



December 22, 2022

Mr. Akira Toku
President
GLORY PHILS. INC.
Blk. 19, Lot 3 CAVITE ECONOMIC ZONE (CEZ) PH 3 ROSARIO CAVITE 4106 PHILIPPINES

Re: Proposal to Provide IDS Service with Managed Services (MS)

Dear Mr. Toku:

We are pleased to submit this proposal to provide IDS with Managed Services (collectively, the "Service") to GLORY PHILS. INC.

("Customer").

This proposal summarizes the description of the Service, 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:

Core Service	IDS	Committed Information Rate/Transmission Speed	60	Burst	60	Installation Lead Time	N/A
Managed Service	MS FIREWALL FG 60F		Plan Type		LTO	Installation Lead Time	N/A
Installation Address A	Blk. 19, Lot 3 CAVITE ECONOMIC ZONE (CEZ) PH 3 ROSARIO CAVITE 4106 PHILIPPINES						
Installation Address B	N/A						

Package Inclusions

Description	Qty	Description	Qty
1. <i>MS FW FG 60F</i>	1	4.	
2.		5.	
3.			

Managed Service

	<input type="checkbox"/> Premium	<input type="checkbox"/> Advantage	<input type="checkbox"/> Standard
Local Support*	24x7	8x5xNBD**	8x5x48 hours
On-Site Support	Within 24 hours	3 business days	5 business days
Hardware Availability	Within 24 hours	3 business days	5 business days
Preventive Maintenance	Monthly	Quarterly	Annual

* Email and Phone Support

** Next Business Day

- Notes
1. The proposal for the provision of MS is not valid if availed as a stand-alone service and not in conjunction with our Core Service.
 2. Delivery and deployment of the Services shall be made within 45-60 days from receipt by Eastern Communications of the signed proposal.
 3. The provision of this Service is coterminous with the Core Service. Pre-Termination Fee shall apply if this Service and/or the Core Service is terminated before the expiry of their respective terms.
 4. In the event that the Customer opts to activate the Core Services ahead of the installation/deployment for the MS, applicable rates for the Core Services shall be billed to the Customer. In the event of the early activation of the Core Service, the Initial Term for the provision

of the Core Service shall be extended accordingly as to be coterminous with the end date for the provision of MS.

5. *The original manufacturer's terms and conditions for the MS hardware applies. Eastern Communications reserves the right to discontinue the provision of the Services if it determines that Customer's use is in violation of the manufacturer's terms and conditions.*
6. *The manufacturer's warranty and end-user terms and conditions for the MS hardware applies.*

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
	Core	MS	
Deposit			Upon signing
Service/Installation Charge			
Monthly Service Fee (MSF)	58,000		On or before the 25th of the month
Other Charges			

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

TERM

The term of Agreement is for 24 months from the date of the acceptance of the Service. The Service is deemed accepted by the Customer after the expiration of twenty-four (24) hours 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 unless the Agreement is terminated in accordance with the Service Agreement and its related Addendum.

OTHER TERMS OF ENGAGEMENT

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

Should you find the terms of the Agreement acceptable, kindly indicate your 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:

- Signed Service Agreement
- Signed Addendum (Managed Services (Managed Services – Endpoints: Router, Firewall, Switch)
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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,

ANTHONY D. CO
Territory Head

JOHN KENNETH C. PAGKALIWANGAN
Account Manager

To: **MICHAEL S. CASTAÑEDA**

Head - Sales

EASTERN TELECOMMUNICATIONS PHILIPPINES, INC.

Telecom Plaza, 316 Sen. Gil Puyat Avenue Salcedo Village, Makati City

Phone: 5300-8888, Fax: 5338-8711

On behalf of GLORY PHILS. INC.

, the undersigned hereby confirms GLORY PHILS. INC.

's acceptance of the terms of the Agreement as set out in your engagement proposal dated DECEMBER 22, 2022 and in the attached Service Agreement.

The undersigned further warrants that he is duly authorized to bind GLORY PHILS. INC.

to the terms of the Agreement.

Date :

Signature :

Name : MR. AKIRA TOKU

Position : President

ADDENDUM (Managed Services – Endpoints: Router, Firewall, Switch)

The Parties to the Memorandum of Agreement/Service Agreement No. _____ (“Agreement”) for _____ Services hereby enter into this Addendum to include the following terms and condition for the provision of Managed Services (“MS”). The terms and conditions stipulated in this Addendum shall only govern the provision of the MS.

1. Summary of Managed Services

EASTERN COMMUNICATIONS’ MS include a range of operational needs of Customer related to communication technologies, including:

- Customer needs assessment and supply of equipment and network
- Configuration of Equipment and network customized to meet customer needs.
- Operation and management of Equipment and network
- Troubleshooting and support services to minimize the number of faults occurring in the Equipment and network

2. Detailed Service Description

Eastern IT Plus

- Deploy EASTERN COMMUNICATIONS’ expert team of engineers, to assess and provide MS solutions in terms of scoping, plan deployment and recommendations
- Analyze, evaluate and design the network and server requirements of Customer
- Train Customer’s primary contact person on the day-to-day network and server operations

Eastern Managed Endpoint

- Supply and configure routers, firewalls, switches, access points, PABX and other equipment
- Provide troubleshooting and management to implement and maintain the MS
- Provide support services such as onsite support, local support, hardware availability and preventive maintenance based on customer’s Service Level Commitment (“SLC”) subscription
- Monitoring of managed endpoints to detect and address any network downtime

3. General Terms and Conditions

The Managed Services shall be governed by these terms and conditions.

3.1 General

- 3.1.1 **Term.** The Initial Term for the provision of the MS shall be coterminous with the provision of Internet or Data Services (“Core Services”). The Term shall be renewed for another twelve (12) months (“Renewed Term”, and collectively with the Initial Term referred to as the “Term”) upon signing by the Customer of a renewal contract.
- 3.1.2 **Fee.** In consideration of the provision of the MS, Customer shall pay to EASTERN COMMUNICATIONS the agreed Monthly Service Fee (“MSF”). If Customer is delinquent in the payment of any portion of any Statement of Account (“SOA”), EASTERN COMMUNICATIONS, may, in addition to any other remedies it may have, including termination of the Agreement or this Addendum, suspend the provision of the MS and/or provision of the Core Services.
- 3.1.3 **Installation and Configuration.** Not later than sixty (60) calendar days from the Service Acceptance Date for the Core Services, EASTERN COMMUNICATIONS will provide one-time installation, configuration and activation of the MS based on the specifications indicated by Customer in a Customer Technical Information (“CTIF”), which shall form an integral part hereof.
- 3.1.4 When the Core Service has been activated ahead of the installation/deployment for the MS Hardware and/or Software, applicable rates for the Core Services shall be billed to the Customer and the Initial Term for the provision of the Core Service shall be extended accordingly as to be coterminous with the end date for the provision of MS.
- 3.1.5 **Termination.** In addition to the causes for termination specified in the Agreement, EASTERN COMMUNICATIONS may terminate this Addendum or the Agreement if Customer fails to pay the MSF for the MS and/or the Core Services within the due date.
- a. Termination of the Core Services shall result to termination of the MS. However, Customer may terminate the MS subject to the payment of pre-termination charge equivalent to the MSF of the unexpired Term of the MS plus the proportionate cost of the MS as determined by EASTERN COMMUNICATIONS. Pre-termination charges shall apply when the Term for the provision of MS is decreased or the provision of the MS is terminated before expiration of the Initial Term or Renewed Term. Pre-termination of the Core Services shall be subject to separate pre-termination charge.
 - b. Upon termination of this Addendum or Agreement, Customer acknowledges that EASTERN COMMUNICATIONS is under no obligation to maintain Customer data/information or provide Customer with access to or copy of the Customer data/information.
- 3.1.6 **Ownership of the Equipment.** Unless otherwise specified in the Service Order Form (“SOF”), the ownership of the MS Hardware remains with EASTERN COMMUNICATIONS.

3.2 **Scope Of Work**

- 3.2.1 EASTERN COMMUNICATIONS agrees to provide Customer the MS as described in the duly signed proposal.
- 3.2.2 The installation and maintenance services to be rendered by EASTERN COMMUNICATIONS shall only cover the Hardware and/or Software specified in the signed proposal.
- 3.2.3 **Preventive Maintenance Service** – EASTERN COMMUNICATIONS shall perform preventive maintenance service to the Hardware and/or Software based on the SLC subscription (i.e., Standard, Advantage or Premium) to keep the Network and Server in good operating condition. This service shall be in the form of an on-site visit consisting of:
 - a. A thorough inspection of the Hardware to ascertain operational reliability, performances, and operational safety,
 - b. A review of typical, encountered and potential problems, and
 - c. The recommendation of solutions and/or courses of action.
- 3.2.4 **Corrective Maintenance Service** – EASTERN COMMUNICATIONS shall perform on a 24/7 basis on-call maintenance and repair service to correct and/or repair any malfunction in or failure of the Hardware or Software, subject to the stipulated SLC. EASTERN COMMUNICATIONS agrees to respond at the soonest possible time and within the stipulated SLC after receiving the Customer's request for an on-call service.
- 3.2.5 EASTERN COMMUNICATIONS does not warrant that the MS rendered will eliminate breakdown or downtime of the Hardware and/or Software operation. The maintenance service also does not cover making any promise, warranty or representation not expressly contained in this Addendum. EASTERN COMMUNICATIONS does not provide any warranty beyond the warranty provided by the original equipment manufacturer (OEM). Day-to-day maintenance service shall be the responsibility of Customer.

3.3 **Additional Services**

- 3.3.1 Customer may order, and EASTERN COMMUNICATIONS, may agree to provide additional services not covered in the original signed proposal through the execution of another proposal.
- 3.3.2 Any and all services requested by the Customer that fall outside of the scope of a duly signed proposal will be considered as additional projects, and will be quoted and billed as separate, individual projects in accordance with EASTERN COMMUNICATIONS charges for the requested service. Should the additional service exceed the term of the Core Services, the term of the Core Services shall be extended up to the end term of the additional service.
- 3.3.3 If Customer requests a change to the scope or execution of the MS, it shall submit details of the requested change to the other in writing and EASTERN COMMUNICATIONS shall, within a reasonable time, provide a written estimate to the Customer of:
 - (a) the likely time required to implement the change;
 - (b) any variations to EASTERN COMMUNICATIONS's charges arising from the change;
 - (c) the likely effect of the change on the MS; and
 - (d) any other impact of the change on the terms of the Addendum and/or the Agreement.

EASTERN COMMUNICATIONS shall proceed with the change upon receipt of the duly executed and accepted signed proposal and CTIF.

4. **Obligation Of Eastern Communications**

- 4.1 EASTERN COMMUNICATIONS shall use commercially reasonable endeavors to provide the MS as specified in the duly executed SOF.

If EASTERN COMMUNICATIONS' performance of its obligations under this Addendum is prevented or delayed by any act or omission of the Customer or the Customer's agents, sub-contractors or employees, the Customer shall be liable to pay EASTERN COMMUNICATIONS upon demand all reasonable costs, charges or losses sustained or incurred by it, including, without limitation, any direct or indirect consequential losses, loss of profit and loss of reputation, loss or damage to property, injury to or death of any person and loss of opportunity to deploy resources elsewhere, subject to EASTERN COMMUNICATIONS's confirming such costs, charges and losses to the Customer in writing.
- 4.2 The installation services to be rendered by EASTERN COMMUNICATIONS shall only cover the Hardware or Software or both, as specified in the duly executed SOF.
- 4.3 EASTERN COMMUNICATIONS shall maintain the Hardware to ensure that agreed service level is met. EASTERN COMMUNICATIONS shall have the sole discretion to repair or replace defective Hardware.
- 4.4 EASTERN COMMUNICATIONS will assist the Customer with fault diagnostics and isolation. Assistance includes fault finding and escalation to OEM to assist with fault isolation and resolution.

5. Obligation of The Customer

- 5.1 Customer acknowledges that EASTERN COMMUNICATIONS' ability to satisfactorily perform its obligation is contingent upon Customer's willingness to cooperate and comply with EASTERN COMMUNICATIONS' recommendation.

The Customer shall (i) cooperate with EASTERN COMMUNICATIONS in all matters relating to the MS; (ii) provide in a timely manner such access to the Customer's premises and data, and such office accommodation and other facilities, as is requested by EASTERN COMMUNICATIONS; (iii) provide in a timely manner such information as EASTERN COMMUNICATIONS may request, and ensure that the information is accurate in all material respects; and (iv) be responsible, at its own cost, for preparing the relevant premises for the supply of the MS.

- 5.2 In the provision of MS relating to managed network and managed server, the existing environment of the Customer shall be as prescribed by EASTERN COMMUNICATIONS. The costs required to have the Customer's environment well-suited for the provision of the MS shall be for the account of the Customer.
- 5.3 If the MS does not include software, the Customer must have duly licensed and vendor-supported software required for the MS.
- 5.4 Customer will identify one individual to be the Primary Contact Person of EASTERN COMMUNICATIONS. Customer represents that the Primary Contact Person is authorized by the Customer to make decisions in relation to the provision of MS and may be relied upon by EASTERN COMMUNICATIONS when providing the MS.
- 5.5 At its own expense Customer, shall timely furnish EASTERN COMMUNICATIONS all personnel, access to information and facilities, all necessary computer hardware, software and related materials not provided by EASTERN COMMUNICATIONS under the scope of the MS, and appropriate and safe work spaces for EASTERN COMMUNICATIONS' employees and contractors for the purpose of providing the MS. EASTERN COMMUNICATIONS shall be held harmless for any delay or inability to perform its obligations under this Agreement if access to information, facilities and equipment is denied or not timely provided by Customer.
- 5.6 Customer acknowledges that EASTERN COMMUNICATIONS may request Customer (i) to purchase additional items and (ii) to change its system to meet the requirements for the provision of the MS, at the cost of Customer. Customer agrees to work in good faith with EASTERN COMMUNICATIONS to effect such purchase or changes. However, EASTERN COMMUNICATIONS shall not be obliged to effect any change in the MS, if the same is not within the scope of the Agreement.
- 5.7 Customer shall be responsible for the quality, completeness and workmanship of any item or service furnished to EASTERN COMMUNICATIONS and for ensuring that the materials provided do not infringe any rights of any third party.
- 5.8 EASTERN COMMUNICATIONS shall not be liable for its failure to deliver the MS based on the agreed service level if the direct or indirect cause thereof is the failure of the Customer to make the environment well-suited for the Managed Services.
- 5.9 Customer acknowledges that nothing herein shall relieve them from its obligations to perform normal day to day operation and maintenance on the Hardware or Software, as specified under the applicable user manuals or end-user agreements.

6. Exclusions

- 6.1 EASTERN COMMUNICATIONS shall not be responsible for the impairment to the MS functionality due to causes attributable to the Customer.
- 6.2 EASTERN COMMUNICATIONS is not obliged to render maintenance services to the Hardware if such maintenance service is required as a result of or in connection with the damages or modification to the Equipment due to improper handling or unauthorized usage by the Customer or its employees, agents, contractors or suppliers or for failure of the Customer to maintain the essential environmental conditions or electrical parameters.
- 6.3 When EASTERN COMMUNICATIONS will have to provide repair and maintenance services outside the coverage of the MS or when repairs are made necessary due to the fault, negligence or omission of the Customer, EASTERN COMMUNICATIONS shall charge for such repairs and maintenance based on EASTERN COMMUNICATIONS pricing. If Customer requires that EASTERN COMMUNICATIONS perform the required services without a quotation, EASTERN COMMUNICATIONS is entitled to charge its standard rates.
- 6.4 Customer agrees to make available to EASTERN COMMUNICATIONS remote access to its network and server to ensure that EASTERN COMMUNICATIONS will be able to perform the Services.

7. Service Level Agreement

- 7.1 The following matrix shall be EASTERN COMMUNICATIONS' SLC for MS provided within Metro Manila only:

	Premium	Advantage	Standard
Local Support (Email and Phone Support)	24x7	8x5xNBD	8x5x48 hours
On-Site Support	Within 24 hours	3 business days	5 business days
Hardware Availability	Within 24 hours	3 business days	5 business days
Preventive Maintenance	Monthly	Quarterly	Annual

- 7.2 Should the Hardware or its parts be damaged or becomes unserviceable due to the fault of Customer, Customer shall be liable to EASTERN COMMUNICATIONS for the cost of such Hardware or its parts in the amount to be determined by EASTERN COMMUNICATIONS. During the period of Hardware repair or replacement, Customer shall continue to pay the MSF.
- 7.3 **Rebates.** For support services not rendered within the committed availability provided herein, Customer will be entitled to rebates equivalent to 10% of one thirtieth (1/30) of the equivalent MS's (or MS') MSF for each incident, or as specified in a duly signed proposal.
- 7.4 Service Support. All Customer-reported faults should be directed to EASTERN COMMUNICATIONS' Customer Experience hotline number +63 2 5300 7000.

8. Due Execution

Eastern Communications shall not be bound to extend the MS until a duly authorized official signs this Addendum.

Other terms and conditions of the Agreement not otherwise inconsistent or in conflict with the herein clarifications, revisions and/or amendments shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto signed or caused this to be signed by their duly authorized official/ representative this ___ day of _____ in the City of Makati.

GLORY PHILS. INC.

**EASTERN TELECOMMUNICATIONS
PHILIPPINES, INC.**

By: _____

By: _____

MR. AKIRA TOKU
President

MICHAEL S. CASTAÑEDA
Head – Sales

Witness:

name
Position/Designation

name
Position/Designation