

PHILIPPINE DEPOSIT INSURANCE CORPORATION

SSS Building, Ayala Ave. cor. Rufino St., Makati City

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INSTRUCTIONS TO BIDDERS FOR THE SUBMISSION OF ELIGIBILITY DOCUMENTS

PROCUREMENT OF CONSULTING SERVICES FOR THE FAIR VALUATION OF CAPITAL NOTES

Project

November 25, 2013

Date

1. AGENCY BACKGROUND

The Philippine Deposit Insurance Corporation (PDIC) is a government instrumentality created by virtue of Republic Act No. 3591, as amended, to provide protection to depositors of banks in the Philippines through deposit insurance and promotion of sound banking practices. It also acts as receiver/liquidator of banks closed by the Monetary Board of the Bangko Sentral ng Pilipinas.

2. BIDDING COMMITTEE

The Bids and Awards Committee, hereinafter referred to as the "BAC," is the sole and final authority in the entire bidding process. The BAC shall be responsible for the determination of eligibility, conduct of bidding, evaluation of bids, post-qualification of the lowest calculated bid and recommending award of contracts. The decision of the BAC is final and binding.

3. ELIGIBILITY CRITERIA

Only service providers capable of complying with the qualifications provided hereunder are eligible to participate in this procurement project:

- (a) It must be a Filipino entity. For this purpose, a service provider shall be considered a Filipino if it meets any of the following criteria:
- it is a Filipino citizen or a sole proprietorship owned by Filipino citizens; or
 - it is a Partnership duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; or
 - it is a Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines; or
 - it is a Cooperative duly organized under the laws of the Philippines, and of which at least sixty percent (60%) belongs to citizens of the Philippines; or
 - it is a joint venture, i.e., a group of two (2) or more bidders that intend to be jointly and severally responsible or liable for a particular contract: *Provided*, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%). (Please note additional eligibility requirements for a joint venture specified in *Item 4.5.1.A.4* of these Instructions.
- (b) It must be an accounting firm with the professional expertise and knowledge regarding the valuation of financial assets and liabilities as prescribed by existing provisions of the Philippine Financial Reporting Standards (PFRS), including updates thereon.

- (c) It must have conducted at least three (3) engagements in the valuation of financial instruments;
- (d) It must have a project team whose members, including the engagement partner/leader, are all Filipino citizens and certified public accountants (CPAs). The engagement partner/leader must have at least ten (10) years experience in the practice of his/her profession, while the members must have no less than two (2) years experience.

4. ELIGIBILITY REQUIREMENTS

5.1 The following eligibility requirements shall be submitted on or before the deadline, as specified in the Request for Expression of Interest, for purposes of determining the eligibility of prospective bidders:

A. *Legal Documents*

- 1) Registration Certificate issued by the Securities and Exchange Commission (SEC) for corporations, Department of Trade and Industry (DTI) for sole proprietorships, or the Cooperative Development Authority (CDA) for cooperatives.
- 2) In the case of a corporation or cooperative, a NOTARIZED Secretary's Certificate (**Bid Form No. 1.1**), or, in the case of a partnership or joint-venture, a NOTARIZED Partnership-Joint Venture Certificate (**Bid Form No. 1.2**)
- 3) CURRENT **Mayor's permit** issued by the city or municipality where the principal place of business of the prospective bidder is located.
- 4) In case of a joint venture, a valid **joint venture agreement** (JVA), if the joint venture is already in existence. In the absence of a JVA, **duly NOTARIZED statements** from all potential joint venture partners stating that they will enter into a JVA and abide by the provisions thereof in the instance that the bid is successful. Failure to enter into a joint venture in the event of a contract award shall be a ground for the forfeiture of the bid security. Each partner of the joint venture shall submit the required legal documents stated herein. As regards the technical and financial eligibility documents, the submission of at least one (1) joint venture partner shall constitute compliance.

In case of a subcontracting arrangement, a valid **subcontracting agreement**, or, in lieu thereof, a **duly NOTARIZED certification** that the bidder shall enter into such an agreement and abide by its provisions in the event that its bid is successful.

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B. *Technical Documents*

- 1) Statement of all ongoing and completed government and private contracts for the years 2010, 2011, and 2012 - including contracts awarded but not yet started, whether or not similar in nature and complexity to the contract to be bid, excluding contracts with PDIC, if any. **(Bid Form No. 2)**
- 2) Statement of the consultant specifying its nationality and confirming that the members of the project team that will actually perform the required services are registered professionals authorized by the appropriate regulatory body to practice those professions and allied professions. The **curriculum vitae (CV)** of each member of the team shall likewise be submitted. The experience and engagements of each individual that relate to the conduct of valuation services must be clearly indicated.
- 3) **Certification of satisfactory completion** of similar projects from at least three (3) clients listed in the Statement of On-going and Completed Contracts, excluding PDIC.

C. *Financial Documents*

Audited financial statements (**Auditor's Opinion/Certificate, Balance Sheet and Income Statement**) stamped "**received**" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions for Tax Year 2012, showing among others, the consultant's total and current assets and liabilities.

- 5.2 Prospective bidders may obtain a full range of expertise by associating with individual consultant/s and/or other consultants or entities through a JV or subcontracting arrangements. However, subcontractors may only participate in the bid of one short listed consultant.

5. **SUBMISSION OF ELIGIBILITY ENVELOPE**

- 5.1 Prospective bidder shall submit to PDIC one (1) set of sealed eligibility envelope at the Ground Floor Lobby, SSS Makati Building, Ayala Avenue corner V. A. Rufino St., Makati City, on or before 10 December 2013 – 9:30 A.M.. The eligibility envelope shall be marked "**ELIGIBILITY ENVELOPE of (Name of Bidder) – Public Bidding for (Name of Project)**." It shall contain the eligibility documents/requirements under Section 5.1 (A to C). The wall clock located at the Ground Floor lobby, SSS Makati Building shall be used as the official timer for the submission of eligibility documents. Submissions made after the deadline will be rejected.

- 5.2 Where only one bidder submits its eligibility envelope, the bidding process shall still continue. If said bidder is later declared eligible, shortlisted, and its bid is found to be responsive to the bidding requirements, its bid will be declared as a Single Rated Responsive Bid (SRRB) and considered for contract award. If no prospective bidder submits an eligibility envelope, the BAC shall issue a Resolution declaring the bidding a failure.

6. MODIFICATION AND WITHDRAWAL OF ELIGIBILITY DOCUMENTS

- 6.1 The prospective bidder may modify its eligibility documents after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline of submission. However, the prospective bidder shall not be allowed to retrieve its original eligibility documents; instead, it shall be allowed to submit another set which shall be similarly sealed, properly identified, linked to its original bid marked as "ELIGIBILITY MODIFICATION," and shall be stamped "RECEIVED" by the BAC. Modifications received after the applicable deadline shall not be considered and shall be returned to the prospective bidder unopened.
- 6.2 A prospective bidder may, through a letter of withdrawal, withdraw its eligibility documents after it has been submitted, for valid and justifiable reason; provided that the letter withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of eligibility documents.
- 6.3 Eligibility documents requested to be withdrawn in accordance with this Clause shall be returned unopened to the prospective bidder concerned. A prospective bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of eligibility documents. A prospective bidder that withdraws its eligibility documents shall not be permitted to submit another set, directly or indirectly, for the same project.

7. OPENING AND PRELIMINARY EXAMINATION OF ELIGIBILITY ENVELOPE

- 8.1 The BAC shall open the eligibility envelope in the presence of the bidders and observers, if any. In addition to the representative of the Commission on Audit, at least two (2) other observers - one from the private group in a sector or discipline relevant to the procurement at hand, and another from a non-government organization - shall be invited in writing to witness and observe the proceedings.
- 8.2 The eligibility of each bidder shall be determined by examining the completeness of each prospective bidder's documentary submissions vis-à-vis the eligibility requirements or statements using a simple "pass/fail" criteria. A bidder whose documentary submissions are rated "passed" is

considered eligible. A bidder whose documentary submissions are rated "failed" is considered ineligible.

- 8.3 The eligibility envelope shall be opened in public to determine whether or not the bidder has submitted all the required eligibility documents as specified in Section 5 hereof. The BAC Secretariat shall prepare a checklist of the required eligibility documents and the submitted documents shall be checked against this checklist to ascertain if they are all present. If a submission is incomplete or is missing, the BAC shall rate the bid as "failed," and shall declare the concerned bidder as "ineligible." The bidder shall then be disqualified from the remainder of the bidding process. If the submission is complete, it shall be rated as "passed," with its bidder declared as "eligible." Only eligible bidders shall be considered for short listing.
- 8.4 The BAC shall inquire from the ineligible bidder whether or not said bidder intends to file a request for reconsideration; if said bidder signifies to do so, the BAC shall keep the eligibility envelope and re-seal and sign the same in the presence of all the participants. This shall be deposited in a secured place or location. Said bidder has three (3) calendar days within which to file a written request for reconsideration. On the other hand, a prospective bidder that was absent during the eligibility check and was found ineligible has three (3) calendar days from receipt of the Notice of Ineligibility, within which to file a request for reconsideration. The BAC shall return the eligibility envelope if the prospective bidder is declared "ineligible" and expressly waives his right to file a request for reconsideration. Such waiver shall be made in writing, to be executed by the authorized representative of the ineligible bidder.
- 8.5 If only one (1) bid is received in response to the Request for Expression of Interest, an award may still be made to the lone bidder provided that (a) its bid complies with the bidding requirements, (b) the bid price is not higher than the ABC, (c) its bid passes post-qualification, (d) there is no evidence of collusion between and among non-participating consultants and/or parties, and (e) other prospective bidder were given equal opportunity to respond and participate in the bidding process.
- 8.6 If no prospective bidder is found to be eligible, the BAC shall declare the bidding a failure and issue a Resolution declaring a failure of bidding.

8. SHORT LISTING OF ELIGIBLE BIDDERS/CONSULTANTS

- 8.1 Only prospective bidders who have been engaged under contracts similar in nature and complexity to the contract to be bid shall be considered for short listing.
- 8.2 The BAC shall draw up the short list of bidders from those declared eligible using the following detailed set of criteria and rating system:

- A. Applicable and relevant experience of the consultant, or member-firms in case of joint ventures, considering both the overall experiences of the firm or, in the case of new firms, the individual experiences of the principal and key staff, including the times when employed by other consultants **(40%)**;
 - B. Qualification an relevant work experience of personnel who shall be assigned to the job vis-à-vis extent and complexity of the undertaking **(30%)**; and
 - C. Size of the Corporation **(15%)**
 - D. Accreditation **(15%)**
- 8.3 The BAC shall rank the eligible bidders based on the average of the rates given them by the Committee members. If the number of eligible bidders that got the minimum average rating **(80%)** for the short list exceeds five (5), those obtaining the five (5) highest ranks shall be considered. Otherwise, the BAC shall only consider those bidders meeting such minimum rating requirement. Accordingly, where no eligible bidder meets this minimum rating requirement, a failure of bidding shall be declared by the BAC through a Resolution
- 8.4 PDIC reserves the right to disqualify or reject the documentary submissions of any prospective bidder that is found to have been engaged by the bank that issued the Capital Notes subject of this project, by reason of conflict of interest.
- 8.5 The BAC shall recommend the short list of bidders to the Head of Procuring Entity (HOPE) for consideration and approval. If the HOPE approves the recommendation, the BAC shall inform the eligible bidders of the results of the shortlisting process. If the HOPE disapproves the recommendation, he must inform the BAC of the reasons for the disapproval and instruct the BAC on the measures to be adopted.
- 8.6 Shortlisted consultants shall be invited to participate in the bidding of the project through a Letter of Invitation to Bid issued by the BAC.
- 8.7 If no prospective bidder is shortlisted, the BAC shall again declare a failure of bidding and issue a Resolution declaring a failure of bidding.

9. **SCHEDULE OF THE PROCUREMENT PROCESS**

Activities	Schedule		
	Time	Date	Venue
1. Issuance and Acceptance of Eligibility Forms/Documents		3 -11 Dec 2013	BAC Secretariat, 6 th Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati City
2. Deadline for Submission of Eligibility Documents/ Requirements, opening of the same shall follow immediately	9:30am	11 Dec 2013	Ground Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati City
3. Shortlisting		18 Dec 2013	
4. Issuance of Notice of Shortlisting		19 Dec 2013	
5. Issuance of Bid Documents	8:00am to 5:00pm	19-27 Dec 2013	BAC Secretariat, 6 th Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati City
6. Pre-Bid Conference	9:30am	3 Jan 2014	ASG Conference Room, 6 th Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati
7. Deadline for Submission of Technical and Financial Proposals; Opening of the Technical Proposals	9:30am	16 Jan 2014	Ground Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati City
8. Opening of Financial Proposals	9:30am	22 Jan 2014	ASG Conference Room, 6 th Floor, SSS Makati Building, Ayala Avenue corner V.A. Rufino Street, Makati

BIDS AND AWARDS COMMITTEE

NOTE: Failure to comply with any provision of the Instructions to Bidders may result in outright disqualification from the bidding process.

AUTHORITY OF SIGNATORY

A. For Corporation/Cooperative

SECRETARY'S CERTIFICATE

I, _____, duly elected and qualified Board Secretary of *(Name of Company)*, a corporation/cooperative duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office or place of business at *(Place)*, DO HEREBY CERTIFY THAT.

I am familiar with the facts herein certified and duly authorized to certify the same;

At the Special/Regular Meeting of the Board of Directors of the Corporation/Cooperative duly convened and held on *(Date)*, at *(Place)*, at which meeting a quorum was present and acting throughout, the following resolutions were unanimously approved and adopted, and the same have not been annulled, revoked and amended in any way whatever and are in full force and effect on the date hereof:

RESOLVED, that *(Name of Company)* be authorized, as it is hereby authorized and empowered to participate in the bidding of the *(Name of Project)* by the Philippine Deposit Insurance Corporation (PDIC); and that if awarded the project shall enter into a contract with the PDIC; and in connection therewith hereby appoint *(Name of Representative/s)*, acting as duly authorized and designated representative/s of the corporation/cooperative, are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the corporation/cooperative in the bidding as fully and effectively as the corporation/cooperative might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do and cause to be done by virtue hereof;

RESOLVED Further That, the corporation/cooperative hereby authorizes its President to:

1. execute a waiver of jurisdiction whereby the corporation/cooperative hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts;
2. execute a waiver that the corporation/cooperative shall not seek and obtain a writ of injunction or prohibition or restraining order against any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of the contract to a successful bidder, and the carrying out of the awarded contract.

IN WITNESS WHEREOF, I hereby hereunto set my hand this ____ day of _____, 2013 at *(Place)*.

Name of Board Secretary

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2013, at _____, Philippines. Affiant is personally known to me and was identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on _____ at _____.

Witness my hand and seal this ____ day of _____, 2013.

NAME OF NOTARY PUBLIC
Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. _____ [date issued], [place issued]
IBP No. _____ [date issued], [place issued]

Doc. No. ____
Page No. ____
Book No. ____
Series of 2013.

B. For Partnership/Joint Venture:

PARTNERSHIP'S/JOINT VENTURE'S CERTIFICATE

I, _____, of legal age, Filipino Citizen, single/married and with office address at (Place), after having been duly sworn to in accordance with law, do hereby depose and say that:

As (Position) of (Name of Partnership/Joint Venture), I hereby certify that at the Regular/Special Meeting of the Partners held on (date) at (place), during which a quorum was present, the following Resolution was unanimously approved and adopted:

Resolution No. _____

“RESOLVED that the partnership/joint venture be authorized, as it is hereby authorized and empowered to participate in the pre-qualification and bidding for the (Name of Project) requirement of the Philippine Deposit Insurance Corporation (PDIC).

“RESOLVED, further that any of the following person/s are authorized to represent, negotiate, execute, bind and/or sign for or in behalf of the company any document/s required for the purpose of said bidding.

NAME	DESIGNATION	SPECIMEN SIGNATURE
_____	_____	_____
_____	_____	_____

IN WITNESS WHEREOF, I hereby hereunto set my hand this _____ day of _____, 2013 at (Place).

Name of General Manager/President/Partner

SUBSCRIBED AND SWORN to before me this ___ day of _____, 2013, at _____, Philippines. Affiant is personally known to me and was identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on _____ at _____.

Witness my hand and seal this _____ day of _____, 2013.

NAME OF NOTARY PUBLIC
Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. _____ [date issued], [place issued]
IBP No. _____ [date issued], [place issued]

Doc. No. _____
Page No. _____
Book No. _____
Series of 2013.

[Handwritten signatures and initials]

Name of Bidder: _____
Business Address: _____
Telephone No.: _____

List of all Ongoing Contracts including contracts awarded but not yet started, excluding contracts with PDIC, if any:

Name of Client	Location of Contract	Type and Brief Description of Consulting Services	Consultant's Role (Whether main consultant, subcontractor or partner in a JV)	Amount of Contract	Date Started	Contract Duration

Statement of all Completed Contracts for 2010, 2011 and 2012, excluding contracts with PDIC, if any:

Name of Client	Location of Contract	Type and Brief Description of Consulting Services	Consultant's Role (Whether main consultant, subcontractor, or partner in a JV)	Amount of Contract	Date Awarded	Contract Duration
2012						
2011						
2010						

The bidder must have completed, within the period 2010 – 2012, a single contract that is similar to the contract to be bid and whose value, adjusted to current prices using the National Statistics Office (NSO) consumer price indices, must be at least fifty percent (50%) of the ABC.

(A contract shall be considered "similar" to the contract to be bid if it involves goods or services of the same nature and complexity as that which is the subject of the public bidding.)

Submitted by : _____
 Name & Signature

Handwritten signature and date: 5/26/14