two (2) prospective bidders purchased a complete set of bidding documents;
2. during the pre-bid conference on October 23, 2007, two (2) prospective bidders namely: *a) Megasem Corporation and b) Allerim Marketing Corporation* attended the said meeting. during the submission and opening of bids on November 9, 2007, only one bidder submitted its Bid and passed the preliminary examination of bids;

WHEREAS, the bid proposal of the lone bidder, Allerim Marketing Corporation, offered a total amount of bid of *Five Million Sixty Two Thousand Five Hundred Pesos (Php 5,062,500.00)* for the project. As read as follows:

Ref. No.	DESCRIPTION	Name of Bidder/s
1.0	Total Amount of Bid	Allerim Marketing Corp. Php 5,062,500.00
2.0	Form of Bid Surety Bank/Company	Surety Bond The Premier Insurance and Surety Corporation
	Validity Period	120 Days (Nov. 9, 2007 to Feb. 11, 2008)
3.0	Bid Security Amount	Php 154,443.55
4.0	Sufficient/Insufficient	Sufficient
5.0	Remarks	Lone Bidder

WHEREAS, the detailed evaluation of bid proposal of the lone bidder resulted the following:

Name of Bidder	Bid Amount (As Calculated)	% Variance from ABC	Remarks
1. Allerim Marketing Corporation	Php 5,062,500.00	18.05	Lone Bidder

WHEREAS, the Technical Working Group (TWG) issued a post-qualification report that the bid proposal of Allerim Marketing Corporation is non-responsive and declared a failure of bidding;

WHEREAS, after review of the said post-qualification evaluation, BAC finds that the TWG failed to substantiate its recommendation to declare the bidding as a failure;

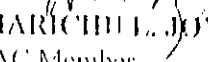
WHEREAS, upon careful examination and evaluation of all the eligibility, technical and financial requirements submitted by the lone bidder, the BAC finds that Allerim Marketing Corporation passed the post-qualification and found to be responsive;

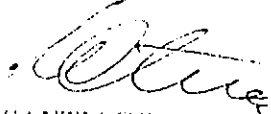
WHEREAS, in view of the foregoing, the Bids and Awards Committee (BAC) hereby recommends and resolves the following:


- a) To declare Allerim Marketing Corporation, as the Bidder with the Single Calculated and Responsive Bid for the Project;
- b) To enter into contract with Allerim Marketing Corporation and Telecommunication Office for the Repair Services of various Defective Switching Cards/Modules;
- c) To recommend for approval by the Assistant Secretary of the Telecommunication Office the foregoing findings.

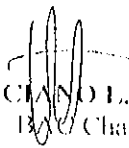
In witness whereof, we, the undersigned members of the TELOF-Main Bids and Awards Committee (BAC) hereby sign this Resolution No.05-12-07 this 21st day of December 2007 at the Multipurpose Building, A. Roces Avenue, Quezon City.

  
ENGR. BEVERLY S. CAMACHO  
BAC Member

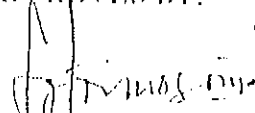
  
ATTY. MARICHELLE JOVEN-BARENG  
BAC Member

  
ENGR. SANTIAGO O. TESTOR  
BAC Member

  
ENGR. DOMINADOR C. GARABILES  
BAC Member (End User)

  
ATTY. GRACIANO L. SECHON  
BAC Chairman

APPROVED BY:

  
ATTY. LORENZO G. FORMOSO III  
Assistant Secretary, TELOF



Republic of the Philippines  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE

21 December 2007

MR. ROLANDO M. LEE  
2625 Aurora Blvd. Cor. Teeson St.,  
Sta Cruz, Manila

Subject : **BAC Resolution Declaring Your Company as the Single  
Calculated and Responsive Bid**  
Re: Public Bidding for the Repair Services for various  
Defective Transmission Cards/Modules at  
Telecommunications Office dated 21 December 2007

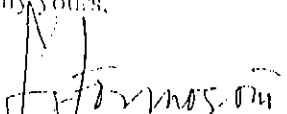
Dear Mr. Lee:

Please be informed that your company has been declared as the Single Evaluated and Responsive Bid as per BAC Resolution No. 006-12-07 dated 21 December 2007 for the *Repair Services for various Defective Transmission Cards/Modules* at Telecommunications Office-Main. However, may we request your office to reduce your bid offer to at least equal to 18.05% variance of the Approved Budget for the Contract (ABC), which is similar to the bid offer in the Repair Services for various Defective Switching Cards, amounting to Php 5,170,380.00 from the bid proposal of Php 6,177,000.00.

If you have no objections to our proposal, please inform us immediately so we can prepare the necessary contract.

We look forward to receiving your response as soon as possible.

Very truly yours,

  
ATTY. LORENZO G. FORMOSO III  
Assistant Secretary

Attachment: BAC Resolution No. 006-12-07



Republic of the Philippines  
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS  
TELECOMMUNICATIONS OFFICE

**BAC Resolution Declaring Single Calculated Bid and Recommending Approval**

**Resolution No.: 006-12-07**

WHEREAS, on October 26 and 30, 2007, the Telecommunications Office through its Bids and Awards Committee posted and advertised the Invitation to Apply for Eligibility and to Bid (IAEB) for the Repair Services for various Defective Transmission Cards/Modules in the Philippine Government Electronic Procurement Service (PhilGEPS) and in the Manila Times, respectively. A copy of the Invitation was also posted in a conspicuous place at the premises of the TELOF-DOTC;

WHEREAS, in response to the said advertisement,

1. two (2) prospective bidders purchased a complete set of bidding documents;
2. during the pre-bid conference on November 12, 2007, only (1) prospective bidder namely: *Allerim Marketing Corporation* attended the said meeting, during the submission and opening of bids on November 26, 2007, only one bidder submitted its bid and passed the preliminary examination of bids;

WHEREAS, the bid proposal of the lone bidder, *Allerim Marketing Corporation*, offered a total amount of bid of *Six Million One Hundred Seventy One Thousand Pesos (Php 6,171,000.00)* for the project. As read as follows:

Ref. No.	DESCRIPTION	Name of Bidder/s
1.0	Total Amount of Bid	<b>Allerim Marketing Corp.</b> Php 6,171,000.00
2.0	Form of Bid Surety	Surety Bond
	Bank/Company	The Premier Insurance and Surety Corporation
	Validity Period	120 Days (Nov. 26, 2007 to Mar 25, 2008)
3.0	Bid Security Amount	Php 155,914.58
4.0	Sufficient/Insufficient	Sufficient
5.0	Remarks	Lone Bidder

WHEREAS, the detailed evaluation of bid proposal of the lone bidder resulted the following:

Name of Bidder	Bid Amount (As Calculated)	% Variance from ABC	Remarks
1. <i>Allerim Marketing Corporation</i>	Php 6,171,000.00	1.052	Lone Bidder

WHEREAS, the Technical Working Group (TWG) issued a post-qualification report that the bid proposal of *Allerim Marketing Corporation* to be non-responsive and recommends the blacklisting of *Allerim Marketing Corporation*;


WHEREAS, after review of the said post-qualification evaluation, BAC finds that TWG failed to substantiate its recommendations;

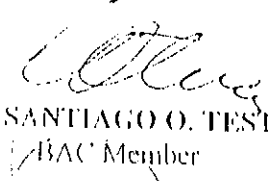
WHEREAS, upon careful examination and evaluation of all the eligibility, technical and financial requirements submitted by the lone bidder, **Allerim Marketing Corporation**, passed the post-qualification and found to be responsive;

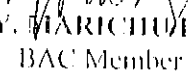
WHEREAS, in view of the foregoing, the Bids and Awards Committee (BAC) hereby recommends and resolves the following:

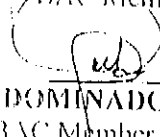
- a) To declare *Allerim Marketing Corporation* as the Bidder with the Lowest Calculated and Responsive Bid for the Project;
- b) To request for possible negotiation with Allerim Marketing Corporation to reduce the bid offered at least equal to 18.03% variance of the Approved Budget for the Contract (ABC), which is similar to the bid offer in the Repair Services for Switching Cards, amounting to Php 5,110,880.00 from the bid proposal of Php 6,177,000.00;
- c) To enter into contract with Allerim Marketing Corporation for the Repair Services of various defective Transmission Cards/Modules is amenable to reduce the said proposed bid price;
- d) To recommend for approval by the Assistant Secretary of the Telecommunications Office the foregoing findings.

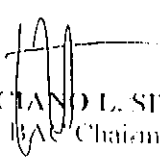
In witness whereof, we, the undersigned members of the TELOF-Main Bids and Awards Committee (BAC) hereby sign this Resolution No.00 12-07 this 25th day of December 2007 at the Multipurpose Building, A. Roces Avenue, Quezon City.

  
ENGR. BEVERLY S. CAMACHO  
BAC Member

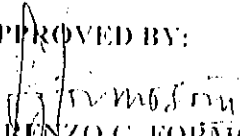
  
ENGR. SANTIAGO O. TESTOR  
BAC Member

  
ATTY. MARICHUEL JOVEN-BARENG  
BAC Member

  
ENGR. DOMINADOR C. GARABILES  
BAC Member (End User)

  
ATTY. GRACIANO L. SITCHON  
BAC Chairman

APPROVED BY:

  
ATTY. LORENZO G. FORINOSO III  
Assistant Secretary, TELOF