



Republic of the Philippines
Tourism Infrastructure & Enterprise Zone Authority

MEMORANDUM FOR THE CHIEF OPERATING OFFICER

THRU : **The ASSISTANT CHIEF OPERATING OFFICER**
Assets Management Sector

FROM : **The MANAGER**
Operations Department

RE : **RENEWAL OF ANNUAL MAINTENANCE CONTRACT
(AMC) FOR BHYH HOTEL MANAGEMENT SYSTEM**

DATE : May 20, 2021

Prior to the COVID 19 pandemic, one of the busiest entity in terms of daily influx of guest is the Banaue Hotel and Youth Hostel (BHYH).

To keep abreast with technology while as the same time reaching our goal to serve our guest better, we improved on the systems and processes on the hotel operations and management. The Authority bought a software in 2015, the Hotel Management System from **FIESTA Pacific Asia Inc.** This system hasten the check-in/out procedure, manage hotel reservations, separates charges for rooms and restaurants which are necessary for corporate bookings, automates internal accounting processes, records and computes everyday transactions et al. The application/implementation of the system discontinued the manual processing of hotel transactions, minimizes errors and at the same time produces faster reports and easy access to information needed.

To prolong the systems efficiency, productivity and worthiness, regular maintenance check and prompt support assistance of the software is necessary. As the developer and supplier, FIESTA is in possession of the source code and owns Intellectual Property rights on the system. Given these, only FIESTA can provide maintenance of the hotel management system.

Their annual maintenance contract will expire on May 31, 2021. In this regard, respectfully requesting your approval and signature on the attached **renewal of the Annual Maintenance Support Agreement with FIESTA Pacific Asia Inc. for the period June 01, 2021 until May 31, 2022.**

Atty. MARIA TERESA C. ALVAREZ

Noted by:

JETRON NICOLAS F. LOZADA
ACOO –Assets Management Sector



Memorandum

FOR : **MR. POCHOLO J.D. PARAGAS**
Chief Operating Officer
Tourism Infrastructure and Enterprise Zone Authority

THRU : **MS. MICHELLE V. VIVO**
Head Technical Assistant

FROM : **THE LEGAL DEPARTMENT**

SUBJECT : **RENEWAL OF ANNUAL MAINTENANCE CONTRACT (AMC) FOR BHYH
HOTEL MANAGEMENT SYSTEM**

DATE : 28 February 2020

This is in relation to the 20 November 2019 Memorandum from the MISD which stated that TIEZA is not procuring a new hotel management. Rather, it is only securing the systems maintenance which only Fiesta Pacific Asia, Inc. ("Fiesta") can provide since the "source code of the programs and modules used in the systems application remains with them as their Intellectual Property and no other systems developer can provide maintenance on the said system". In its 17 January 2020 Memorandum, the MISD further manifested that the Annual Maintenance Contract is "advantageous to the Authority" citing several reasons.

In view of the above, we are respectfully recommending the approval of Maintenance Support Agreement with Fiesta for your perusal and consideration.


Atty. AL CONRAD B. ESPALDON
Officer-in-Charge

Identification of Software and Annual Maintenance Support Agreement

This memorandum of Agreement made and entered into this ___ day of _____ 2021 at Mandaluyong City Philippines by and between:

The **TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY** (TIEZA and formerly known as Philippine Tourism Authority), an attached body corporate of the Department of Tourism by virtue of Republic Act No. 9593, with principal address at 6th floor Double Dragon Plaza, Edsa Extension corner Macapagal Avenue, Pasay City, Metro Manila, represented by its Chief Operating Officer, **MARK T. LAPID** (hereafter referred to as the **"LICENSEE"**)

-and-

FIESTA PACIFIC ASIA, INC. (FPAI), a private corporation organized and existing under the law of the Republic of the Philippines, with business address at 2nd Floor, San Miguel Properties Centre, 7 St. Francis Avenue, Ortigas Center, Mandaluyong City, Metro Manila, represented herein by its President, **MARIE SUZANNE A. SISON SEVILLA** and by its Authorized Signatory, **ERIC JOHN B. CAPUCAO** (hereafter referred to as the **"SUPPLIER"**)

WHEREAS, the LICENSEE previously purchased from the SUPPLIER a Hotel Management Systems Software with Front Office Management, Point of Sales, Financial, Inventory & Purchasing through a public bidding with P.O. No. 285 dated October 31, 2012.

WHEREAS, the LICENSEE is desirous that the SUPPLIER undertake the MAINTENANCE SUPPORT SERVICES on **BANAUE HOTEL AND YOUTH HOSTEL'S MANAGEMENT SYSTEM**, hereinafter called the **"SERVICES"**.

WHEREAS, the SUPPLIER shall provide maintenance and support services to the Licensing coverage, for the period **June 01, 2021 to May 31, 2022 (12 Months)**;

WHEREAS, the software particulars and maintenance and support services to be provided by FPAI shall in accordance with Annex "A." of this Agreement;

WHEREAS, the SERVICES to be provided by the SUPPLIER shall be in accordance with the standards of skill and care reasonably expected from a service provider in the industry;

WHEREAS, the LICENSEE's Management and Information Systems Department (MISD) has neither knowledge nor expertise in the maintenance of the Fiesta Hotel Management Systems;

WHEREAS, TIEZA has accepted the proposal for **TWO HUNDRED TWENTY-TWO THOUSAND THREE HUNDRED EIGHTY PESOS (PHP222,380.00)** by FPAI.

NOW, THEREFORE, for and in the consideration for the foregoing premises, and the covenants and undertakings hereinafter set forth, parties have mutually agreed as follows:

1. The Statement of Accounts and other supporting documents are hereby incorporated, deemed to form and to be read and construed as an integral part of this Agreement. This, however, shall not be construed as a limitation to the inclusion of other relevant documents submitted and/or required by law or TIEZA to be submitted.
2. The provisions, requirements and conditions under RA 9184 and its Revised Implementing Rules and Regulations are incorporated in the Memorandum of Agreement. Moreover, words and expressions herein stated shall have the same meaning as are respectively assigned to them in the conditions of this Agreement.
3. In consideration of the payment to be made by the LICENSEE to the SUPPLIER, the latter binds and obligates itself to faithfully undertake and accomplish the SERVICES and remedy any defect in conformity with all the provisions of this Agreement in all aspects.

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