

2.2 Payment shall be as follows:

○ **For Windows Server HCI**

Payment Milestone	%	Requirements for Payment
A. Delivery and Installation into operational state of HCI Nodes, Network Devices, Storages and Rack Enclosure at the SSS Main Production and Disaster Recovery Sites.	40%	<ul style="list-style-type: none"> <li>Completed Delivery of all hardware components</li> <li>Issuance of Inspection and Acceptance (IAR) document by SSS Inspection team.</li> <li>Issuance of Certificate of Acceptance for Milestone A.</li> </ul>
B. Installation of all the required software at the SSS Main Production and Disaster Recovery Sites	20%	<ul style="list-style-type: none"> <li>Complete Installation of all the Software components into operational state, such as the HCI Management Solution and Windows Server Operating Systems.</li> <li>Issuance of Certificate of Acceptance for Milestone B.</li> </ul>
C. Migration of Data	20%	<ul style="list-style-type: none"> <li>Successful replication and migration of all the Virtual Machines from the SSS existing HCI nodes to the new HCI nodes.</li> <li>Issuance of Certificate of Acceptance for Milestone C.</li> </ul>
D. Completion of Product Performance Testing and other deliverables	20%	<ul style="list-style-type: none"> <li>Completion of Training Requirements and documentation</li> <li>Submission of "Notice of Complete Delivery and Installation in Operational State" by the Supplier.</li> <li>Passing all functionalities and performance requirements based on the agreed acceptance criteria</li> <li>Issuance of Certificate of Final Acceptance</li> </ul>

- **For the Five (5) Years Direct Manufacturer Warranty and Maintenance Services** – Quarterly basis upon submission of Quarterly Service Report and acceptance by HSD.

Payment shall be credited to the LANDBANK or DBP or any choice of bank account subject to the applicable bank charges of the winning bidder.

The payment shall be subject to retention of Withholding Tax and other applicable taxes in accordance with existing Laws and BIR Rules and Regulations, to be remitted directly to the BIR by the SSS.

Payment using a Letter of Credit is not allowed.

Retention Money equivalent to one percent (1%) of the total contract price shall be retained and shall only be released after the lapse of the five (5) years Direct Manufacturer Warranty period.