

Tender Reference No. : LO-TD-202601

11 August 2026

CUHK MEDICAL CENTRE LIMITED
INVITATION TO TENDER
Provision of Logistics Services for Pharmaceuticals and Medical Consumables
(Tender No.: LO-TD-202601)

CUHK Medical Centre Limited (CUHKMC) intends to invite Tenderers to submit a proposal for Provision of Logistics Services for Pharmaceuticals and Medical Consumables.

If your company is interested, please submit a full proposal with all required submissions mentioned in this Invitation to Tender by **12:00 noon on 12 October 2026 (HK Time)**.

To ensure compliance with the Tender requirements, Tenderers are strongly advised to attend the site visit and briefing session prior to the submission of Tender. The site visit and briefing session will be arranged on / before 04 September 2026 (tentative). Interested Tenderers please register by email (tender@cuhkmc.hk) before 12:00 noon on 01 September 2026 (HK Time).

Late submissions or incomplete proposals will not be considered. Please note that this Invitation to Tender is non-committal on our part and your proposal would be provided to CUHK Medical Centre Limited at no cost.

Yours faithfully,



Jane YEUNG
Senior Manager, Supplies & Procurement
CUHK Medical Centre Limited

Enclosure

CUHK Medical Centre Limited

Invitation to Tender

on

Provision of Logistics Services for Pharmaceuticals and Medical Consumables

Tender Reference: LO-TD-202601

Tender Issue Date: 11 August 2026

**Tender Closing Date and Time: 12:00 noon on 12 October 2026
(HK Time)**

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II	Terms of Tender
III	Form of Agreement
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V	CUHKMC's Brief
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VIII	Appendix(ices)
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PART I

INTERPRETATION

1. Definitions

In this Invitation to Tender and the Letter of Acceptance Contract, the following capitalised terms and expressions shall have the following meanings unless otherwise stated (including in the Form of Agreement):

“Business Day”	means a day (other than a Saturday, Sunday, public holiday, or a day on which banks in Hong Kong are authorised to close by law or regulation) in Hong Kong;
“CUHKMC”	means CUHK Medical Centre Limited;
“CUHKMC Representative”	means the person acting for and on behalf of CUHKMC or any duly authorised person of CUHKMC performing his/her duties from time to time;
“Form of Agreement”	means the form of the Logistics Services Agreement attached as Part III of this Invitation to Tender document;
“Invitation to Tender”	means this invitation to tender for Provision of Logistics Services for Pharmaceuticals and Medical Consumables on the terms and conditions set out in this document, which includes Part I (Interpretation) (“Interpretation”), Part II (Terms of Tender) (“Terms of Tender”), Part III (Form of Agreement), Part IV (Offer to be Bound), Part V (CUHKMC’s Brief), Part VI (Tender Brief) (“Tender Brief”), Part VII (Schedules of Submission), Part VIII (Appendix(ices)), Part IX (Annex), and the respective attachments to each of the aforementioned Parts or to this Invitation to Tender document, issued by CUHKMC to Tenderers;
“Letter of Acceptance”	means a letter issued by CUHKMC to the Successful Tenderer to accept its Tender submitted, subject to any matters identified in or in any attachment to such letter;
“Letter of Acceptance Contract”	has the meaning given in paragraph 5.1 of Part II (Terms of Tender);
“Logistics Services Agreement”	means the formal agreement to be executed by the Successful Tenderer and CUHKMC for the provision of the WMS, the Dedicated Area, and all (or part of) the Services as result of this Invitation to Tender;
“Objected Terms”	means any terms or provisions in the Form of Agreement that are expressly and specifically identified in a Tender as being rejected by the Tenderer, and the Tenderer

providing a counterproposal for such provisions in their Tender;

“Requirements”

means the requirements/specifications for the WMS, the Dedicated Area, and all of the Services (all as defined in the Form of Agreement), and the provision thereof, (a) as set out in the Form of Agreement, the Tender Brief, the Schedules, the Appendices, and the Annexes in this Invitation to Tender document, (b) as set out in all Tender Addendum(a), and (c) as otherwise negotiated and agreed between CUHKMC and the Successful Tenderer in writing;

“Schedules”

means any schedule under Part VII (Schedules of Submission), and “Schedules” shall be construed accordingly

“Services”

has the meaning given in Clause 1.1 of the Form of Agreement;

“Successful Tenderer”

means the Tenderer selected by CUHKMC as a result of this Invitation to Tender to execute the Logistics Services Agreement;

“Tender”

means the tender proposal submitted by a Tenderer in response to this Invitation to Tender, which comprises a technical proposal (“Technical Proposal”) and a price proposal (“Price Proposal”), the Offer to be Bound, and the Schedules completed by the Tenderer;

“Tender Addendum”

means a written document issued by CUHKMC, if any, for the purposes of modifying, amending, or revising any part or provision of this Invitation to Tender, including, but not limited to, the Tender Brief or Form of Agreement; and “**Tender Addenda**” shall be construed accordingly;

“Tender Closing Date”

means 12:00 p.m. on 12 October 2026 (Hong Kong time);

“Tender Brief”

means the tender brief that contains the requirements and specifications of the WMS, the Dedicated Area, and all of the Services attached as Part VI of this Invitation to Tender;

“Tender Validity Period”

has the meaning given in paragraph 3 of Part II (Terms of Tender); and

“Tenderer”

means a third party logistics service provider, which may be a person, firm, or company, whose details are set out in the relevant Schedule and who intends to submit

and/or has submitted a Tender in response to this Invitation to Tender, and “Tenderers” shall be construed accordingly.

2. Interpretations

In this Invitation to Tender, unless the context requires otherwise or otherwise expressly stated to the contrary, the following rules of interpretation shall apply: -

- a. words in the singular shall include the plural and vice versa; a reference to one gender shall include a reference to the other genders;
- b. references to a Part are to a part of this Invitation to Tender document; references to a Schedule are references to a Schedule under Part VII, and references to an Appendix are references to an Appendix under Part VIII, of this Invitation to Tender document;
- c. references to a Clause are to a clause in the Form of Agreement; references to a Section are to a section in Part VI (Tender Brief);
- d. references to a day and a month are references to a calendar day and a calendar month; all references to time refer to Hong Kong time i.e. GMT+8;
- e. all headings shall not affect the interpretation of this Invitation to Tender;
- f. any reference to a person includes a natural person, a body corporate, or an unincorporated body;
- g. references to any legislation include references to sub-legislation and regulations under it and any amendment, consolidation, re-enactment, or replacement of any of them from time to time;
- h. references to any document however described include references to such document as amended, supplemented, renewed, extended, novated, or substituted from time to time; and
- i. any words following the terms “including” or “include” shall not limit the sense of the words, description, definition, phrase, or term preceding those terms.

PART II

TERMS OF TENDER

1 Invitation to Tender

- 1.1 Interested Parties are invited to submit a Tender for the provision of the Services, the Dedicated Area and Warehouse Management System (WMS) subject to and in accordance with the Tender Brief, Terms of Tender and the terms and conditions stipulated in the Form of Agreement.
- 1.2 CUHKMC reserves the right in its absolute discretion to cancel this Invitation to Tender at any time before acceptance of any Tender, without incurring any liability. CUHKMC has the right to amend or supplement this Invitation to Tender, including (without limitation) the Tender Brief and/or the Form of Agreement, before the Tender Closing Date by issuing Tender Addendum(s) and distributing it/them to all Tenderers who have signed the Confidentiality Agreement as referred to in paragraph 21 of this Part II. CUHKMC shall not be liable to any Tenderer for any loss, damage, cost, expense or inconvenience caused as a result of any Tender Addendum or its issuance. All Tender Addenda shall form and constitute part of this Invitation to Tender and, accordingly, the Requirements as amended and/or supplemented by all Tender Addenda shall become the Requirements for all purposes. If CUHKMC issues a Tender Addendum, it shall provide Tenderers who have already submitted a Tender with the opportunity to amend their Tender within a time period specified by CUHKMC. Each Tenderer shall be solely and fully responsible for ensuring that their Tender submissions fully comply with and take into account of any Tender Addendum. Failure of a Tenderer to amend its Tender within such time period will be deemed as confirmation that the Tenderer does not wish to make any amendments to its Tender despite the Tender Addendum, and may result in CUHKMC, in its absolute discretion, rejecting the relevant Tender.
- 1.3 CUHKMC will not be responsible for or liable to any Tenderer for any cost or expense incurred in relation to (i) the preparation, amendment, or submission of its Tender; or (ii) any communication or negotiation between the Tenderer and CUHKMC in relation to the Tender, the Form of Agreement, or the final Logistics Services Agreement, under any circumstances (including the cancellation of this Invitation to Tender by CUHKMC).
- 1.4 The Tenderer acknowledges and agrees that CUHKMC is not responsible for the completeness and accuracy of any information provided in this Invitation to Tender, and the Tenderer has made its own independent evaluation of the business potential of the Tender Brief and it has submitted its Tender based solely on the result of such independent evaluation. CUHKMC makes no representation or warranty (express or implied) as to the accuracy, correctness, completeness or validity of any information provided in this Invitation to Tender. The Tenderer shall be deemed to have satisfied itself as to the correctness and sufficiency of its Tender for providing the WMS, the Dedicated Area, and all of the Services, and its rates and prices shall cover all its risks, liabilities, and obligations set out or implied in the Letter of Acceptance Contract and the Logistics Services Agreement and all matters and things necessary for the proper provision of the Services.
- 1.5 The Tenderer is required to fill in the information indicated in “Offer To Be Bound”.

2 Tender

- 2.1 This Invitation to Tender relates to the provision of the WMS, the Dedicated Area, and all (or any part) of the Services, whose details and specifications are set out in the Tender Brief.
- 2.2 Tenderer must note that its offers in its tender submission must comply with the Requirements in every respect, unless compliance is stated as optional or otherwise in the Requirements. Tender submission which does not comply with such requirements shall not be considered.
- 2.3 Upon a Tenderer's submission of its Tender to CUHKMC, the Tenderer is deemed to accept and agree to all the terms and conditions set out in the Form of Agreement, save for any Objected Terms. Tenderer must provide a counterproposal for each Objected Term in its Tender. Tenderer shall not, and hereby waive any right to, negotiate or object to any terms or provisions of the Form of Agreement, which are not the Objected Terms. Notwithstanding the Tenderer's counterproposal for the Objected Terms, CUHKMC shall have the sole and absolute discretion to accept or negotiate such counterproposal with the Tenderer.
- 2.4 The Tender and supporting documents are to be completed in English (except where certain supporting documents are expressly required to be in Chinese) and in permanent ink or typescript and submitted in the manner stipulated. Tenderer is required to stamp and initial next to any corrections made. Tender not so completed may not be considered.
- 2.5 All parts of this Invitation to Tender, including without limitation, the Schedules, Offer to be Bound, Terms of Tender, Form of Agreement, and the Tender Brief must not be altered by the Tenderer.
- 2.6 Tender may not be considered if complete information is not given with the Tender submission or if any particulars and data asked for in the Schedules are not furnished in full. Where appropriate, descriptive and technical literature should be submitted with the Tender. CUHKMC may request clarification of particulars and data supplied, or additional particulars and data, and if so the Tenderer shall have **three (3)** Business Days, or such further period as CUHKMC may specify, to submit such further information. Failure to do so within the time period may result in CUHKMC, in its absolute discretion, rejecting the relevant Tender.
- 2.7 CUHKMC is not bound to accept the lowest or any Tender and reserves the right to accept all or any part of any Tender at any time within the Tender Validity Period.
- 2.8 CUHKMC reserves the right to award the work to more than one Tenderer.
- 2.9 CUHKMC reserves the right (in its absolute discretion) to accept or reject any informality or irregularity of any Tender, and accept or reject any Tender which has not been prepared in strict conformity with the terms of this Invitation to Tender.
- 2.10 CUHKMC reserves the right to identify, in its absolute discretion, any additional potential Tenderers in the open market at any time and invite such additional Tenderers to participate in this tender process.
- 2.11 CUHKMC reserves the right to negotiate with any Tenderer on the terms of the offer, at any time.

3 Tender Validity Period

Tender shall, unless otherwise indicated by the Tenderer, remain open for **one-hundred-and-eighty (180) days** after the Tender Closing Date (“**Tender Validity Period**”) and the Tenderer agrees not to withdraw the offer constituted by such Tender for this period.

4 Tender Prices

- 4.1 The prices to be quoted by the Tenderer are to be in Hong Kong currency and must only be shown on the relevant schedule. Such prices shall be net prices allowing for all trade and cash discounts and inclusive of all costs, expenses, and applicable taxes, duties, and levies to be incurred by the Tenderer in the provision of any Services, the Dedicated Area, or the WMS. Prices shall remain binding on the Tenderer during the Tender Validity Period and, for the Successful Tenderer, for the respective durations of the Letter of Acceptance Contract and the Logistics Services Agreement.
- 4.2 All bank charges and/or any currency exchange losses incurred by the Successful Tenderer will be borne by the Successful Tenderer.
- 4.3 For price comparison purposes, any prompt payment discount offered by the Tenderers will not be taken into consideration in assessment of Tender prices.
- 4.4 Tenderers are reminded to ensure the accuracy of their Tender prices quoted in the Price Proposal. Under no circumstance will CUHKMC accept any request for price adjustment on grounds that a mistake has been made in the Tender prices quoted by any Tenderer. Notwithstanding the foregoing, where CUHKMC identifies an apparent arithmetical error in the Price Proposal, CUHKMC reserves the right to seek clarification from the Tenderer. If the Tenderer confirms the correction, the corrected figure will be used for evaluation and the Price Proposal with the figure corrected will be considered as the Price Proposal as submitted for all purposes. If the Tenderer does not agree to the correction, the Tender will be evaluated as submitted.

5 Acceptance and Award of Agreement

- 5.1 CUHKMC will indicate its acceptance of the offer submitted by the Successful Tenderer by issuing a Letter of Acceptance to the Successful Tenderer, upon which (i) the Letter of Acceptance, (ii) Part I (Interpretation), (iii) Part II (Terms of Tender), (iv) Part III (Form of Agreement), (v) Part IV (Offer to be Bound), (vi) Part VI (Tender Brief), (vii) Part VII (Schedules of Submission), (viii) Part VIII (Appendix(ices)), (ix) Part IX (Annex), (x) Tender Addenda (if any), (xi) the Tender submitted by the Successful Tenderer (or part thereof) as accepted by CUHKMC, (xii) any clarifications submitted by the Successful Tenderer pursuant to paragraph 2.6 of this Part II, (xiii) any clarifications and/or explanations issued by CUHKMC in response to request for clarifications or queries from the Successful Tenderer, and (xiv) any other terms, departures, or qualifications as set forth in the Letter of Acceptance or as otherwise agreed in writing between CUHKMC and the Successful Tenderer shall collectively constitute and form a binding contract between the Successful Tenderer and CUHKMC ("**Letter of Acceptance Contract**"), pending negotiation and execution of the Logistics Services Agreement. The Letter of Acceptance Contract shall take effect as from its effective date as specified in the Letter of Acceptance or (in the absence of such specification) from the issue date of the Letter of Acceptance, and it shall be fully

binding and enforceable notwithstanding the Parties have not executed the Logistics Services Agreement.

- 5.2 The Logistics Services Agreement shall be in the form substantially similar to the Form of Agreement, with the Consolidated Tender Requirements as agreed between CUHKMC and the Successful Tenderer inserted therein, or, subject to paragraph 5.3 of this Part II, in such amended or alternative form as CUHKMC may specify in writing to reflect an alternative or revised business model accepted by CUHKMC.
- 5.3 The Logistics Services Agreement may include amendments, refinements, substitutions or additional provisions, including those required to reflect an alternative or revised business model accepted by CUHKMC, provided that such provisions:
 - (a) are consistent with the scope of Services and overall commercial intent of the Letter of Acceptance Contract;
 - (b) address matters not fully provided for in the Form of Agreement but reasonably required for the proper performance of the Services; and/or
 - (c) do not reduce, release, or materially dilute any obligation, liability, warranty, indemnity, performance standard, or delivery commitment undertaken by the Successful Tenderer under the Letter of Acceptance Contract.
- 5.4 Unless expressly stated in the Letter of Acceptance, execution of the Logistics Services Agreement is not a condition precedent to the formation, validity, or enforceability of the Letter of Acceptance Contract. Until execution of the Logistics Services Agreement, the Letter of Acceptance Contract shall govern the rights and obligations of the Parties.
- 5.5 Upon execution of the Logistics Services Agreement by CUHKMC and the Successful Tenderer, the Logistics Services Agreement shall supersede and replace the Letter of Acceptance Contract in its entirety, and the Letter of Acceptance Contract shall be automatically terminated and cease to have further legal effect, as from the effective date of the Logistics Services Agreement, save for any rights, liabilities, or obligations accrued or incurred prior to such termination of the Letter of Acceptance Contract, and any provisions expressly stated in the Logistics Services Agreement to survive such termination, shall continue in force in accordance with their respective terms. The Tenderers acknowledge and agree that if they are the Successful Tenderer, they can only enter into negotiations in relation to (i) any Objected Terms (the acceptance or negotiation of which is at CUHKMC's sole and absolute discretion) or (ii) any amendments to the Form of Agreement (or the amended or alternative form referred to in paragraphs 5.2 and 5.3 of this Part II) or Requirements that CUHKMC wish to make (at its sole discretion).
- 5.6 If the Logistics Services Agreement is not executed by CUHKMC and the Successful Tenderer on or before **31 March 2027** (or such other date as CUHKMC may specify, in its sole discretion, by written notice to the Successful Tenderer), CUHKMC shall have the right to terminate the Letter of Acceptance Contract with notice in writing to the Successful Tenderer with no liability whatsoever, but without prejudice to any rights (including right to claim damages in respect of any breach of the Letter of Acceptance Contract), remedies, liabilities, or obligations of the Parties accrued prior to such termination. All costs and expenses incurred by the Successful Tenderer in relation to any negotiations of the Logistics Services Agreement shall be solely borne by the Successful Tenderer.
- 5.7 Tenderers who do not receive any notification within the Tender Validity Period shall assume that their Tenders have not been accepted.

6 Presentation

Tenderer may be invited to provide a presentation.

7 New Information Relevant to Qualified Status

Tenderer shall inform CUHKMC immediately in writing of any circumstance or information which may affect its qualification to tender in its Tender. CUHKMC reserves the right to review the Tenderer's qualified status in the light of any new information relevant to its qualification.

8 Product/Service Information

Tenderer shall submit with the Tender a sufficient and valid product/service information (if applicable), e.g. catalogues, technical specifications, brochures, etc. Additional copies may be requested by CUHKMC to facilitate easy reference and ordering.

9 Cancellation of Invitation to Tender

Without prejudice to CUHKMC's right to cancel this Invitation to Tender at any time before acceptance of any Tender, where there are changes of requirements after the Tender Closing Date, for operational or any other reasons, CUHKMC is not bound to accept any conforming Tender and reserves the right to cancel this Invitation to Tender.

10 Destruction of Tender Submissions that are unsuccessful, etc.

- 10.1 CUHKMC will return the unsuccessful Tenders upon one-hundred-and-eighty (180) days of the Tender Closing Date. The unsuccessful Tenderer(s) should contact CUHKMC to collect its/their tender submissions. If any unsuccessful Tenderer fails to collect its tender submissions within ten (10) days after the one-hundred-and-eighty (180) days of the Tender Closing Date, CUHKMC will dispose of its Tender without notifying such Tenderer.
- 10.2 Where this Invitation to Tender is cancelled, all tender submissions under this Invitation to Tender can be destroyed any time after such cancellation without further notice to the Tenderers.

11 Microsoft Windows Support

To the extent the Successful Tenderer uses its own equipment or systems in connection with the provision of the WMS, the Dedicated Area, and/or the Services, the Successful Tenderer has the responsibility to plan and take appropriate actions on the equipment or systems to safeguard against the risks of Windows desktop Operating System obsolescence, including to upgrade the computers to a supported Windows desktop Operating System version to ensure the continued support and avoid security risks of the equipment or systems provided to CUHKMC as provided under the "CUHKMC IT Security Requirements".

12 Personal Data

- 12.1 Personal data (as defined in the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong) (“**Personal Data**”) of Tenderer and/or its officers, employees, consultants, contractors, or agents (collectively, (“**Tenderer’s Personal Data**”) may be requested for purposes related to evaluation of offer. When Tenderer’s Personal Data is provided, please make sure that the data is accurate and complete. If Tenderer fails to provide the information required or if the information provided is inaccurate or incomplete, the evaluation of the Tenderer’s offer will be affected.
- 12.2 Tenderer’s Personal Data may be made available to:
- i. The CUHKMC Representative; and/or
 - ii. Any other relevant parties who require it for matters related to evaluation and (if applicable) acceptance of Tenderer’s offer.
- 12.3 CUHKMC and/or CUHKMC Representative will only use, disclose, or transfer the Tenderer’s Personal Data provided:
- i. For purposes relating to evaluation and (if applicable) acceptance of offer or directly related purposes; or
 - ii. Where permitted by law.
- 12.4 CUHKMC will obtain the Tenderer’s consent before using Tenderer’s Personal Data for any other purposes.
- 12.5 For any Tenderer’s Personal Data provided by the Tenderer, the Tenderer represents and warrants that it has provided all requisite notices and obtained all requisite consents for the disclosure of such Personal Data to CUHKMC, to be used for the purposes, and transferred to the persons, stated above.

13 Commitment to Environmentally Responsible Purchasing

- 13.1 CUHKMC is sensitive to the environmental impact of purchasing decisions and takes into account of legitimate environmental concerns while continuing to achieve best value for money in its purchasing functions.
- 13.2 CUHKMC identifies products / services which present environmental concerns and addresses these concerns in the approval of tender specifications and in the tender evaluation process.

14 Environmentally Friendly Measure

The following environmentally friendly measures are recommended in the preparation of the Tender:

- 14.1 All documents should preferably be printed on both sides and on recycled paper. Papers exceeding 80 gsm are not recommended.
- 14.2 Excessive use of plastic laminates, glossy covers, or double covers should be avoided as far as possible. Use of recyclable non-glossy art board paper as document covers is recommended.
- 14.3 Single line spacing should be used and excessive white space around the borders and in between the paragraphs should be avoided.

15 CUHKMC's Right to Disclose Information

CUHKMC shall have the right to disclose whenever it considers appropriate, or upon request (verbal or written) by any third party (including any unsuccessful Tenderer), information of the Logistics Services Agreement, such as the name and address of the Successful Tenderer(s), product description/brand/model/country of origin (if applicable), description of the relevant services (if applicable) and the value of the Logistics Services Agreement, without reference to or consent from the Successful Tenderer. Unsuccessful Tenderer(s) may also enquire as to the reason for the rejection of their Tender submission, and it is up to CUHKMC's discretion whether or not to respond.

16 Offering Gratuities

Tenderers shall not, and shall procure that their employees, agents and subcontractors shall not, offer, solicit, or accept any advantage as defined in the Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong) in connection with this Invitation to Tender.

17 Anti-Collusion

17.1 Tenderers shall not communicate to any person other than CUHKMC the amount of any proposal, adjust the amount of any proposal by arrangement with any other person, make any arrangement with any other person about whether or not the Tenderer or that other person should or should not tender, or otherwise collude with any other person in any manner whatsoever in this tendering process until the end of the Tender Validity Period. Any breach of or non-compliance with this paragraph by any Tenderer shall, without affecting such Tenderer's liability for such breach of rules and laws or non-compliance with this paragraph by such Tenderer, invalidate its proposals.

17.2 Paragraph 17.1 of this Part II shall have no application to the Tenderer's communications in strict confidence with its own insurers or insurance brokers to obtain an insurance quotation for computation of its Tender's price proposal or preparation of the Tender and communications in strict confidence with its employees/subcontractors to solicit their assistance in preparation of the Tender.

18 Tender Submission

18.1 The documents attached herewith should only be used for the submission of a Tender in response to this Invitation to Tender. As part of the Tender submissions, the "Schedules of Submission" should be completed by Tenderer with signature and company chop. The submission may be accompanied by documents containing additional explanations, amplifications, or specifications, which should be stapled securely to the appropriate Schedule(s).

18.2 This Invitation to Tender shall be conducted in a two-envelope bidding process. **Tenderers are required to submit their Technical Proposal and Price Proposal separately. Failure to comply with this requirement will result in disqualification of the submission.**

The Tenderer shall submit the Technical Proposal and the Price Proposal under its Tender submission in two separate sealed plain envelopes. Tenderer shall submit ONE set of hardcopy and ONE set of softcopy in electronic form on USB flash drive or CD-ROM for EACH proposal. Both the envelope for the Technical Proposal and the envelope for Price Proposal must be clearly stated with the subject of the Tender, the Tender reference number, and marked as either “Technical Proposal” or “Price Proposal”. In the event of any conflict between the softcopy version and hardcopy version, the hardcopy version shall prevail.

Envelope 1 (Technical Proposal) should consist of the following information:

- Part IV – Offer To Be Bound
- Part VII – Schedules of Submission - Schedule 1 to Schedule 32 and Annex A

No Price information should be included in the Technical Proposal. Failure to comply with this requirement will result in disqualification of the submission.

Envelope 2 (Price Proposal) should consist of the following information:

- Part VII – Schedules of Submission - Schedule 33 and Annex B

- 18.3 Each tender proposal (and any accompanying document(s)), properly completed, and enveloped, must be placed in the Tender Box by **12:00 noon on 12 October 2026 (HK Time)**. The Tender box is situated at the following address:

Address: CUHK Medical Centre Limited
12/F, CUHK Medical Centre
9 Chak Cheung Street
Shatin, New Territories
Hong Kong

The office hours of CUHKMC are 9:00 am to 12:30 pm and 2:30 pm to 5:00 pm, Monday to Friday (except public holidays). **Late Tender submission will not be considered.**

- 18.4 CUHKMC has the absolute discretion to disqualify any Tenderer that fails to submit a complete and correctly packaged Tender.
- 18.5 The Tender Closing Date and Tender Closing Time will be extended to 12:00 noon of the next Business Day in Hong Kong under the following situations:
- i. A black rainstorm signal or tropical cyclone warning signal No. 8 or above issued by the Hong Kong Observatory is still in force between 9:00 am and 12:00 noon on the Tender Closing Date; or
 - ii. A black rainstorm signal or tropical cyclone warning signal No. 8 or above is announced to be hoisted shortly by the Hong Kong Observatory between 9:00 a.m. and 12:00 noon on the Tender Closing Date; or
 - iii. The “extreme conditions” is announced by the Hong Kong Government between 9:00 am and 12:00 noon on the Tender Closing Date; or
 - iv. The “extreme conditions” as announced by the Hong Kong Government exist between 9:00 am and 12:00 noon on the Tender Closing Date.

19 Tenderers' Enquiries

- 19.1 All enquiries relating to this Invitation to Tender and/or submission of Tender must be made before **12:00 noon on 16 September 2026 (HK Time)** in writing by email to tender@cuhkmc.hk.
- 19.2 The answers / response to Tenderer's enquires will be posted on the website of CUHK Medical Centre (www.cuhkmc.hk) before Tender Closing Date.

20 Site Visit and Briefing Session at CUHKMC

- 20.1 To ensure compliance with the Tender requirements, Tenderers are strongly advised to attend the site visit and briefing session prior to the submission of tender proposal. The site visit and briefing session at CUHKMC will be arranged with details as below:

Date: on / before 04 September 2026 (Tentative)

Time: Morning (Exact gathering date and time will be confirmed after registration)

Gathering Venue: G/F, CUHK Medical Centre, 9 Chak Cheung Street, Shatin, New Territories, Hong Kong

- 20.2 Each interested party will be allowed to send not more than two representatives to attend the site visit and briefing session. Prior registration for the site visit and briefing session by 12:00 noon on 01 September 2026 is required by email (tender@cuhkmc.hk), providing the company name, the name(s), job title(s), and contact phone number(s) of the representative(s).
- 20.3 The representatives attending the site visit shall wear appropriate personal protective equipment (e.g. face masks) and take all necessary precautionary and safety measures for the site visit. CUHK Medical Centre shall not be liable for any loss, damage, injuries whatsoever for or arising from the site visit claimed by the tenderer(s) or his persons.

21 Confidential documents and Confidentiality Agreement

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement to receive relevant documents.

Part III – Form of Agreement

Dated [●]

- (1) CUHK MEDICAL CENTRE LIMITED**
- (2) [3PL]**

LOGISTICS SERVICES AGREEMENT

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Schedules

1. Consolidated Tender Requirements

Part A - Pharmaceuticals

- (a) Appendix A – Project Plan – Pharmaceuticals
- (b) Appendix B – Reference Workflows – Pharmaceuticals
- (c) Appendix C – Product Category– Pharmaceuticals
- (d) Appendix D – Key Staff – Pharmaceuticals
- (e) Appendix E – Standard Operating Procedures – Pharmaceuticals (to be inserted upon contract award)
- (f) Appendix F – Delivery Destination Matrix – Pharmaceuticals
- (g) Appendix G – Delivery Arrangement – Pharmaceuticals
- (h) Appendix H – ERP Integration Specifications – Pharmaceuticals
- (i) Appendix I – CUHKMC's IT Security Requirements – Pharmaceuticals
- (j) Appendix J – KPIs – Pharmaceuticals
- (k) Appendix K – Service Levels – Pharmaceuticals
- (l) Appendix L – Incident Management Procedure – Pharmaceuticals

Part B – Medical Consumables

- (m) Appendix M – Project Plan – Medical Consumables
- (n) Appendix N – Reference Workflows – Medical Consumables
- (o) Appendix O – Product Category – Medical Consumables
- (p) Appendix P – Key Staff – Medical Consumables
- (q) Appendix Q – Standard Operating Procedures – Medical Consumables (to be inserted upon contract award)
- (r) Appendix R – Delivery Destination Matrix – Medical Consumables
- (s) Appendix S – Delivery Arrangement – Medical Consumables
- (t) Appendix T – ERP Integration Specifications – Medical Consumables
- (u) Appendix U – CUHKMC's IT Security Requirements – Medical Consumables
- (v) Appendix V – KPIs – Medical Consumables
- (w) Appendix W – Service Levels – Medical Consumables
- (x) Appendix X – Incident Management Procedure – Medical Consumables

2. Fees

3. Change Control Procedure

Logistics Services Agreement

This **AGREEMENT** is entered into on [●]

BETWEEN

- (1) CUHK Medical Centre Limited, a company duly incorporated under the laws of Hong Kong, whose registered office address is at 9 Chak Cheung Street, Shatin, New Territories, Hong Kong ("**CUHKMC**"); and
- (2) [3PL], a company duly incorporated under the laws of [●], whose registered office address is at [●] ("**3PL**"),

each a "**Party**" and collectively the "**Parties**".

WHEREAS

- A. CUHKMC is the operator of the Hospital (as defined below). CUHKMC wants to appoint a third-party logistics service provider in order to build a new business model, or to leverage on CUHKMC's existing logistics model, to manage logistic services relating to pharmaceutical products and medical consumable products for the Hospital, and/or the CUHK Medical Clinics. CUHKMC therefore issued an Invitation to Tender for "Provision of Logistics Services for Pharmaceuticals and Medical Consumables" on 11 August 2026 ("**Invitation to Tender**") inviting various vendors to provide their proposals for the provision of such services.
- B. The 3PL is an expert in providing an end-to-end logistics management solution, including developing and maintaining a software platform for logistics and warehouse management, and providing storage, packing, delivery, and other logistic services relating to pharmaceutical products and medical consumable products.
- C. The 3PL submitted its proposals on [●] in response to the Invitation to Tender (collectively, "**Proposal**"). CUHKMC has accepted the Proposal (or part thereof) of the 3PL by issuing a letter of acceptance to the 3PL on [●], by which, CUHKMC has awarded the contract to the 3PL based on relevant terms of the Invitation to Tender, the Proposal (or part thereof) as accepted by CUHKMC, and other terms (if any) as negotiated and agreed in writing between CUHKMC and the Successful Tenderer and/or as set forth in the said letter of acceptance (collectively, "**Letter of Acceptance Contract**").
- D. Pursuant to the award of the contract referred to in recital paragraph C above, CUHKMC and the 3PL have agreed to enter this Agreement by which CUHKMC engages the 3PL to provide, and the 3PL accepts the engagement to provide, logistics management services in relation to pharmaceutical products and medical consumable products for the Hospital, and/or CUHK

Medical Clinics, pursuant to the terms of this Agreement, and to supersede and replace the Letter of Acceptance Contract.

IT IS AGREED as follows: -

1. Definitions and Interpretation

- 1.1 Capitalised terms used in this Agreement shall have the meanings provided below. Other terms defined in the text of this Agreement shall have the meanings ascribed to them throughout this Agreement.

"3PL Personnel"	means the directors, employees, officers, agents, consultants, and subcontractors of each of the 3PL and its Affiliates;
"3PL Software"	means the warehouse management system software for the proactive and real-time monitoring of stock levels, which has been developed or procured by the 3PL or its Affiliate prior to the Effective Date and independently of this Agreement, and used by the 3PL to perform the Services;
"Acceptance"	means either when an Acceptance Certificate has been issued by CUHKMC or deemed acceptance pursuant to Clause 4.8(b) (<i>Acceptance</i>), and "Accepted" shall be interpreted accordingly;
"Acceptance Certificate"	means a notice in writing issued by CUHKMC to the 3PL, notifying the 3PL that a Deliverable meets that relevant Acceptance Criteria;
"Acceptance Criteria"	means the criteria used to determine whether or not a Deliverable passes the relevant Acceptance Test and is acceptable to CUHKMC;
"Acceptance Tests"	means the tests, including each unit test, system integration test, and/or user acceptance test (each an "Acceptance Test") to be conducted by the 3PL or with the assistance of the 3PL, in order to

ensure that the Warehouse Management System or other Deliverable meets the relevant Acceptance Criteria to CUHKMC's reasonable satisfaction, and **"Acceptance Testing"** shall be interpreted accordingly;

"Acceptance Test Plan"

means the plan setting out each Acceptance Test to be carried out and the procedure for the carrying out of each Acceptance Test as devised and approved in accordance with Clause 4.4;

"Acceptance Test Report"

means a written report setting out in detail the results of an Acceptance Test, which is provided by the 3PL;

"Affiliate"

means, with respect to a Party, a company, corporation, entity, or person which controls, is controlled by, or is under common control with that Party, **"control"** being defined as either a direct or indirect ownership (economic or voting) interest of fifty percent (50%) or more; or the right to control the management of the relevant entity, or the right to appoint or remove a majority of the board of directors or its supervisory or management board or such other body in which the management of the relevant entity is vested, as the case may be;

"Agreement"

means this agreement and the schedules and appendices attached to this Agreement;

"Business Day"

means a day (other than a Saturday, Sunday, public holiday, or a day on which banks in Hong Kong are authorised to close by law or regulation) in Hong Kong;

"Change"

means a matter which is, or is likely to lead to:

- (a) a change in the Services;
- (b) a change to the Warehouse Management System;
- (c) a change in the Specifications, Consolidated Tender Requirements, the Appendices or Schedules;
- (d) a change to the Fees; or
- (e) any other matter expressly identified in this Agreement as requiring the Parties to go through the Change Control Procedure, save for any matters which are expressly excluded from the Change Control Procedure, as set out in this Agreement;

"Change Control Note"

means a note in writing executed by the Parties in accordance with Clause 14 and **Schedule 3** (*Change Control Procedure*), in order to effect a Change, which must include details of the Change, timeline for performance of the Change (if applicable) and any amendments to the Fees payable under this Agreement (if applicable);

"Change Control Procedure"

means the procedure set out in **Schedule 3** (*Change Control Procedure*) and Clause 14 (*Change Control Procedure*), which is used to document, assess, approve or decline, and implement (if approved) and track a proposed Change;

"Completion Certificate"

means a notice in writing issued by CUHKMC to the 3PL confirming that the Set-Up Services and all related Acceptance Tests have

been completed and all Deliverables related to the Set-Up Services have been Accepted on the date of completion specified therein or (in the absence of such specified date) the issue date thereof;

"Confidential Information"

means all confidential and proprietary information of a Party ("**Disclosing Party**"), which is non-public or which by its very nature should be treated as secret and confidential or which is designated as such, whether provided orally, in writing, in machine readable form, or in any other form whatsoever, including all documents and materials (in whatsoever format) provided by Disclosing Party to the other Party ("**Receiving Party**"), obtained by the Receiving Party during discussions or negotiations for, during performance under, and/or otherwise in connection with this Agreement, or accidentally overheard or encountered by the Receiving Party on any premises of the Disclosing Party on, before, or after the Effective Date; any standards, specifications, and guidelines provided by Disclosing Party or its authorised persons; marketing and business information; details of suppliers, distributors, patients, and employees; sources of supply and distribution; contractual and financial information or arrangements; services, pricing information; and trade secrets;

"Consolidated Tender Requirements"

means the final specifications, requirements, procedures, and services as agreed between the Parties, which is based on the tender requirements set out in the Invitation to Tender and the

Proposal (or part thereof) as accepted by CUHKMC, and is attached as **Schedule 1** (*Consolidated Tender Requirements*);

"CUHKMC Contractors"

means, excluding the 3PL, any third party service provider and contractors of CUHKMC or its Affiliates, including the Suppliers;

"CUHKMC Indemnified Parties"

means CUHKMC, its Affiliates, each of the respective employees, officers, directors, and agents of CUHKMC and its Affiliates, and the CUHKMC Contractors;

"CUHK Medical Clinic"

means any medical clinic operated under the trade name of "CUHK Medical Clinic" or "CUHK Medical Clinic" forms part of its trade name;

"CUHKMC Materials"

all materials, labels, packaging, tools, know-how, designs, or documents (of any nature or format), which were created or developed by or on behalf of CUHKMC or its Affiliates, at any time, including CUHKMC's Confidential Information;

"CUHKMC Policies"

means the policies, guidelines, and/or instructions provided by CUHKMC to the 3PL from time to time, and as may be amended by CUHKMC at any time (without the need to go through the Change Control Procedure), regarding the Services, the Hospital, the Hospital Stores, Materials Store, Pharmacy Stores, the CUHK Medical Clinics, Dedicated Area, Warehouse Management System, Equipment, and the CUHKMC Software, including the Security Policies and the documents referred to in the Consolidated Tender Requirements;

"CUHKMC Premises"	has the meaning given in Clause 10.8;
"CUHKMC Software"	means the software owned by or licensed to CUHKMC that will interface and be used with the Warehouse Management System, as identified in the Consolidated Tender Requirements, including the software known as the "Enterprise Resource Planning System" and such other systems which may be used by CUHKMC and designated as CUHKMC Software by CUHKMC for the purpose of this Agreement from time to time;
"CUHKMC System"	means any information technology (IT) systems, applications, sub-systems, databases, integration platforms, interfaces, middleware, infrastructure, and networking operated by or on behalf of CUHKMC or its Affiliates, any hardware, servers, or equipment of CUHKMC or its Affiliates;
"Data Subject"	means the natural person who can be indirectly or directly identified from the Personal Data or to whom the Personal Data relates;
"Delay Period"	means the period starting from the Milestone date and ending on the date of actual completion of the relevant matter (both dates inclusive);
"Deliverable"	means the Warehouse Management System and any and all items, Equipment, or Services installed and implemented and/or supplied by the 3PL under this Agreement;
"Dedicated Area"	has the meaning given in Clause 3.4(b);
"Dedicated Area Fee"	means the fee payable by CUHKMC to the 3PL in return for

the right to use the Dedicated Area, as calculated in accordance with **Schedule 2** (*Fees*);

"Developed Materials"

means any interfaces, software, source codes, object codes, documents, drawings, designs, or any other materials of any nature or format, that are created or developed by the 3PL (either independently or jointly with CUHKMC) in relation to the Services or this Agreement, or which incorporate or are derived from (in whole or in part) the CUHKMC Materials, including the Warehouse Management System (but excluding the 3PL Software), and the Improvements (as defined in Clause 10.17);

"Disabling Codes"

means any "back door", "time bomb", "logic bomb", "Trojan Horse", "worm", "drop dead device", virus, or any other software or undisclosed feature or routine capable of or intended or designed to:

- (a) permit unauthorised access to or use of CUHKMC computer systems, or third party computer systems; or
- (b) disable, damage, corrupt or erase, or disrupt or impair, deactivate, or electronically repossess or encrypt without providing the key the normal operation of any computer system or associated data or confidential information of CUHKMC or any of its Affiliates or a third party;

"Disputed Invoice"

has the meaning given in Clause

17.11 (*Payment Terms*);

"Due Date"

means thirty (30) days from the date of CUHKMC's receipt of the relevant Invoice;

"Effective Date"

means the effective date of this Agreement, that is, the date of this Agreement as stated above;

"Equipment"

means all equipment, shelves, hardware, transportation vehicles, facilities, fixtures, fittings, and/or infrastructures that are used for the provision of the Services by the 3PL;

"Fees"

means the Set-Up Fee, the Dedicated Area Fee, and the Logistics Services Fee;

"Force Majeure Event"

means an event of natural disaster, epidemic or pandemic, fire, flood, extreme conditions as announced by the Government of Hong Kong, act of war or terrorism, civil disturbance/social unrest, strike or industrial action (other than of the affected party's own employees), or any law, regulation, order, or act of any government or regulatory authority, which directly impedes the operation of, or hinders or prevents performance of its duties and/or obligations under this Agreement by, a Party (the "**Affected Party**"), in each case to the extent it is beyond the reasonable control of the Affected Party;

"Government Authority"

means any public, regulatory, statutory, governmental, semi-governmental, or local governmental body, entity, or authority with jurisdiction over the Parties in relation to this

	Agreement or the subject matter of this Agreement;
"Hospital"	means the hospital known as "CUHK Medical Centre" located at 9 Chak Cheung Street, Shatin, New Territories, Hong Kong;
"Hospital Stores"	means the areas within the Hospital in which the Products shall be stored, as specified by CUHKMC from time to time, which may include the service centres, ward stores, clinical centres, and departments, but excluding the Materials Store and Pharmacy Stores;
"Incident"	means any event or circumstances which cause, or may reasonably cause an interruption, delay, reduction of quality or adverse impact on the Services or Warehouse Management System, or a failure to meet a KPI or Service Level;
"Incident Management Commencement"	means the earlier of the following: (a) the 3PL receiving notice from CUHKMC of an Incident; or (ii) the 3PL becoming aware of or when it should have reasonably become aware of an Incident;
"Incident Management Procedure"	means the process and procedure for the management of any Incident, as set out in Appendix L (<i>Incident Management Procedure – Pharmaceuticals</i>) and Appendix X (<i>Incident Management Procedure – Medical Consumables</i>) of the Consolidated Tender Requirements;
"Industry Best Practice"	means the best practices and

standards of care, skill, and diligence (which must be no less than reasonable) consistent with practices and standards observed by the leading companies or operators in the 3PL's industry when performing services equivalent or comparable to the Services;

"Initial Term"

means the period starting from the Effective Date and ending on the expiry of the Initial Operational Period;

"Insolvency Event"

means, in relation to an entity:

- (a) the entity entering into or resolving to enter into any arrangement, composition, or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction;
- (b) the entity being unable to pay its debts when they are due or being deemed under any statutory provision of any relevant jurisdiction to be insolvent or bankrupt;
- (c) a liquidator or provisional liquidator being appointed to the entity or a receiver, receiver and manager, trustee, or similar official being appointed over any of the assets or undertakings of the entity, the adoption of a plan relating to the liquidation or dissolution of the entity, or an event analogous with any such event occurring in any relevant jurisdiction;
- (d) an application or order being made or a resolution

being passed for
bankruptcy, winding up, or
dissolution of the entity; or

- (e) with regard to the 3PL, in addition to sub-paragraphs (a) to (d) above, if it is deemed insolvent or bankrupt under the Laws of its country of incorporation;

"Intellectual Property Rights"

means any (i) trademarks, service marks, logos, trade names, corporate names, domain names, and Internet keywords; (ii) patents, inventions; (iii) registered designs, design rights, (iv) copyright and related rights, including rights in computer software, source code, object code, firmware, databases, documentation, specifications, manuals and other works of authorship; (v) semiconductor topography rights; (vi) know-how, trade secrets, confidential information, methods, processes, systems, technical information, operational information, and proprietary data; or any similar rights exercisable in any part of the world, and all applications for, and rights to apply for (where such applications can be made), registrations, renewals, extensions, and rights to claim priority of any of the foregoing, whether presently existing or created in the future, anywhere in the world, and whether registered or not, whether subsisting under statute, common law, equity or otherwise, including rights subsisting in Hong Kong or any other jurisdiction, and all benefits, privileges, or rights to sue, recover damages, and obtain relief for any past, current, or future

infringement, misappropriation, or violation of any of the foregoing rights;

"Invoice"

means the provision by the 3PL of a valid request for payment under this Agreement addressed to CUHKMC at the address set out in Clause 17.8(b) (*Payment*), and which sets out the following:

- (a) full details of the amount being requested including a description of what it relates to and how it was calculated;
- (a)
- (b) (where relevant) the period to which the amount being requested relates;
- (b)
- (c) direct reference to this Agreement and to any relevant reference number(s) or similar tracking number(s); and
- (c)
- (d) such other information as CUHKMC may reasonably request;

"Key Staff"

has the meaning given in Clause 12.2 (*3PL's Employees and Meetings*);

"KPI"

means the key performance indicators that must be consistently achieved by the 3PL in relation to the Logistics Services and WMS Services, as more particularly described in **Appendix J** (*KPIs – Pharmaceuticals*) and **Appendix V** (*KPIs – Medical Consumables*) of the Consolidated Tender Requirements;

"Laws"

means any:

- (a) acts, ordinances, rules, regulations, by-laws, orders, or similar legislative or delegated legislative requirements of any applicable jurisdiction;
- (b) conditions imposed by Government Authorities in relation to any certificates, licences, consents, permits, or approvals granted by the relevant Government Authorities of any applicable jurisdiction;
- (c) mandatory codes, standards, guidelines, or other requirements imposed by Government Authorities of any applicable jurisdiction; and
- (d) applicable requirements of the common law of any applicable jurisdiction;

"Logistics Services"

means the services to be provided by the 3PL as further described in the Consolidated Tender Requirements, including:

- (a) liaising with the Suppliers and CUHKMC in relation to delivery (scheduled and actual) of the Products as per the Orders, and any returns or exchanges of the Products;
- (b) receiving and reviewing the Product inventory to be stored at the Dedicated Area and the Materials Store, and Pharmacy Stores, to ensure that they meet their description, are consistent

with the Order, and are free of defects;

- (c) the storage of the Product inventory at the Dedicated Area within the Warehouse and the Materials Store and Pharmacy Stores and the management of such inventory;
- (d) re-labelling and secondary packaging of selected Products, as specified by CUHKMC;
- (e) the delivery of the Products to the relevant Materials Store, Pharmacy Stores, and the CUHK Medical Clinics, and/or the delivery and topping up of the Products from the Materials Store to the relevant Hospital Stores;
- (f) the processing of any cancellations, returns or exchanges of the Products; and
- (g) manage the Product inventory and related logistics through the Warehouse Management System and/or CUHKMC Software;

"Logistics Services Fee"

means the recurring fee payable by CUHKMC to the 3PL for the Logistics Services, calculated in accordance with **Schedule 2 (Fees)**;

"Loss" or "Losses"

means losses, damages, judgments, awards, fines, penalties, sanctions, settlements, claims, demands, actions, proceedings, costs, charges, expenses, or any other

liabilities of whatsoever nature (including attorney and legal fees for both internal and external counsel, disbursements, and costs related to investigations, litigation, or settlement);

"Materials Store"

means the area located on the lower ground floor of the Hospital for buffer or emergency stock in respect of the Medical Consumables and as such area may be located at other parts of the Hospital, as designated by CUHKMC from time to time;

"Medical Consumables"

means the medical consumables to be used at the Hospital, and/or CUHK Medical Clinics, including those which are more particularly set out in **Appendix O** (*Product Category – Medical Consumables*) of the Consolidated Tender Requirements, which may be amended by CUHKMC from time to time by notice in writing;

"Milestones"

means a milestone stage or deadline for the performance of the Services, as set out in the Project Plan;

"Notice of Failure"

means a notice in writing issued by CUHKMC, informing the 3PL that a Deliverable has failed to pass the relevant Acceptance Test, and setting out the reasons for such failure;

"Open Source License"

means any copyright licence for computer software that (i) requires disclosure of source code to allow any user of the software to review and modify the source code for its own customisation and/or troubleshooting needs; (ii) allows user to modify, redistribute commercially the software without payment to the original author; and/or (iii) requires the user to

preserve the name of the authors and include a copyright statement within the code that provides for (i) or (ii);

"Operational Period"

means the 3-year period commencing on a date as mutually agreed by the Parties in writing for the commencement of the WMS Services, Dedicated Area, and the Logistics Services, which date shall be after the expiry of the Set-Up Phase (**"Initial Operational Period"**) and, if this Agreement is renewed, the Renewal Term;

"Orders" or "POs"

means the binding orders entered into between CUHKMC and a Supplier, for the provision of any Products;

"Personal Data"

means any data or information that is regulated or governed by relevant Privacy Laws, including (without limitation) any data or information relating to: (i) an identified or identifiable natural person; (ii) information that can be used independently, or combined with other information, to identify a natural person; and/or (iii) information from which it is practicable for the identity of an individual to be directly or indirectly ascertained;

"Personal Data Breach"

means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored, or otherwise processed;

"Pharmaceuticals"

pharmaceutical products comprising of drugs, IV fluids, and irrigation fluids to be used at the Hospital, and/or CUHK Medical Clinics, including those which are

more particularly set out in **Appendix C** (*Product Category – Pharmaceuticals*) of the Consolidated Tender Requirements, which may be amended by CUHKMC from time to time by notice in writing;

"Pharmacy Stores"

means the pharmacy store on the lower ground floor of the Hospital, the in-patient pharmacy on the third floor of the Hospital, and the out-patient pharmacy on the ground floor of the Hospital and as any of such stores may be located at other area of the Hospital, as designated by CUHKMC from time to time;

"Privacy Laws"

means all applicable Laws, and any measures, interpretations, codes, or guidelines issued by any Government Authority, pertaining to privacy, confidentiality, trade secrets, important data, and/or the protection of personal data, including the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) ("**PDPO**") and any applicable codes and guidelines issued by the Office of the Privacy Commissioner for Personal Data, Hong Kong and/or other relevant regulatory or professional bodies (as may be amended from time to time);

"Product"

means the Pharmaceuticals / Medical Consumables;

"Proposal"

has the meaning given in paragraph C of the recitals;

"Project Manager"

has the meaning given in **Appendix D** (*Key Staff – Pharmaceuticals*) and **Appendix P** (*Key Staff – Medical Consumables*) of the Consolidated Tender Requirements;

"Project Plan"

means the sequence in which the Services shall be carried out and the time schedule for the performance of each part of the Services (including any milestone dates), attached at **Appendix A** (*Project Plan – Pharmaceuticals*) and **Appendix M** (*Project Plan – Medical Consumables*) of the Consolidated Tender Requirements;

"Quarantine Area"

has the meaning given under Clause 3.4(b) (*Other Set-Up Services*);

"Renewal Term"

has the meaning given under Clause 18.1 (*Term and Termination*);

"Requests"

means requests issued by CUHKMC to the 3PL, requiring the replenishment at the Materials Store or Pharmacy Stores of any Product inventory specified by CUHKMC, which shall be replenished by 3PL from the Product inventory stored in the Dedicated Area;

"Resolution"

means a rectification of the Incident so that the Logistics Services and Warehouse Management System are performing and operating normally and in compliance with the Specifications, KPIs, and Service Levels, and "**Resolve**" shall be interpreted accordingly;

"Resolution Time"

means the time within which the 3PL must Resolve an Incident in accordance with the relevant Severity Level, as set out in **Appendix L** (*Incident Management Procedure – Pharmaceuticals*) and **Appendix X** (*Incident Management Procedure –*

	<i>Medical Consumables</i>) of the Consolidated Tender Requirements;
"Required Stock Levels"	has the meaning given in Clause 7.7 (<i>Stock Levels</i>);
"Response"	means a communication to CUHKMC from the relevant employee of the 3PL (who must have sufficient knowledge, experience, and expertise in relation to the Incident) informing CUHKMC of the steps being taken to resolve the Incident (including via telephone call, email, or meeting), and "Respond" shall be interpreted accordingly;
"Response Time"	means the time within which the relevant 3PL Personnel must Respond in accordance with the relevant Severity Level, as set out in Appendix L (<i>Incident Management Procedure – Pharmaceuticals</i>) and Appendix X (<i>Incident Management Procedure – Medical Consumables</i>) of the Consolidated Tender Requirements;
"Security Policies"	means the policies or procedures provided by CUHKMC to the 3PL from time to time, concerning the security and safeguarding of the Warehouse, Dedicated Area, Hospital, Hospital Stores, Materials Store, Pharmacy Stores, CUHK Medical Clinics, the Warehouse Management System, or its Confidential Information;
"Services"	means all the services to be provided by the 3PL under this Agreement, including the Set-Up Services, the WMS Services, the Logistics Services, the Transition Services, compliance with the Project Plan and Milestones, and

compliance with the CUHKMC Policies, and such other services, functions, and responsibilities that are set out in this Agreement or which are required for the proper performance and provision of any of the Set-Up Services, the WMS Services, the Logistics Services, and the Transition Services;

"Service Credits"

means the credits specified in relation to Pharmaceuticals in **Appendix K** (*Service Levels – Pharmaceuticals*), **Appendix J** (*KPIs – Pharmaceuticals*) and **Appendix L** (*Incident Management Procedure – Pharmaceuticals*), and Medical Consumables in **Appendix W** (*Service Levels – Medical Consumables*), **Appendix V** (*KPIs – Medical Consumables*) and **Appendix X** (*Incident Management Procedure – Medical Consumables*) of the Consolidated Tender Requirements, to which CUHKMC shall be entitled in the event that the applicable Service Level, KPI, Response Time, or Resolution Time is not achieved by the 3PL in any particular month;

"Service Levels"

means the levels of service that must be consistently achieved by the 3PL in relation to the Warehouse Management System after the Completion Certificate is issued, as detailed in **Appendix K** (*Service Levels - Pharmaceuticals*) and **Appendix W** (*Service Levels – Medical Consumables*) of the Consolidated Tender Requirements;

"Service Manager"

has the meaning given in **Appendix D** (*Key Staff - Pharmaceuticals*) and **Appendix P** (*Key Staff – Medical Consumables*) of the Consolidated Tender

Requirements;

"Set-Up Fee"

has the meaning given in Clause 17.2 (*Set-Up Fees*);

"Set-Up Phase"

means the period from the Effective Date until the date of completion of Set-up Services as specified in the Completion Certificate or (in the absence of such specified date) the issue date of the Completion Certificate;

"Set-Up Services"

means the services to be provided by the 3PL as further described in the Consolidated Tender Requirements for:

- (a) the development and customisation of the Warehouse Management System;
- (b) the integration of the Warehouse Management System with the CUHKMC Software and CUHKMC System, including the development of all required interfaces;
- (c) procuring all required third party licences for the use of the Warehouse Management System;
- (d) obtaining all licences, certificates, authorisations, and/or approvals required for the provision of the Services and use of the Warehouse and Dedicated Area for the purposes of the Services, and the setting-up and fitting-out of Warehouse, the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores, and

- (e) the setting-up of the Dedicated Area, the Warehouse, the Materials Store, Pharmacy Stores, Hospital Stores, and/or the CUHK Medical Clinics, including the fitting-out of the Warehouse, the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores, and/or the CUHK Medical Clinics, and obtaining and installing any Equipment required in relation to the provision of the Logistics Services at the Warehouse, the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores, and/or the CUHK Medical Clinics;

"Severity Level"

means the level of severity of an Incident, KPI, and/or Service Level from a scale of 1 to 3, the details of which have been set out in relation to Pharmaceuticals in **Appendix K** (*Service Levels - Pharmaceuticals*), **Appendix J** (*KPIs - Pharmaceuticals*), and **Appendix L** (*Incident Management Procedure - Pharmaceuticals*), and Medical Consumables in **Appendix W** (*Service Levels - Medical Consumables*), **Appendix V** (*KPIs - Medical Consumables*) and **Appendix X** (*Incident Management Procedure - Medical Consumables*) of the Consolidated Tender Requirements;

"Specifications"

means the requirements and specifications to which the Services, the Warehouse, the Dedicated Area, the Materials Stores, Pharmacy Stores, the

Hospital Stores, and the CUHK Medical Clinics, the Warehouse Management System, and the Equipment must comply with, as set out in the Consolidated Tender Requirements, as may be amended pursuant to the Change Control Procedure;

"SOP"

means the standard operating procedures regarding the workflow and performance of the Logistics Services by the 3PL, which must cover the items listed in **Appendix E** (*Standard Operating Procedures – Pharmaceuticals*) and **Appendix Q** (*Standard Operating Procedures – Medical Consumables*) of the Consolidated Tender Requirements;

"Special Conditions"

means the special conditions set out in Schedule 4;

"Supplier"

means the third party who is supplying the relevant Product to CUHKMC;

"Term"

means the Initial Term, the Renewal Term, if any, and the Transition Period;

"Third Party Materials"

means any materials or software where the Intellectual Property Rights subsisting in them are owned by a third party, and which materials or software are to be used or provided by the 3PL to CUHKMC as part of the Services or the Warehouse Management System to the extent it is not owned by the 3PL; as the context requires, Third Party Materials include the 3PL Software as procured by the 3PL or its Affiliates and used by the 3PL to perform the Services;

"Transition Period"

means a period of twelve (12) months (or such shorter period as

CUHKMC may in its sole discretion specify) following the expiry date of the Operational Period or beginning on the effective date of early termination (for any reason whatsoever) of this Agreement, whichever is earlier;

"Transition Plan"

means the detailed plan setting out the method, timing, and obligations of the 3PL for the provision of the Transition Services to CUHKMC;

"Transition Services"

means the continued provision of the WMS Services and the Logistics Services (in whole or in part, as specified by CUHKMC), and the provision of any other services by the 3PL for the transition and transfer of the Services and Products in the 3PL's possession or control, to CUHKMC or a CUHKMC Contractor (as directed by CUHKMC), during the Transition Period;

"Upgrade"

means any major or minor version release, revision, a temporary work-around, patch or bypass, substitution, upgrade, error-correction, change, enhancement, amendment, replacement, or modification to the relevant software, including those necessary to allow the software to work in connection with any and all generally supported, corresponding operating systems, or any subsequently released version, replacement, or upgrade to such operating system, and any substitution or successor programme for an existing software;

"Warehouse"

means the warehouse located at [●] or any other warehouse outside of the Hospital as expressly agreed by

CUHKMC in writing beforehand, which is used by the 3PL for the provision of the Services;

"Warehouse Management System"

means the 3PL Software as customised pursuant to the Specifications and as part of the Set-Up Services, including any interfaces, patches, Upgrades, or bug fixes; and

"WMS Services"

means the services to be provided by the 3PL for the continued operation, hosting, and maintenance of the Warehouse Management System, including any interfaces or Upgrades, as further described in the Consolidated Tender Requirements.

- 1.2 For the avoidance of doubt, terms which are otherwise defined in the Consolidated Tender Requirements but not under Clause 1.1 or elsewhere in the main terms of this Agreement, shall have the same meaning when used in this Agreement.
- 1.3 Clause headings and the division of this Agreement into separate parts are for ease of reference only, and are not intended to be a part of or affect the meaning, interpretation or construction of any of the terms and conditions of this Agreement, and are not intended and shall not affect the application of any clause in this Agreement to the entirety of the Agreement (unless expressly stated otherwise).
- 1.4 References to a "Clause" means a clause of this Agreement, a reference to a "Schedule" means a schedule of this Agreement, and a reference to an "Appendix" means an appendix to the Consolidated Tender Requirements. References to any gender includes any other gender, and words in the plural shall include the singular and vice versa.
- 1.5 References to any statute, enactment, ordinance, order, regulation, or similar instrument shall be construed to include a reference to the statute, enactment, ordinance, order, regulation, or instrument as from time to time amended, extended, re-enacted, or consolidated, and all statutory instruments, orders, regulations, or other similar instruments made pursuant to it.
- 1.6 Whenever the words "include", "includes", "including" or "in particular" (or similar derivatives) are used in this Agreement, they are deemed to be followed by the words "without limitation".

- 1.7 Each of the conditions, terms, representations, and warranties in this Agreement are to be construed independently of the others.
- 1.8 No right, power, or remedy available to a Party under this Agreement, shall be exclusive of any other right, power or remedy available to that Party (whether provided under Law, this Agreement or any other agreement), and each such right, power or remedy shall be cumulative.
- 1.9 Solely to the extent that there is any conflict between the body of this Agreement, the Schedules, or Appendices, the following order of precedence shall apply:
- (a) Schedule 4;
 - (b) Clauses 1 to 32 of this Agreement;
 - (c) the Schedules, excluding Schedule 4; and
 - (d) Appendices under Schedule 1 (*Consolidated Tender Requirements*).

2. Services

- 2.1 The 3PL shall:
- (a) provide the Services to CUHKMC in accordance with the terms and conditions of this Agreement and the Schedules, including:
 - (i) the Set-Up Services during the Set-Up Phase;
 - (ii) the WMS Services and Logistics Services during the Operational Period; and
 - (iii) the Transition Services during the Transition Period;
 - (b) comply with the Project Plan, including all Milestones; and
 - (c) comply with the CUHKMC Policies, as provided by CUHKMC to the 3PL (and as amended by CUHKMC) from time to time.

3. Set-Up Services

Set-Up Services

- 3.1 During the Set-Up Phase, the 3PL shall provide and assume the overall responsibility for the Set-Up Services in accordance with this Clause 3, the Specifications, and the CUHKMC Policies.
- 3.2 The Set-Up Services shall be provided and completed in accordance with the Project Plan. The Set-Up Services shall not be completed, and the Set-Up Phase shall not expire, until CUHKMC issues a Completion Certificate

following Acceptance of the Warehouse Management System, the Equipment, the Warehouse, the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics (and each of their related facilities and infrastructure).

Warehouse Management System

- 3.3 Without prejudice to Clause 3.1 and 3.2 and the Specifications, as part of the Set-Up Services, the 3PL shall:
- (a) customise the 3PL Software to comply with the Specifications in order to develop the Warehouse Management System (including all interfaces);
 - (b) integrate the Warehouse Management System with the CUHKMC Software, including developing any necessary interfaces; and
 - (c) deliver, install, and implement the Warehouse Management System and ensure a successful interface and integration between the Warehouse Management System and the CUHKMC Software and CUHKMC System.

Other Set-Up Services

- 3.4 Without prejudice to Clause 3.1 and 3.2 and the Specifications, as part of the Set-Up Services, the 3PL shall:
- (a) ensure that it has the contractual and legal right to use the Warehouse and Equipment for the whole Term in order to provide the relevant Logistics Services;
 - (b) ensure that the Warehouse has a segregated and secure area for the storage and packaging of the Products and any other CUHKMC Materials to be used in relation to the Products ("Dedicated Area"), and a further separate and secure area within the Dedicated Area which shall be used to temporarily store any Products that have been rejected, recalled, and/or are to be disposed of or returned to the Supplier ("Quarantine Area"), pursuant to the Specifications and CUHKMC Policies;
 - (c) ensure that the Equipment, Warehouse, Dedicated Area, Materials Store, Pharmacy Stores, and Hospital Stores, comply with the Specifications and CUHKMC Policies, including temperature and humidity control requirements, fire detection and extinguishing systems, ventilation, air conditioning with 25°C or below and with 60% humidity, security and alarm systems, information and communication technology networks, energy supply and back up, and sufficient lighting;
 - (d) obtain and install all Equipment in the Warehouse, Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK

Medical Clinics pursuant to the Specifications and CUHKMC Policies; in addition to the Specifications and CUHKMC Policies, the 3PL shall only commence the installation of the shelves and/or other Equipment in the Dedicated Area after it has received CUHKMC's written confirmation to commence such installation work;

- (e) implement security and safeguarding measures (including in accordance with the CUHKMC Policies) to ensure that only authorised 3PL Personnel can access the Warehouse and only the relevant 3PL Personnel providing the Services can access the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics as strictly necessary to perform the Services;
- (f) ensure that it has all necessary third party licences and rights to provide the Warehouse Management System and to use the Equipment for the Logistics Services;
- (g) obtain and maintain all licences, certificates, authorisations, and approvals required for the provision of the Logistics Services, the Warehouse, the Dedicated Area, and Warehouse Management System; and
- (h) it shall discuss, co-operate, and co-ordinate with CUHKMC to identify all licenses, building works, Equipment, and any other matters required to complete the set-up of the Dedicated Area, Warehouse, Hospital Stores, Materials Store, Pharmacy Stores, the CUHK Medical Clinics, and the Warehouse Management System to enable the efficient, effective, and proper provision of the Logistics Services, and shall obtain, install, implement or carry out (as applicable) all such matters as agreed by the Parties.

- 3.5 Without prejudice to Clause 3.4(h), the 3PL warrants, represents, and undertakes that prior to entering into this Agreement, it had fully reviewed and assessed the Hospital, Hospital Stores, Materials Store, Pharmacy Stores, the CUHK Medical Clinics, Dedicated Area, Warehouse, CUHKMC System, CUHKMC Software, and the Specifications, and was fully aware of (at the time of entering into this Agreement) the scope of Services and incidental work that may need to be performed. The 3PL shall not (and has no right) to request any further fees, costs, or charges other than the Fees in order to complete the Set-Up Services or to perform any other Services.
- 3.6 Any Equipment provided by CUHKMC or any CUHKMC Contractor to the 3PL shall belong to CUHKMC or the CUHKMC Contractor, as applicable, and the 3PL shall obtain no rights, title, or interest in such Equipment.
- 3.7 Without prejudice to Clause 3.6, unless otherwise agreed by the Parties in writing, all Equipment obtained by the 3PL and installed at the Warehouse shall be owned by the 3PL, and all Equipment installed at the Materials

Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics shall belong to CUHKMC. The 3PL hereby transfers to CUHKMC all rights, title, and interest in any Equipment procured by it and installed at the Materials Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics, at any time, and the 3PL assigns to CUHKMC all warranties, representations, and indemnities as are provided by the manufacturer or supplier of such Equipment, and shall promptly provide to CUHKMC (if so requested by CUHKMC) a copy of the agreement between the 3PL and the manufacturer or supplier (if any). If the 3PL cannot pass on or assign such third party warranties, representations, and indemnities pursuant to the foregoing, then the 3PL shall be deemed to have directly provided such warranties, representations, and indemnities in favour of CUHKMC, which shall be incorporated by reference into this Agreement.

4. Acceptance Testing

Requirement for Acceptance Test

4.1 During the Set-Up Phase, Acceptance Testing shall be carried out in accordance with the Specifications. Without prejudice to the foregoing, at no extra cost or charge to CUHKMC, the following shall be subject to Acceptance Testing:

- a) Warehouse Management System (including its integration and interfacing with the CUHKMC Software and CUHKMC System); and
- b) the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics as equipped and set up by the 3PL (including the related facilities and infrastructures), and the Equipment and the Logistics Services, to ensure that they each meet the Specifications and CUHKMC Policies prior to the commencement of the Operational Period.

4.2 CUHKMC has the right in its sole discretion to require any other Acceptance Tests to be conducted, at no extra cost or charge to CUHKMC and without postponing any Milestone in the Project Plan, unless the 3PL will reasonably incur substantial costs to carry out the additional Acceptance Test, in which case the costs payable to the 3PL for such additional Acceptance Test shall be agreed by the Parties in accordance with the Change Control Procedure.

Acceptance Criteria

4.3 The Acceptance Criteria shall be determined by CUHKMC in its reasonable discretion, and shall be consistent with the Specifications. CUHKMC shall consult with the 3PL in determining the Acceptance Criteria, and give due consideration to the 3PL's reasonable inputs and concerns.

Acceptance Test Plan

- 4.4 The Acceptance Tests shall be carried out in accordance with the Acceptance Test Plan established in accordance with the following procedure:
- (a) the 3PL must prepare and deliver an Acceptance Test Plan to CUHKMC for CUHKMC's approval within fourteen (14) days of receiving CUHKMC's request for an Acceptance Test;
 - (b) CUHKMC will review such Acceptance Test Plan as soon as reasonably practicable and notify the 3PL of whether or not it approves of such plan;
 - (c) if CUHKMC does not approve the relevant Acceptance Test Plan, then it will notify the 3PL of this decision along with its reasons for rejection, and the 3PL must vary the plan in the manner reasonably directed by CUHKMC and resubmit the plan to CUHKMC for approval; and
 - (d)
 - (i) if CUHKMC does not approve the relevant Acceptance Test Plan (acting reasonably) on two or more occasions, then CUHKMC may implement its own Acceptance Test Plan, which the 3PL shall comply with; or
 - (ii) if CUHKMC approves the relevant Acceptance Test Plan, then CUHKMC and the 3PL will conduct the relevant Acceptance Tests in accordance with that plan.

Outcome of Acceptance Test

- 4.5 The 3PL must provide CUHKMC with a copy of the Acceptance Test Report for each Acceptance Test, as soon as reasonably practicable. If, in CUHKMC's reasonable opinion:
- (a) the relevant Acceptance Criteria is achieved, then CUHKMC will issue an Acceptance Certificate to the 3PL within twenty (20) Business Days of CUHKMC's receipt of the Acceptance Test Report with the date of Acceptance of the relevant Deliverable specified in the Acceptance Certificate; or
 - (b) the relevant Acceptance Criteria is not achieved, then CUHKMC shall issue (in its sole discretion) a Notice of Failure to the 3PL within twenty (20) Business Days of CUHKMC's receipt of the Acceptance Test Report.

Notice of Failure

- 4.6 In the event that a Notice of Failure is issued by CUHKMC, then (subject to Clause 4.7 (*Right to Terminate*)):
- (a) the 3PL must rectify the defects and errors or omissions and resubmit the matter for further Acceptance Testing, within ten (10)

Business Days (or such longer period as may be agreed in writing by CUHKMC acting reasonably), and at the 3PL's cost; and

- (b) the Acceptance Test must be repeated by the 3PL at its own cost in accordance with the relevant Acceptance Test Plan and this Clause 4 (Acceptance Testing).

Right to Terminate

- 4.7 If CUHKMC issues a Notice of Failure two or more times in accordance with Clause 4.5(b) (*Outcome of Acceptance Test*), then CUHKMC may immediately terminate this Agreement by prior written notice to the 3PL, with no further liability to the 3PL, and the 3PL shall promptly reimburse to CUHKMC all the Fees paid by CUHKMC prior to the date of termination. For the avoidance of doubt, this Clause 4.7 (*Right to Terminate*) is in addition and without prejudice to any other rights or remedies of CUHKMC.

Acceptance

- 4.8 Acceptance of a Deliverable shall only occur if:
 - (a) CUHKMC has issued an Acceptance Certificate in relation to the relevant Deliverable that is subject to the Acceptance Test; or
 - (b) within twenty (20) Business Days after CUHKMC has received an Acceptance Test Report from the 3PL, CUHKMC fails to provide the 3PL with an Acceptance Certificate or a Notice of Failure, in which case CUHKMC will be deemed to have Accepted the relevant Deliverable upon expiry of such 20-Business Day period.

Costs of Acceptance Testing

- 4.9 Each Party will bear its own costs in relation to the Acceptance Testing procedure as set out in this Clause 4 (*Acceptance Testing*), save that the 3PL has to bear all the costs for re-testing in the event that a Notice of Failure is issued by CUHKMC in accordance with Clause 4.6 (*Notice of Failure*).

CUHKMC approval or consultation

- 4.10 The Parties agree that CUHKMC shall not be liable, and the 3PL's liability to CUHKMC under the terms of this Agreement shall not be affected or reduced in any way, by virtue of any inspection carried out by CUHKMC, any approval given by CUHKMC, or any consultation by or with CUHKMC, in relation to any of the Services, the Acceptance Testing, the Warehouse Management System, the Warehouse, the Dedicated Area, the Hospital Stores, Materials Store, Pharmacy Stores, the CUHK Medical Clinics, the Equipment, or in relation to the design and/or installation of any works carried out by the 3PL under the terms of this Agreement.

5. Delays

5.1 Without prejudice to any other rights or remedies available to CUHKMC but subject to Clause 27 (*Force Majeure*), in the event that the 3PL fails to achieve a Milestone in accordance with the Project Plan, then the following liquidated damages shall be payable by the 3PL to CUHKMC ("**Liquidated Damages**") based on the Delay Period:

- (a) if the Delay Period is fourteen (14) calendar days or less, then CUHKMC shall be entitled to Liquidated Damages of an amount equal to HK\$ 10,000 per day during that Delay Period; and
- (b) if the Delay Period is more than fourteen (14) calendar days but less than or equal to ninety (90) calendar days, then CUHKMC shall be entitled to Liquidated Damages of an amount equal to HK\$ 20,000 per day during such period, in addition to the Liquidated Damages payable under Clause 5.1(a); and
- (c) if the Delay Period is more than ninety (90) calendar days, then CUHKMC shall be entitled to Liquidated Damages of an amount equal to HK\$ 50,000 per day during such period, in addition to the Liquidated Damages payable under Clause 5.1(a) and Clause 5.1(b).

5.2 The 3PL acknowledges and agrees that the Liquidated Damages represent a reasonable sum proportionate to CUHKMC's legitimate interest in the enforcement of the relevant Milestone.

5.3 Except for any delays caused by a Force Majeure Event (which shall be subject to Clause 27 (*Force Majeure*)), in the event of any actual or potential delay or inability of a Party's performance of its obligations under this Agreement, then (without prejudice to the other Party's right or remedies) such Party shall:

- (a) notify the other Party immediately upon becoming aware of the relevant event, which should include a description of the event and the manner and extent to which the relevant obligations are likely to be prevented or delayed;
- (b) take all steps as are reasonably necessary to mitigate the effect of the relevant event on its obligations under this Agreement, and find a way to meet its obligations;
- (c) keep the other Party reasonably updated in writing of any changes to the effect of the relevant event on its obligations under this Agreement, and the steps being taken to mitigate the effect on its obligations; and
- (d) if it is the 3PL, provide as soon as reasonably practicable a draft resolution plan to enable it to meet the Milestones and the Project Plan.

6. WMS Services

- 6.1 During the Operational Period, the 3PL shall provide the WMS Services in accordance with this Clause 6 (*WMS Services*), the Specifications, and the CUHKMC Policies.
- 6.2 The 3PL represents, warrants, and undertakes throughout the Term that:
- (a) the Warehouse Management System shall be free of any defect, error, or malfunction and shall comply with the Specifications;
 - (b) the Warehouse Management System shall be fit for the purpose as stated in this Agreement; and
 - (c) the Warehouse Management System shall operate properly in conjunction with CUHKMC's operating environment and the CUHKMC Software and CUHKMC System, and in conjunction with any reasonable and standard Upgrades to such operating environment, and the CUHKMC Software and CUHKMC System.
- 6.3 If the 3PL is in breach of Clauses 6.2(a), (b) , and/or (c), then the 3PL shall promptly rectify the breach to CUHKMC's reasonable satisfaction (at no fee, cost, or charge to CUHKMC).
- 6.4 As soon as reasonably practicable, the 3PL shall notify CUHKMC beforehand in writing of the release by the 3PL of any Upgrade to the 3PL Software or Warehouse Management System. If CUHKMC requests the 3PL to demonstrate such Upgrade, the 3PL shall promptly demonstrate such Upgrade to CUHKMC at no additional cost. If CUHKMC requests the 3PL to install such Upgrade, the 3PL shall promptly install such Upgrade at no additional cost. The 3PL shall not release or install any Upgrade that will adversely affect the functionality and quality of the Warehouse Management System. If any Upgrade is installed, such Upgrade will be deemed to be part of the Warehouse Management System.
- 6.5 In the event that any Upgrades shall be made to the CUHKMC Software or CUHKMC System, CUHKMC shall inform the 3PL, and the 3PL shall ensure that the Warehouse Management System continues to function in accordance with the Specifications and remains compatible with the CUHKMC Software and CUHKMC System following their Upgrade. If any substantial amendments need to be made to the Warehouse Management System in order for it to continue to operate in conjunction with and to be compatible with any Upgrades to the CUHKMC Software and CUHKMC System, then the 3PL shall notify CUHKMC and shall initiate the Change Control Procedure in relation to any necessary amendments to the Warehouse Management System, including any proposed charges for such amendments.

7. Logistics Services

7.1 During the Operational Period, the 3PL shall provide the Logistics Services in Hong Kong, in accordance with this Clause 7 (*Logistics Services*), the Specifications, and the CUHKMC Policies.

7.2 For the duration of the Term, the 3PL agrees that:

- (a) CUHKMC has the right at any time to amend Appendix C (*Product Category – Pharmaceuticals*) and Appendix O (*Product Category – Medical Consumables*) of the Consolidated Tender Requirements in its sole discretion, and the Products it chooses to purchase and/or the Suppliers it chooses to purchase the Products from, and the 3PL shall update its inventory of the Products stored at the Warehouse upon receiving notice from CUHKMC;
- (b) the 3PL shall assist CUHKMC in relation to any returns, exchanges, recalls, and/or quality issues of any Product in accordance with the CUHKMC Policies and CUHKMC's instructions;
- (c) it shall maintain a segregated and secure Dedicated Area within the Warehouse for the storage and packaging of the Products and any other CUHKMC Materials to be used in relation to the Products, and no other goods or materials owned by the 3PL or any third party shall be stored, held, or handled in the Dedicated Area;
- (d) it shall maintain a Quarantine Area within the Dedicated Area that is solely used to store any Products that have been rejected, recalled, and/or shall be disposed of or returned to the Supplier;
- (e) it shall implement sufficient security and safeguarding measures (including in accordance with the CUHKMC Policies) to prevent any unauthorised access to the Warehouse, the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, the CUHK Medical Clinics, the Products and/or the CUHKMC Materials;
- (f) all Equipment leased, owned, sourced, or procured by the 3PL shall be merchantable quality and fit for their purpose, and shall conform to, and perform in all respects in accordance with, the Specifications and the CUHKMC Policies;
- (g) it shall maintain all Equipment used to provide the Logistics Services in reasonably good condition so that they continue to be of merchantable quality and fit for their purpose, and continue to conform to, and perform in all respects in accordance with, the Specifications and the CUHKMC Policies; and the 3PL shall promptly repair any defects or malfunctions in the Equipment and shall replace, at its own cost, worn out or obsolete Equipment (with no interruption to the Services);
- (h) it shall fully cooperate with the CUHKMC Contractors; and

- (i) the 3PL Personnel shall at all times give prompt, courteous, and efficient service to CUHKMC, and shall each exercise due care, skill, and diligence in accordance with the Industry Best Practice. The 3PL must, in all dealings with Suppliers, CUHKMC, and CUHKMC Contractors, adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct.
- 7.3 The 3PL shall not change the location of the Warehouse or Dedicated Area, unless it obtains the prior express written consent of CUHKMC.

Products

- 7.4 The 3PL represents, warrants, and undertakes throughout the Term that:
- (a) it shall directly liaise with the Suppliers to ensure that the Products are delivered, received, transported, returned, and/or exchanged (as applicable) in a smooth and orderly fashion, in accordance with the Industry Best Practice and the relevant Orders;
 - (b) it shall promptly notify and provide details to CUHKMC upon becoming aware of any actual or potential circumstances that may affect or interrupt the supply, delivery, or storage of any Product, at any time, and shall propose remedial or mitigation steps to be taken, including the quantity of the affected Product to be ordered in advance to ensure that any potential event shall not result in CUHKMC falling below the minimum level of stock set by CUHKMC for such Product;
 - (c) it shall ensure the smooth transport and delivery of the Products to and from the Warehouse, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics;
 - (d) it shall receive, deliver, store, pack, and (where required by CUHKMC) re-label the Products at the Warehouse or Materials Store or Pharmacy Stores in accordance with the Orders, Requests, CUHKMC's instructions, the CUHKMC Policies, and the Specifications;
 - (e) it shall not make any amendments, modifications, or changes to the Products (including any packaging or labels thereof), unless it is expressly required by the CUHKMC Policies or by CUHKMC in writing beforehand;
 - (f) the Products shall be securely stored by the 3PL in the Dedicated Area or (pursuant to CUHKMC's instructions) the Materials Store or Pharmacy Stores, separate from any other products or goods, under conditions (including temperature and humidity conditions) specified by CUHKMC or in accordance with the CUHKMC Policies;

- (g) the Products shall be received, inspected, accepted, returned, exchanged, stored, transported, and/or delivered by the 3PL in accordance with the Orders, Requests, Specifications, and CUHKMC Policies;
- (h) without prejudice to Clause 7.4(g), it shall promptly inspect all Products upon receipt at the Warehouse to ensure that they comply with their specifications and the relevant Order (including description, quality and quantity of the Products);
- (i) if any of the Products (in whole or in part) are damaged, defective, not new or unused, not fit for their purpose, not of merchantable quality, in incorrect quantity, have expired, will expire in the near future, and/or do not comply with their description, specifications, or the relevant Order, then the 3PL shall:
 - (i) within one (1) Business Day on becoming aware of any of the above-mentioned conditions, notify CUHKMC and provide details of the defects or deficiencies;
 - (ii) reject and return the Products to the Supplier within any deadlines specified by the Supplier or the Order, and secure an exchange of the returned Products if requested by CUHKMC; and
 - (iii) comply with CUHKMC's instructions;
- (j) it shall promptly refer any issues, concerns, or disputes in relation to the Suppliers, Orders, or the Products to CUHKMC, and the 3PL shall promptly assist CUHKMC in relation to the handling of any such issues, concerns, or disputes in accordance with CUHKMC's instructions at no additional cost to CUHKMC;
- (k) it shall be fully responsible and liable for ensuring that the Products, at all times, remain in good condition, and continue to be new and unused, of merchantable quality, free from any damage or defects, fit for their purpose, and do not expire, whilst the Products are in the 3PL Personnel's possession or control, or during transportation or delivery of the Products to or from, or storage at, the Warehouse, Materials Store, Pharmacy Stores, Hospital Stores, and/or the CUHK Medical Clinics by the 3PL or 3PL Personnel; and
- (l) it shall adhere strictly to the “first-expired, first-out” principle as set out in the Consolidated Tender Requirements to ensure that the Products will remain in mint condition, thereby reducing the chances of them expiring before their consumption.

7.5 The title to the Products shall remain with CUHKMC at all times.

7.6 Notwithstanding Clause 7.5, the 3PL shall bear all risks associated with the Products whilst they are at the Warehouse, Dedicated Area, Materials Store,

Hospital Stores, Pharmacy Stores, or the CUHK Medical Clinics, or otherwise in the 3PL's or 3PL Personnel's possession or control, or during transportation or delivery of the Products to or from, or storage at, the Warehouse, Dedicated Area, Materials Store, Pharmacy Stores, the Hospital Stores, and/or the CUHK Medical Clinics by the 3PL or 3PL Personnel.

Stock Levels

- 7.7 During the Operational Period, prior to the beginning of each calendar month, the 3PL shall use its best efforts to discuss and advise CUHKMC on the optimum, maximum, and minimum stock level, from time to time, for each type of Product to be stored or held at the Dedicated Area, Materials Store, Pharmacy Stores, or Hospital Stores, by taking into account any historical usage pattern of such Products at each of such locations. CUHKMC shall determine the optimum, maximum, and minimum stock level of any Product ("**Required Stock Levels**") from time to time, and shall notify the 3PL of such Required Stock Levels.
- 7.8 The 3PL shall immediately update the Warehouse Management System to reflect the relevant stock levels specified by CUHKMC, from time to time. The 3PL shall ensure that automatic alerts are sent to CUHKMC when any Product reaches the maximum or minimum Required Stock Levels, pursuant to the Consolidated Tender Requirements and the relevant Service Levels.
- 7.9 The 3PL shall at all times monitor, manage, and maintain sufficient Product inventory levels at the Dedicated Area, Materials Store, Pharmacy Stores, and Hospital Stores, in accordance with the optimum Required Stock Levels set by CUHKMC, from time to time, so that the Product inventory at the Dedicated Area, Materials Store, Pharmacy Stores, and Hospital Stores, never exceeds the relevant maximum Required Stock Level or falls below the relevant minimum Required Stock Level.
- 7.10 The 3PL shall keep up-to-date, complete, and accurate records, including on the Warehouse Management System, of all Product inventory stored at or being delivered to the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics, including the correct quantity, batch number, expiry, description, and relevant Order. Such information may be accessed by CUHKMC at any time, including via the Warehouse Management System.

3PL's Responsibility

- 7.11 The 3PL shall be fully responsible for, and shall indemnify the CUHKMC Indemnified Parties on demand and keep them indemnified against, all Losses arising out of or in relation to:
 - (a) the 3PL's acceptance (or deemed acceptance) of any Products that it should have rejected, exchanged, or returned pursuant to Clause 7.4(i), or the 3PL being unable to secure the exchange or return of

any Products from the Supplier due to the actions or omissions of the 3PL;

- (b) any loss or damage to the Products, any Products that are not new or unused, or failure of the Products to be maintained in good condition, of merchantable quality, fit for their purpose, or to comply with their specifications or description pursuant to the Order, following acceptance (or deemed acceptance) of any Products by the 3PL, unless the 3PL can prove that such was not caused by the actions, omissions or default of the 3PL;
- (c) failure of the 3PL to immediately notify CUHKMC (including pursuant to the relevant Service Levels and Consolidated Tender Requirements) once the minimum or maximum Required Stock Level of a Product has been reached; and
- (d) failure to maintain accurate, up-to-date, and complete inventory records of the Products, including on the Warehouse Management System.

- 7.12 If any of the circumstances outlined under Clause 7.11(a) to (d) arise, then the 3PL shall carry out an investigation into the cause of such circumstances, and provide CUHKMC with a detailed report setting out the outcome of the investigation and the remedial steps taken (or to be taken) by the 3PL to rectify and prevent such circumstances from reoccurring, pursuant to Clause 9.9 (*Incident Management Procedure*).

SOPs

- 7.13 The Parties shall cooperate in good faith to finalise and mutually agree in writing on the final SOPs for the Logistics Services to be provided in relation to the Pharmaceuticals and the Medical Consumables, prior to the expiry of the Set-Up Phase. If the Parties fail to mutually agree in writing on the SOPs by the expiry of the Set-Up Phase, CUHKMC shall have the right to prescribe its own SOPs. The 3PL shall strictly follow the finalised SOPs or the SOPs prescribed by CUHKMC, as applicable, when it performs the Logistics Services. The SOPs shall be reviewed by the Parties no less than once every two (2) years. The Parties agree that the Change Control Procedure shall not apply in relation to the SOPs, and any amendments to the SOPs can be mutually agreed in writing by the Parties. Save for the Fees expressly stated and set out in **Schedule 2 (Fees)**, no costs, expenses, or charges shall be payable by CUHKMC to the 3PL in relation to any discussions, preparation, finalisation, reviews, or amendments of, or compliance with, the SOPs. Any failure by the 3PL to comply with the SOPs (as may be amended by the Parties by mutual agreement from time to time) shall entitle CUHKMC to exercise the rights and remedies under this Agreement that are available in the event of any material breach of this Agreement (including in relation to termination and Service Credits).

8. Warehouse, Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, CUHK Medical Clinics, and Equipment

8.1 The 3PL undertakes, represents, and warrants to CUHKMC throughout the Term, as follows:

- (a) it shall not relocate, move, tamper or interfere with, or access the Equipment, other than as expressly permitted and directed by CUHKMC in advance;
- (b) it shall not make any alterations, additions, or variations to the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics, without CUHKMC's prior written consent;
- (c) it shall ensure that the Warehouse, Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores and Equipment, including general redundancy and reliability of the electrical and mechanical infrastructure, shall comply at all times with the Specifications and the CUHKMC Policies, and will be provided and maintained in accordance with the Industry Best Practice and all applicable laws and regulations;
- (d) it shall remain responsible and liable for the design, installation, commissioning, and operation of all works and Equipment requested by CUHKMC under the terms of this Agreement, but CUHKMC reserves the right to review any design, drawings, and/or Equipment specifications for the mechanical and electrical infrastructure supporting any Equipment within the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics, at any time throughout the Term;
- (e) it shall pay and be responsible for all costs and charges, including water, electricity, and gas consumed at the Warehouse and Dedicated Area and all costs incurred by the 3PL in providing the Services and the Equipment in accordance with the terms of this Agreement (subject to CUHKMC's obligation to pay the relevant Fees);
- (f) at all times during the Term, CUHKMC shall have full and unrestricted right and be authorised to use and access the Dedicated Area without any lawful or unlawful interruption or disturbance by it, its Affiliates, or any 3PL Personnel, and it shall not, and shall ensure that, its Affiliates and the 3PL Personnel shall not, cause any lawful or unlawful interruption or disturbance to CUHKMC's access to and use of the Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics;
- (g) it shall keep the Warehouse and Dedicated Area secure in accordance with the Industry Best Practice in order to prevent any unauthorised access by any individual or person, and shall prevent

the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, and the CUHK Medical Clinics from being accessed by anyone who is not an authorised CUHKMC employee, or an authorised 3PL Personnel that must access the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics in order to provide the Services;

- (h) it shall obtain and maintain all necessary consents or authorisations from the owner or landlord of the Warehouse (as applicable) in order to comply with or perform its obligations under this Agreement;
- (i) it shall keep the Warehouse and Dedicated Area clean and tidy at all times, and maintain the Warehouse, Dedicated Area, and Equipment in good condition, and the Warehouse, Dedicated Area, and Equipment shall be fit for their purpose and free from any material defects, errors, or faults, and shall conform to their relevant Specifications.
- (j) it shall promptly remove and dispose of all packing materials, debris, and/or rubbish from the Materials Store, Pharmacy Stores, and Hospital Stores, or any other area within the Hospital, or the CUHK Medical Clinics after delivery of any Products and/or delivery and installation of any Equipment, in a lawful manner away from the Hospital, and the CUHK Medical Clinics; and
- (k) it shall be fully responsible and liable for any damage to the property of the CUHKMC Indemnified Parties or any third party caused by the actions or omissions of the 3PL or the 3PL Personnel, including during any delivery, transportation, or installation of any Equipment or the delivery or unpacking of any Products.

9. Service Levels, KPIs, Incident Management Procedure, and Service Credits

KPIs and Service Levels

- 9.1 The 3PL shall ensure that the Logistics Services and WMS Services meet or exceed the KPIs and that the Warehouse Management System meet or exceed the Service Levels throughout the Operational Period and, if any, the Transition Period.
- 9.2 If the KPIs or Service Levels are not achieved or if the 3PL otherwise fails to perform its obligations under the Agreement, then without prejudice to CUHKMC's other rights or remedies, the 3PL shall:
 - a) promptly resolve the non-compliance with the KPIs or Service Level in accordance with the Response Times and Remedial Times and the Incident Management Procedure;

- b) investigate, assemble, and preserve pertinent information with respect to the cause(s) of the problem, including performing a root cause analysis of the problem;
 - c) advise CUHKMC, as and to the extent reasonably requested by CUHKMC, of the status of remedial efforts being undertaken with respect to such problem;
 - d) minimise the impact of and correct the problem and thereafter recommence performance in accordance with the KPIs or Service Levels as soon as possible;
 - e) take appropriate preventive measures so that the problem does not reoccur; and
 - f) permit CUHKMC and/or its nominated representative to remedy the failure if the 3PL has not done so within a reasonable time, in which case, the 3PL will indemnify CUHKMC in respect of any costs and expenses incurred by CUHKMC in doing so.
- 9.3 If the 3PL fails to meet the KPIs set out in **Appendix J** (*KPIs – Pharmaceuticals*) or **Appendix V** (*KPIs – Medical Consumables*) of the Consolidated Tender Requirements, or the Service Levels set out in **Appendix K** (*Service Levels – Pharmaceuticals*) or **Appendix W** (*Service Levels – Medical Consumables*) of the Consolidated Tender Requirements, at any time, then CUHKMC shall be entitled to the applicable Service Credits specified in **Appendix J** (*KPIs - Pharmaceuticals*) or **Appendix V** (*KPIs – Medical Consumables*), or **Appendix K** (*Service Levels – Pharmaceuticals*) or **Appendix W** (*Service Levels – Medical Consumables*) of the Consolidated Tender Requirements, as applicable, without prejudice to any other rights or remedies available to CUHKMC.
- 9.4 The 3PL acknowledges that its failure to meet a KPI or Service Level may have a material adverse impact on the business and operations of CUHKMC.
- 9.5 The 3PL shall provide and use monitoring tools and procedures to measure and report upon its performance of the Services and Warehouse Management System against all of the KPIs and Service Levels, respectively, and shall maintain adequate technical and organisational procedures and reasonable and auditable tools to enable it to do so. The 3PL shall provide CUHKMC with sufficient information in order to ensure the levels of Service and the Warehouse Management System that are being provided by the 3PL are in accordance with the KPIs and Service Levels. The 3PL shall provide CUHKMC with reasonable information for the purposes of such verification.
- 9.6 CUHKMC reserves the right to measure the 3PL's performance of the Services and the performance and operation of the Warehouse Management System. In the event of a discrepancy between the 3PL's measurement and

CUHKMC's measurement of the Services and Warehouse Management System against the KPIs and Service Levels, respectively, CUHKMC's measurement shall prevail except to the extent of manifest error.

Incident Management Procedure

- 9.7 The 3PL shall immediately notify CUHKMC upon becoming aware of any Incident, and shall comply with the Incident Management Procedure. The 3PL shall provide to CUHKMC as much information as reasonably possible regarding an Incident, the steps being taken to resolve it, and the actions being taken to minimise the risk of reoccurrence.
- 9.8 CUHKMC shall notify the 3PL of the Severity Level of each Incident. The 3PL shall Respond and Resolve each Incident in accordance with the Severity Level assigned by CUHKMC and **Appendix L** (*Incident Management Procedure – Pharmaceuticals*) and **Appendix X** (*Incident Management Procedure – Medical Consumables*) of the Consolidated Tender Requirements. If the 3PL fails to Respond or Resolve an Incident in accordance with the relevant Response Times and Resolution Times, then CUHKMC shall be entitled to the applicable Service Credits specified in **Appendix L** (*Incident Management Procedure – Pharmaceuticals*) and **Appendix X** (*Incident Management Procedure – Medical Consumables*) of the Consolidated Tender Requirements, without prejudice to any other rights or remedies available to CUHKMC. The costs and expenses of the Resolution shall be solely borne by the 3PL.
- 9.9 In addition to Responding and Resolving each Incident, the 3PL shall investigate the root cause of each Incident and provide:
- (e) the initial finding (setting out the potential cause of the Incident and the remedial action taken or to be taken, and any other items agreed by the Parties), within twenty-four (24) hours of the Incident Management Commencement;
 - (f) an updated interim root cause report for the relevant Incident within three (3) days of the Incident Management Commencement; and
 - (g) provide CUHKMC with a final root cause analysis report for the relevant Incident within five (5) days from the Incident being Resolved, or such other time period as mutually agreed by the Parties (which must set out the determined root cause and remedial steps taken to Resolve the Incident and to prevent the Incident from reoccurring).

Service Credits

- 9.10 The 3PL acknowledges and agrees that the Service Credits represent the diminished value of the Services or Warehouse Management System due to the failure of the 3PL to meet the relevant KPIs, Service Levels, Response Times, or Resolution Times, as applicable, and the Service Credits do not

represent a penalty. Payment of the Service Credits shall not relieve the 3PL of its obligations to meet the KPIs, Service Levels, Response Times, or Resolution Times, and nothing in this Clause shall prevent CUHKMC from exercising any rights or remedies it has against the 3PL to recover any Loss arising from the circumstances that led to or resulted from the failure to meet a KPI, Service Level, Response Time, or Resolution Time.

- 9.11 In the interest of establishing a good working relationship, CUHKMC agrees to postpone the start date for calculation of the Service Credits to six (6) months after the date when the first batch of Products are first received by the 3PL following commencement of the Operational Period.
- 9.12 Service Credits are cumulative. Service Credit accrual shall not preclude the 3PL from the responsibility of meeting all other KPIs, Service Levels, Response Times, or Resolution Times, or paying Service Credits in respect of any other KPIs, Service Levels or Incidents. The accrual of Service Credits in a particular month does not preclude Service Credits accruing in any other month(s).
- 9.13 3PL shall offset the Service Credits against the Fees payable by CUHKMC in the immediately following Invoice issued by 3PL to CUHKMC under this Agreement. In the event that the Service Credits exceed the amount of Fees payable under an Invoice, the outstanding Service Credits shall be applied against the subsequent Invoices. The relevant Invoice must expressly state the amount of Service Credits being applied. CUHKMC shall be entitled to withhold any payments that it is otherwise obliged to pay under this Agreement and set off all outstanding Service Credits against such payments.

10. 3PL's Undertakings and Warranties

Standard of skill and care

- 10.1 The 3PL undertakes, represents, and warrants to CUHKMC throughout the Term that:
 - (a) it shall provide the Services:
 - (i) in a professional and workmanlike manner in accordance with the Industry Best Practice;
 - (ii) in a proper, efficient, and prompt manner;
 - (iii) using competent employees and (if applicable) subcontractors and carrying out adequate supervision of employees and (if applicable) subcontractors; and
 - (iv) in accordance with the terms and conditions of this Agreement and the Project Plan;

- (b) it shall ensure that each Service is performed and supervised with due skill and care by the 3PL's employees/ subcontractors and at its facilities;
- (c) it is fully qualified, and possess a high level of requisite ability, experience, knowledge, and expertise to perform the Services;
- (d) it acknowledges and agrees that:
 - (i) CUHKMC has entered into this Agreement in reliance on the representations and warranties set out in this Agreement; and
 - (ii) CUHKMC is relying on the 3PL's ability, expertise, knowledge, and experience in performing the Services;
- (e) it shall not cause any nuisance or interference to the operations and activities of the Hospital, CUHKMC, its Affiliates, or the CUHK Medical Clinics, or each of the respective directors, employees, officers, agents, and CUHKMC Contractors of CUHKMC and its Affiliates or cause any disturbance, nuisance, or interference to any visitors or patients of the Hospital, and the CUHK Medical Clinics; and
- (f) it shall not use any materials in the provision of the Services in any way that may cause harm, discomfort, or detriment to the health of the respective directors, employees, officers, agents, and CUHKMC Contractors of CUHKMC and its Affiliates or to the health of the patients or visitors of CUHKMC, and the CUHK Medical Clinics.

General authority

10.2 The 3PL undertakes, represents, and warrants to CUHKMC throughout the Term, as follows:

- (a) the 3PL is a company duly incorporated under the Laws of the place of its incorporation and has the corporate power and authority to accept the terms of this Agreement and perform its obligations under this Agreement;
- (b) the 3PL has and shall continue to have the requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement;
- (c) the execution, delivery, and performance of this Agreement have been duly authorised and shall not constitute a violation of any judgment, order, decree, or agreement;
- (d) the execution, delivery, and performance of this Agreement shall not constitute a material default under any contract by which the 3PL or any of its material assets are bound, or an event that would, with notice or lapse of time or both, constitute such a default; and

- (e) there is no outstanding litigation, arbitrated matter, or other dispute to which the 3PL is a party which, if decided unfavourably to the 3PL, would reasonably be expected to have a material adverse effect on the Services, the Warehouse Management System, or either Party's ability to fulfil its obligations under this Agreement.

Legal compliance and lease

10.3 The 3PL warrants, undertakes, and represents throughout the Term, that:

- (a) it is in compliance with, and shall continue to comply with, all Laws applicable to this Agreement, the Services, and the Warehouse Management System, including those identified in the Specifications;
- (b) it has obtained and shall maintain all licences, certificates, authorisations, and approvals required for the provision of the Services and/or Warehouse Management System;
- (c) the Warehouse Management System, Warehouse, Dedicated Area, and Services shall be in compliance with, and shall continue to comply with, all applicable Laws;
- (d) it is (and shall continue to be) duly licensed, authorised, and qualified to do business;
- (e) the use of the Warehouse and Dedicated Area to provide the Services by the 3PL in accordance with the terms of this Agreement is and will continue to be in compliance with, and does not and will not breach any leases, lease documents, or land grants related to the Warehouse or Dedicated Area, or any supplements, modifications, or variations to any of them;
- (f) it is the beneficial and legal leaseholder of the Warehouse and Dedicated Area and that it benefits from all legally enforceable contractual rights (if any) necessary for the continued use, enjoyment, and operation of the Warehouse and Dedicated Area in accordance with the terms of this Agreement and that the Warehouse and Dedicated Area is not subject to or affected by any third party rights or any other matters which would affect such operation;
- (g) all planning permissions, approvals, or other equivalent consents, including the consent of the landlord of the Warehouse, and all authorisations, permits, or licences required for the use and operation of the Warehouse and Dedicated Area in accordance with the terms of this Agreement, have been obtained and will remain valid and subsisting throughout the duration of the Term of this Agreement; and
- (h) it has not breached, and will not be in breach, and to its knowledge and reasonable belief there has been no breach or circumstances

which may lead to a breach of or non-compliance with any of the conditions under any of the leases, lease documents, and land grants related to the Warehouse or Dedicated Area.

The 3PL's cooperation

10.4 The 3PL shall:

- (a) co-operate with CUHKMC's employees, officers, directors, and agents and the CUHKMC Contractors for the purposes of:
 - (i) the provision, receipt, or use of the Services or Warehouse Management System;
 - (ii) the effective and efficient co-ordination of the performance of the Services, alongside, and the interoperation of the foregoing with, the services, software, or products of CUHKMC or any CUHKMC Contractor (including the CUHKMC Software and CUHKMC System); and
 - (iii) the due and proper performance of a Party's obligations under this Agreement; and
- (b) regularly organise, co-ordinate, and attend meetings from time to time (including as and when requested by CUHKMC) between the 3PL and CUHKMC's employees, officers, directors, and agents and the CUHKMC Contractors to enable the smooth, efficient, and effective implementation, integration, and co-ordination between the Services, CUHKMC's operations, the Hospital's operations, and the services or products being provided by the CUHKMC Contractors, and the resolution of any disputes; and
- (c) attend any meeting requested by CUHKMC in order to discuss, in good faith, any other potential cooperation or project that CUHKMC may be interested in collaborating with the 3PL, whether or not it is related to the Services.

10.5 The 3PL shall not be entitled to charge any of CUHKMC, CUHKMC's Affiliates, and CUHKMC Contractors for any costs or expenses associated with the cooperation activities contemplated under Clause 10.4.

Regular updates and reporting

10.6 The 3PL covenants, represents, and warrants to CUHKMC throughout the Term, as follows:

- (a) it shall provide the regular ongoing reports as required under the Consolidated Tender Requirements, the frequency, format, and contents of which shall comply with CUHKMC's instructions;

- (b) without prejudice to Clause 10.6(a), as soon as reasonably practicable after receiving a request, it shall provide updates to CUHKMC as to the progress in relation to any Services or the Project Plan (in whole or in part) or in relation to the status of any Product. If required by CUHKMC (in CUHKMC's absolute discretion) such updates shall be in writing;
- (c) it shall immediately report to CUHKMC any existing or anticipated factors which may materially affect the performance of the 3PL's obligations under this Agreement, including the Project Plan, Milestones, Service Levels, or KPIs;
- (d) regularly and continuously monitor the Services and the 3PL's compliance with the Project Plan in accordance with the Industry Best Practice and keep a record of the outcome of such monitoring, which shall be promptly provided to CUHKMC upon request, at any time; and
- (e) without prejudice to Clause 10.6(a), it shall provide CUHKMC with details in writing as to the levels of performance of the Services and Warehouse Management System in relation to the KPIs or Service Levels, as applicable, on a monthly basis, or as otherwise agreed in writing, together with all supporting information reasonably required by CUHKMC.

Security and Access

10.7 The 3PL shall at all times throughout the Term:

- (a) not insert or introduce, or permit to be inserted or introduced, any Disabling Code at any time in any part of the hardware, software, networks, and other information technology systems used by CUHKMC, its Affiliates, or CUHKMC Contractors;
- (b) ensure that the Warehouse Management System does not contain any Disabling Code, and the 3PL must deploy appropriate controls (including using up-to-date versions of system security software such as firewalls, proxies, web application firewalls, and interfaces on all information system infrastructure in relation to the Warehouse Management System and implementing anti-virus software against malware and up-to-date patches and virus definitions) in accordance with the Industry Best Practice for the purposes of preventing contamination by any Disabling Code of the Warehouse Management System or the CUHKMC System; and
- (c) promptly notify CUHKMC of any breach, suspected breach, or alleged breach of the Security Policies or other security regulations, procedures, or directions provided by CUHKMC to the 3PL.

- 10.8 If the 3PL must have access to the Hospital, Materials Store, Pharmacy Stores, Hospital Stores, the CUHK Medical Clinics, or any other premises occupied or owned by CUHKMC or its Affiliates ("**CUHKMC Premises**") in order to provide the Services and/or to deliver the Products, then the 3PL shall provide CUHKMC with reasonable prior notice of the dates and times it requires access and the names of the 3PL Personnel who need to have access to the CUHKMC Premises.
- 10.9 The 3PL shall comply, and shall procure that the 3PL Personnel shall comply, with CUHKMC's instructions and any Security Policies provided by CUHKMC in relation to the 3PL's and 3PL Personnel's access to the CUHKMC Premises and the Dedicated Area. The 3PL Personnel enter the CUHKMC Premises and the Dedicated Area at their own risk.
- 10.10 The 3PL shall keep an accurate, complete, and up-to-date access log of every individual who enters the Dedicated Area. The 3PL shall provide to CUHKMC upon demand access to such access log, at any time, and at no additional cost or charge to CUHKMC.
- 10.11 The 3PL shall promptly notify CUHKMC in the event of any actual or reasonably suspected unauthorised access of the Dedicated Area, Materials Store, Pharmacy Stores, Hospital Stores, or the CUHK Medical Clinics, including providing all reasonable details regarding the situation, and any other information reasonably requested by CUHKMC. The 3PL shall comply with any reasonable requests of CUHKMC to help mitigate the impact on CUHKMC or mitigate any Loss that may be suffered by CUHKMC due to such actual or suspected unauthorised access, including taking any reasonably requested steps to prevent the reoccurrence of such an incident.
- 10.12 If the 3PL must have access to any CUHKMC System in order to provide the Services, then the 3PL shall notify CUHKMC, reasonably in advance, of the names of the 3PL Personnel who need to have access to the CUHKMC System.
- 10.13 The 3PL shall comply, and shall procure that the 3PL Personnel shall comply, with CUHKMC's instructions and any Security Policies provided by CUHKMC in relation to the 3PL's access to the CUHKMC System. The 3PL shall not, and shall procure that the 3PL Personnel shall not, disassemble, decode, decompile, reverse engineer, reverse translate, or in any other manner decode, attempt to tamper with or evade, or discover the method of operations or defeat the CUHKMC Software or CUHKMC System.
- 10.14 CUHKMC shall have the right to remove or order the removal of any 3PL Personnel from the CUHKMC Premises or Dedicated Area, or to terminate their access to the CUHKMC System, at any time and for any reason, including if CUHKMC reasonably believes that they pose a safety or security concern, and the 3PL shall promptly comply with any order issued by CUHKMC for the removal of such 3PL Personnel.

- 10.15 The 3PL undertakes that it shall, and shall procure that the 3PL Personnel shall, only access the Dedicated Area, the CUHKMC Premises, and/or the CUHKMC System solely to the extent necessary to perform the Services, and shall not carry out any other activities whilst at the Dedicated Area or the CUHKMC Premises or in relation to the CUHKMC System.

Notification

- 10.16 The 3PL shall immediately notify CUHKMC in writing, and shall promptly provide any further details reasonably requested by CUHKMC, upon becoming aware of:
- (a) any actual or threatened action, suit or proceedings, or award, judgment, order, notice, or decree of any tribunal, court, or Government Authority, or circumstances which could reasonably lead to legal or administrative action being taken against the 3PL, CUHKMC or its Affiliates, that it becomes aware of and which relate to this Agreement, the Services, the Products, or the Warehouse Management System;
 - (b) any likely adverse publicity or third party complaints in relation to the 3PL, the Services, the Warehouse Management System, or the Products; and
 - (c) any Incident.

Improvements

- 10.17 The 3PL shall as soon as reasonably practicable notify CUHKMC of any potential improvements, enhancements, modifications, features, methods, or technology which it identifies or becomes aware of as being reasonably capable of improving the Services or CUHKMC's or the Hospital's operations or the CUHK Medical Clinics' operations as they relate to the Services ("**Improvements**"), and shall reasonably cooperate and discuss with CUHKMC the potential benefits and implementation of such Improvements (including meeting with CUHKMC, as and when requested), at no extra cost or charge to CUHKMC.
- 10.18 CUHKMC shall have the right (but not the obligation) to evaluate, modify, and/or require the incorporation of any Improvements to the Services, in its sole discretion. The 3PL shall not use any Improvements, unless and until CUHKMC provides its prior written consent. Any Improvements to the Services shall be introduced in accordance with the Change Control Procedure.

11. Subcontracting

- 11.1 Notwithstanding any other provision of this Agreement, the 3PL shall not subcontract the performance of its obligations in respect of any of the Services (in whole or in part), unless it obtains CUHKMC's prior written consent to such subcontracting and to the identity of the specific entity to

whom the 3PL wishes to subcontract (such consent to be granted in CUHKMC's sole discretion). In the event that CUHKMC provides such prior written consent, the following shall apply and CUHKMC's consent is conditional upon the 3PL's full compliance with the following:

- (a) The 3PL in its capacity as prime contractor shall enter into a written agreement with each approved subcontractor, the content of which must be approved by CUHKMC beforehand, and shall impose obligations, undertakings, representations, and warranties on the subcontractor that are no less onerous than the ones imposed on the 3PL under this Agreement and shall incorporate all the Special Conditions into the subcontract that it enters with the subcontractor.
- (b) The approved subcontractor must, and the 3PL hereby warrants and undertakes that each approved subcontractor shall be, fully qualified, and possess a high level of experience, knowledge, and expertise to perform the Services being subcontracted to it.
- (c) The 3PL shall not be relieved of any of its obligations, warranties, undertakings, or representations under this Agreement by entering into any subcontract for the performance of any part of the Services. The 3PL shall be liable to CUHKMC in respect of all acts or omissions of any subcontractor as if such acts or omissions were committed by the 3PL. The 3PL shall indemnify CUHKMC Indemnified Parties on demand and keep them indemnified against all Losses arising in any way in relation to the acts or omissions of any subcontractor. The 3PL will be solely responsible for coordinating with any subcontractor, and CUHKMC shall not have any obligation or responsibility under the terms of any subcontract with any person.
- (d) The 3PL acknowledges and agrees that a default, act, or omission committed by any of its subcontractors shall not constitute a Force Majeure Event nor shall it excuse the 3PL, in any way, from the performance of its obligations under this Agreement (including its obligation to meet the Milestones, Service Levels, KPIs, and the Project Plan).
- (e) CUHKMC shall at any time have the right to request that the 3PL terminates any subcontract and cease using any subcontractor for the provision of the Services. As soon as reasonably practicable after the receipt of any such request, the 3PL shall procure that such subcontractor ceases to undertake any obligations of the 3PL under this Agreement and shall notify CUHKMC of the same in writing. The 3PL shall immediately resume such subcontracted obligations or further subcontract them to a new third party supplier (in accordance with this Clause 11), and shall ensure that there is no interruption or delay in the provisions of the Services or the Project Plan.

- (f) The 3PL agrees that its direct subcontractors shall not be entitled to further subcontract the performance of any obligations or Services subcontracted to them.

11.2 This Clause 11 shall apply equally to any replacement subcontractor.

12. 3PL's Employees and Meetings

12.1 The 3PL undertakes, represents, and warrants to CUHKMC throughout the Term, as follows:

- (a) each of the 3PL's employees are highly competent, qualified, trained, and capable of providing the applicable Services in respect of which they are engaged in accordance with the terms of this Agreement;
- (b) each of the 3PL's employees shall be fully supervised at all times in the performance of the Services;
- (c) there are a sufficient number of appropriately trained, competent, and qualified employees of the 3PL to provide the Services in accordance with this Agreement;
- (d) only employees of the 3PL shall perform the Services, save in respect of any part of the Services that are subcontracted to a third party pursuant to Clause 11 (*Subcontracting*).
- (e) the 3PL's employees shall act at all times:
 - (i) in a professional, fit, and proper manner and perform the Services in accordance with the Industry Best Practice; and
 - (ii) in a manner compatible with the requirements of this Agreement;
- (f) all of the 3PL's employees (including new or replacement employees) are promptly and properly trained to perform the Services and to comply with the CUHKMC Policies;
- (g) the 3PL shall maintain facilities and procedures for the continuous and suitable training of its employees in the provision of the Services;
- (h) each of the 3PL's employees are under a strict duty to keep confidential all Confidential Information that they receive or encounter or of which they become aware;
- (i) the 3PL's employees shall not at any time represent that they are employees of CUHKMC or its Affiliates; and

- (j) the 3PL shall, upon request by CUHKMC, provide CUHKMC with the names of all of the 3PL's employees who are providing the Services.

Key Staff

- 12.2 The 3PL shall at all times during the Term employ and appoint individuals to fulfil the roles and respective responsibilities listed in **Appendix D** (*Key Staff – Pharmaceuticals*) and **Appendix P** (*Key Staff – Medical Consumables*) of the Consolidated Tender Requirements ("**Key Staff**"). All Key Staff must be employed and appointed by the 3PL within thirty (30) calendar days of the Effective Date, or such other date as agreed between the Parties. Each individual that the 3PL shall hire and appoint to fulfil the role of a Key Staff, must be approved by CUHKMC in writing beforehand.
- 12.3 The 3PL shall ensure that the Key Staff fulfil the relevant roles, functions, or tasks assigned to them pursuant to **Appendix D** (*Key Staff – Pharmaceuticals*) and **Appendix P** (*Key Staff – Medical Consumables*) of the Consolidated Tender Requirements.

Removal and replacement of employees

- 12.4 Upon receipt of CUHKMC's request, the 3PL shall as soon as reasonably practicable replace any of its employees who are providing the Services with another individual of the same or better status, skills, qualifications, training, expertise, and experience.
- 12.5 If any Key Staff is unavailable to fulfil their relevant roles, functions, or tasks assigned to them as a result of illness or annual leave, then the 3PL shall immediately:
 - (a) notify CUHKMC; and
 - (b) appoint a suitable temporary substitute during the period of unavailability, who must have the same or better status, skills, qualifications, training, expertise, and experience as the relevant Key Staff.
- 12.6 In the event that any of the Key Staff positions become vacant due to resignation or death, or any members of the Key Staff are or shall be removed, the 3PL shall:
 - (a) promptly advise CUHKMC and propose a suitable replacement who has at least the same or better status, skills, qualifications, training, expertise and experience as the Key Staff to be replaced;
 - (b) obtain CUHKMC's prior written approval for the new individual who will replace the relevant Key Staff; and
 - (c) ensure that the outgoing Key Staff member provides a full and comprehensive handover note to their replacement.

- 12.7 The 3PL shall promptly fill any Key Staff vacancy in accordance with Clause 12.6 above, and in any event no later than two (2) months of the post becoming vacant.
- 12.8 If the 3PL fails to fill any Key Staff vacancy in accordance with Clause 12.2, Clause 12.6, and Clause 12.7, CUHKMC may elect an individual whom the 3PL shall appoint and pay as a temporary replacement for the vacant Key Staff role, on the same salary package as the relevant outgoing Key Staff, on a monthly contract basis for a period until the 3PL permanently fills the Key Staff vacancy. CUHKMC's exercise of this right shall not relieve the 3PL of its obligations or constitute a waiver of any rights or remedies of CUHKMC, and the 3PL shall remain fully responsible for such Key Staff and his acts and omissions. Without prejudice to the 3PL's obligations under Clause 12.2, Clause 12.6, and Clause 12.7, the 3PL shall in any event use its best endeavours to appoint a permanent Key Staff within 12 months from the date when the post of the relevant Key Staff first became vacant.

Status of the 3PL employees

- 12.9 Nothing in this Agreement creates any employment, contractual, or other similar relationship between the 3PL's employees (including the Key Staff and the temporary replacement for any vacant Key Staff role as provided for in Clause 12.8) and CUHKMC or its Affiliates. The 3PL shall remain responsible at all times under this Agreement and under Laws for the payment of all salaries, wages, fees for services, or any statutory entitlements of the 3PL's employees (including the Key Staff and the temporary replacement for any vacant Key Staff role as provided for in Clause 12.8). The 3PL shall also be responsible for all costs and expenses of any training provided to its employees.

Employment laws

- 12.10 The 3PL shall comply with all applicable Laws relating to employer-employee relationships, employee benefits, and the provision of a safe workplace for its employees at the Warehouse. The 3PL shall indemnify CUHKMC Indemnified Parties from and against all Losses incurred or suffered by CUHKMC Indemnified Parties arising in connection with the 3PL's breach of any contractual or legal obligation that it has to its employees, or in relation to any accident, injury, or death of an employee.

Meetings

- 12.11 The Project Manager and Service Manager shall attend a meeting with CUHKMC at least once every quarter, unless CUHKMC specifies otherwise. During the meeting, the Parties shall discuss and consider the following, at a minimum:
- (a) discuss the progress of the Project Plan;
 - (b) the overall relationship between the Parties;

- (c) review and monitoring of progress reports (weekly, quarterly, bi-annually) and final reports;
- (d) performance assessment;
- (e) Change management;
- (f) any potential issues in relation to the Services, the Dedicated Area, Warehouse, Equipment, Materials Store, Pharmacy Stores, Hospital Stores, the CUHK Medical Clinics, or Warehouse Management System; and
- (g) review any Incidents, or failure to meet any KPI, Service Level, Response Time, or Resolution Time.

13. CUHKMC Warranties

- 13.1 CUHKMC covenants, represents, and warrants to the 3PL throughout the Term, as follows:
- (a) CUHKMC is a company or corporation duly incorporated under the Laws of the place of its incorporation and has the corporate power and authority to accept the terms of this Agreement and perform its obligations under this Agreement; and
 - (b) CUHKMC has and shall continue to have the requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement.

14. Change Control Procedure

- 14.1 Unless expressly provided otherwise in this Agreement, a Change may only be made in accordance with this Clause 14 (*Change Control Procedure*) and the Change Control Procedure set out in **Schedule 3** (*Change Control Procedure*).
- 14.2 Neither Party shall unreasonably withhold its agreement to a Change.
- 14.3 The Parties agree that they will not exercise the ability to propose Changes arbitrarily or capriciously in recognition that both Parties are committed to this Agreement.
- 14.4 Each Party shall bear its own costs and expenses relating to the Change Control Procedure.
- 14.5 No Change specified in a Change Control Note shall take effect unless and until such Change Control Note detailing the relevant Change has been executed by both Parties.
- 14.6 If the Parties agree to any Change to the Services, the Warehouse Management System, the Specifications, the Consolidated Tender

Requirements, the Fees, or any other matter expressly identified in this Agreement as requiring the Parties to go through the Change Control Procedure, which is documented in a Change Control Note executed by both the Parties, then the respective definitions of "Services", "Warehouse Management System", "Specifications", "Consolidated Tender Requirements", and "Fees" or such other matter that has gone through the Change Control Procedure shall be deemed to be amended accordingly to take into account of the Change.

- 14.7 The Parties agree that if any Change is required due to a breach of this Agreement by the 3PL, its Affiliates or the 3PL Personnel, then the 3PL shall not be entitled to any increase in the Fees or any additional costs or charges in respect of such Change.

15. Intellectual Property Rights

Developed Materials

- 15.1 The Parties agree that all rights, title, and interests in the Intellectual Property Rights subsisting in the Developed Materials shall upon their creation belong to CUHKMC, and the 3PL assigns to CUHKMC absolutely with full title guarantee, throughout the world and in all media formats, all Intellectual Property Rights subsisting in the Developed Materials, and all other rights, title, and interests subsisting in the Developed Materials, of whatsoever nature, whether now known or created in the future, or which the 3PL may now, or at any time after the date of this Agreement, have in any part of the world.
- 15.2 The 3PL shall, at its own cost, perform (or procure the performance of) all further acts, and execute and deliver (or procure the execution or delivery of) all further documents, required by law or as requested by CUHKMC, to give effect to Clause 15.1 and ensure that the full benefit of the rights, title, and interests in all such Intellectual Property Rights assigned to CUHKMC under this Agreement are fully vested in CUHKMC.
- 15.3 CUHKMC grants to the 3PL a non-exclusive, non-transferable, royalty-free, and limited licence in Hong Kong to use the Developed Materials during the Term, solely for the purposes of providing the Services in accordance with this Agreement. The 3PL has no right to sub-licence, assign, or transfer the licence granted under this Clause 15.3, without the prior written consent of CUHKMC.

CUHKMC Materials

- 15.4 CUHKMC or its Affiliates shall own all rights, title, and interests in the Intellectual Property Rights subsisting in the CUHKMC Materials. To the best of CUHKMC's knowledge, the CUHKMC Materials do not infringe upon the Intellectual Property Rights of any third party.

- 15.5 CUHKMC grants to the 3PL a non-exclusive, non-transferable, royalty-free, and limited licence in Hong Kong to use the CUHKMC Materials during the Term, solely for the purposes of providing the Services in accordance with this Agreement. The 3PL has no right to sub-licence, assign, or transfer the licence granted under this Clause 15.5, without the prior written consent of CUHKMC.
- 15.6 Except for the limited licence granted in Clause 15.5 above, the 3PL shall not have any Intellectual Property Rights, or any other right, title, or interest in any CUHKMC Materials.

3PL Software

- 15.7 The 3PL or the relevant third party right owner (as the case may be) shall own all rights, title, and interests in the Intellectual Property Rights subsisting in the 3PL Software developed or procured (as the case may be) by the 3PL (or its Affiliate) prior to the Effective Date and independently from this Agreement (the “**Background Intellectual Property Rights**”). 3PL represents and warrants that the 3PL Software, together with the Background Intellectual Property Rights, and the use thereof, shall not infringe the Intellectual Property Rights of any third party, and that the 3PL or the relevant third party right owner (as the case may be) is the absolute legal and beneficial owner of the 3PL Software, together with the Background Intellectual Property Rights.
- 15.8 The 3PL grants to CUHKMC a non-exclusive, non-transferable, sub-licensable, and royalty-free licence in Hong Kong to use the 3PL Software, together with the Background Intellectual Property Rights, for the purposes of enabling CUHKMC or its Affiliates to enjoy the benefit of the Services and the Warehouse Management System and as necessary for CUHKMC or its Affiliates to use, exploit, and benefit from the Developed Materials. CUHKMC shall have the right to sub-licence the use of the 3PL Software, together with the Background Intellectual Property Rights, to any of its Affiliates, CUHKMC Personnel, or CUHKMC Contractors, for the foregoing purposes.

Intellectual property undertakings

- 15.9 The 3PL shall, and shall procure that its Affiliates and the 3PL Personnel shall, at all times:
- (a) not do or omit, or allow anything to be done or omitted, which may infringe upon the Intellectual Property Rights of CUHKMC or its Affiliates or any third party;
 - (b) not, at any time, challenge the validity of CUHKMC's or its Affiliates' ownership of any rights in the CUHKMC Materials or the Developed Materials, or other Intellectual Property Rights of CUHKMC or its Affiliates;

- (c) not do or omit, or permit to be done or omitted, anything which would or could jeopardise or invalidate any applications, recordals, or registrations by CUHKMC or its Affiliates of any Intellectual Property Rights subsisting in the CUHKMC Materials, the Developed Materials, or any trade marks, service marks, trade names, business names, domain names, company names, or materials owned by, or other Intellectual Property Rights of, CUHKMC or its Affiliates (anywhere in the world), or give rise to an application to remove any such registrations or recordals from any register;
- (d) not, at any time, register or apply for the registration or recordal of any Intellectual Property Rights subsisting in the CUHKMC Materials or the Developed Materials, anywhere in the world and, if any such recordal, registration, or application is made by the 3PL, its Affiliates or 3PL Personnel in breach of this Agreement, then (without prejudice to any other rights of CUHKMC), the 3PL shall or shall procure, at the 3PL's sole cost and expense, the immediate transfer and assignment of such recordal, registration, or application (as applicable) to CUHKMC or its nominee at CUHKMC's request;
- (e) not, at any time, register or apply for the registration or recordal of any trade marks, service marks, logos, domain names, Internet keywords, company name, business name, or trade name that is identical or similar to the trade marks, service marks, logos, domain names, Internet keywords, company names, business names, or trade names owned or used by CUHKMC or its Affiliates, anywhere in the world and, if any such recordal, registration, or application is made by the 3PL, its Affiliates or 3PL Personnel in breach of this Agreement, then (without prejudice to any other rights of CUHKMC), the 3PL shall or shall procure, at the 3PL's sole cost and expense, the immediate transfer and assignment of such recordal, registration, or application (as applicable) to CUHKMC or its nominee at CUHKMC's request; and
- (f) not, at any time, use, create, or develop any designs, documents, drawings, sketches, layouts, or other materials (of whatsoever nature and in whatsoever format) on behalf of itself or a third party, that incorporates, is derived from or based on the Confidential Information of CUHKMC, the CUHKMC Materials, and/or the Developed Materials, or unfairly competes with CUHKMC, or is likely to cause confusion or deceive the public.

Third party licences

- 15.10 The 3PL shall ensure that the Third Party Material is, and shall at all relevant times be, validly licensed from the relevant third party owner or licensor so as to permit its use for the purposes of the Warehouse Management System and the Services, and for the benefit of CUHKMC and/or its Affiliates (at no extra cost or charge to CUHKMC).

- 15.11 The 3PL shall procure (at no extra cost or charge to CUHKMC) the grant of a non-exclusive, worldwide, transferable, sub-licensable, perpetual, royalty-free, and irrevocable licence to CUHKMC, and the right to sub-licence to CUHKMC's Affiliates, CUHKMC Personnel, and the CUHKMC Contractors, to use the Third Party Materials (including any corrected, modified, or updated versions of such Third Party Materials), for the purposes of enabling CUHKMC and/or its Affiliates to benefit from the use of the Warehouse Management System and the Services.
- 15.12 Without prejudice to any other provisions of this Agreement, the 3PL shall assign to CUHKMC the benefit of any warranties, representations, and indemnities as are provided by the third party licensor or owner of the Third Party Materials, and shall co-operate with and assist CUHKMC to enforce any such third party warranties, representations, and indemnities (at no extra cost or charge to CUHKMC).

16. Business Continuity and Disaster Recovery

- 16.1 During the Term, the 3PL shall maintain a continuity of business and disaster recovery plan, which shall be provided by the 3PL to CUHKMC at least ninety (90) days prior to the commencement of the Operational Period ("**Business Continuity Plan**"). CUHKMC may provide any comments it may have on the 3PL's Business Continuity Plan, and the 3PL shall promptly amend the Business Continuity Plan accordingly. The Business Continuity Plan shall be immediately implemented in the event of any disaster or unforeseen event which adversely affects the Warehouse Management System or the Services. The 3PL shall notify CUHKMC of any proposed change in the Business Continuity Plan in writing no less than thirty (30) days before its tentative effective date for seeking CUHKMC's comments. No changes to the Business Continuity Plan shall be made without the prior written approval of CUHKMC.
- 16.2 The Business Continuity Plan must address the following objectives:
- (a) identify issues and problems that could potentially disrupt or adversely affect the Warehouse Management System or the Services, in both the short and long term;
 - (b) develop, maintain, and document containment measures that mitigate the risks resulting from such issues and problems;
 - (c) develop and maintain continuity of business procedures and disaster recovery procedures for the Services and the Warehouse Management System in the event of an emergency, disaster, or unforeseen event;
 - (d) a notification and escalation procedure (including timeframes) within the 3PL's organisation and to CUHKMC;

- (e) a detailed recovery of the Warehouse Management System and all data or information stored or processed via the Warehouse Management System; and
 - (f) an annual management review and approval of the disaster recovery and business continuity facilities and the Business Continuity Plan.
- 16.3 The 3PL shall conduct reasonable tests no less than once per calendar year in order to assess the efficacy of the Business Continuity Plan. The 3PL shall allow CUHKMC to view the reports of such tests, as and when requested by CUHKMC. The 3PL shall promptly rectify any issues or problems identified with the Business Continuity Plan during such tests, and shall promptly reassess the efficacy of the Business Continuity Plan once such rectification has been completed.
- 16.4 Not less than once per annum during the Term of this Agreement, the Parties shall consult with each other and agree on any revisions to the Business Continuity Plan which are necessary to reflect to CUHKMC's businesses (such agreement not to be unreasonably withheld or delayed). For the avoidance of doubt, the Change Control Procedure shall not apply in respect of such revisions.

17. Payment Terms

Fees

- 17.1 The Fees payable by CUHKMC to the 3PL under this Agreement are set out in **Schedule 2 (Fees)**. No other Fees shall be payable by CUHKMC to the 3PL unless agreed otherwise by the Parties pursuant to the Change Control Procedure. CUHKMC shall pay the Fees to the 3PL in accordance with **Schedule 2 (Fees)** and this Clause 17 (*Payment Terms*).

Set-Up Fee

- 17.2 The Parties shall agree in writing on the one-time fixed fee to be paid by CUHKMC to the 3PL for the Set-Up Services, to be calculated in accordance with **Schedule 2 (Fees)** ("**Set-Up Fee**"). Once the Set-Up Fee has been agreed by the Parties in writing, it shall be invoiced by the 3PL in two (2) instalments, in accordance with the following:
 - (a) the 3PL shall only be entitled to issue an Invoice for the first instalment of ten percent (10%) of the Set-Up Fee after the date that the Set-Up Fee is mutually agreed by the Parties in writing on or after Effective Date, and
 - (b) the 3PL shall only be entitled to issue an Invoice for the second instalment of ninety percent (90%) of the Set-Up Fee on or after the issuance of the Completion Certificate.

Subject to the Invoices for the Set-Up Fee being issued in accordance with the above timeline, CUHKMC shall settle the Invoices for the Set-Up Fee

pursuant to Clauses 17.8 to 17.12.

Dedicated Area Fee

- 17.3 Without prejudice to any other provision of this Agreement, the Dedicated Area Fee shall only be payable as from the commencement date of the Operational Period.
- 17.4 Subject to Clause 17.3, the 3PL shall issue an Invoice to CUHKMC for the Dedicated Area Fee in arrears after the end of each calendar month, and CUHKMC shall settle the Invoices for the Dedicated Area Fee pursuant to Clauses 17.8 to 17.12. The Dedicated Area Fee shall be calculated pursuant to **Schedule 2 (Fees)**.

Logistics Services Fee

- 17.5 The Logistics Services Fee shall only be payable for the Logistics Services provided during the Operational Period and, if any, the Transition Period. The Logistics Services Fee payable in respect of the first calendar month after the expiry of the Set-Up Phase shall be charged for the number of calendar days from the commencement date of the Operational Period up to the last day of such first calendar month (both days inclusive) if it does not cover a full month.
- 17.6 Subject to Clause 17.5, the 3PL shall issue an Invoice to CUHKMC for the Logistics Services Fee in arrears after the end of each calendar month, and CUHKMC shall settle the Invoices for the Logistics Services Fee pursuant to Clauses 17.8 to 17.12. The Logistics Services Fee shall be calculated pursuant to **Schedule 2 (Fees)**.

Other amounts

- 17.7 An Invoice for any amounts or charges not specified in **Schedule 2 (Fees)**, which are payable by CUHKMC to the 3PL in accordance with any agreed Change Control Note, shall be issued by the 3PL in accordance with the relevant agreed Change Control Note or, if silent, upon the successful completion and acceptance of the relevant Service.

Payment

- 17.8 CUHKMC shall pay all Fees to the 3PL on or before the Due Date, provided always that:
- (a) CUHKMC receives a valid Invoice for the relevant Fee from the 3PL;
 - (b) the 3PL sends the Invoice to CUHKMC's finance department, at the address set out below (which may be amended by CUHKMC from time to time, by notice in writing):

Attn: Finance Department, CUHKMC
Address: CUHK Medical Centre Limited
12/F, CUHK Medical Centre
9 Chak Cheung Street
Shatin, New Territories
Hong Kong

- (c) CUHKMC shall be entitled to deduct and/or set-off from the amount specified in the Invoice any Liquidated Damages, Service Credits, or other amounts due and payable from the 3PL to CUHKMC under this Agreement;
- (d) it is not a Disputed Invoice, pursuant to Clause 17.11 (*Disputed Invoice*); and
- (e) the 3PL provides any reasonable evidence requested by CUHKMC in relation to the calculation of the Fees.

17.9 Payments made by CUHKMC shall not imply acceptance by CUHKMC of the Services or Warehouse Management System provided by the 3PL.

17.10 All amounts to be paid by CUHKMC to the 3PL under this Agreement shall be paid in Hong Kong dollars by wire transfer of immediately available funds on or before the relevant Due Date to the bank account designated by the 3PL.

Disputed Invoices

17.11 In the event that CUHKMC reasonably disputes any Invoice (in whole or in part), including on the basis that CUHKMC reasonably believes that the 3PL has failed to adequately perform or complete any Services that relate to the Fees covered by the relevant Invoice, it shall notify the 3PL of such dispute as soon as reasonably practicable, and provide a description of the reasons for the dispute ("**Disputed Invoice**"). CUHKMC shall be entitled to suspend and/or withhold payment of the Disputed Invoice until either:

- (a) the Parties resolve the issue and agree that the Disputed Invoice should be paid by CUHKMC, in which case CUHKMC shall pay the relevant amount within forty-five (45) days of such agreement;
- (b) the Disputed Invoice is cancelled by the 3PL and a new Invoice is issued, which reflects the correct and undisputed amount that CUHKMC agrees is owed by it, in which case CUHKMC shall pay the relevant amount specified in the new Invoice within forty-five (45) days following the end of the month in which CUHKMC receives the new Invoice; or

- (c) an arbitral tribunal issues a decision ordering the payment of the Disputed Invoice, in which case CUHKMC shall pay the relevant amount within such period as ordered by the tribunal.

17.12 Without prejudice to Clause 17.11, if CUHKMC only disputes part of an amount specified in a Disputed Invoice, then CUHKMC shall pay any undisputed amount and the Disputed Invoice shall be deemed to be reduced accordingly.

18. Term and Termination

18.1 Unless terminated earlier in accordance with the terms of this Agreement, this Agreement shall commence on the Effective Date and shall continue until the expiry of the Initial Term. This Agreement shall automatically renew for a further period of (2) years following the expiry of the Initial Term ("**Renewal Term**"), on the same terms and conditions as those prevailing at the time of such expiry, unless either Party notifies the other Party that it does not wish the Agreement to continue for the Renewal Term ("**Non-Renewal Notice**"). Any Non-Renewal Notice must be issued at least nine (9) months prior to the expiry of the Initial Term. If either Party issues a Non-Renewal Notice in accordance with the foregoing deadline, then this Agreement shall expire upon the end of the Initial Term.

18.2 Without prejudice to Clause 18.3 below, CUHKMC may terminate this Agreement for convenience or for any reason whatsoever by giving the 3PL thirty (30) days' prior written notice.

18.3 CUHKMC shall, without prejudice to any other rights or remedies available to CUHKMC, have the right to immediately terminate this Agreement at any time upon written notice to the 3PL, if:

- (a) the 3PL becomes subject to an Insolvency Event;
- (b) the 3PL has committed a breach of any of its representations, warranties, and undertakings under this Agreement;
- (c) the 3PL has committed a breach of any term of this Agreement (other than its representations, warranties, and undertakings under this Agreement) which cannot be rectified or, if such breach is rectifiable, it has failed to rectify the breach within thirty (30) days of receiving a notice of the breach;
- (d) notwithstanding Clause 18.3(c), the 3PL commits a breach of this Agreement (other than its representations, warranties, and undertakings under this Agreement) on three (3) or more separate occasions, even if the failure to comply is rectifiable or is rectified after notice is sent to the 3PL;

- (e) the 3PL, its Affiliates, or the 3PL Personnel breach Clause 25 (*Confidentiality*), Clause 26 (*Personal Data*) or Clause 28 (*Anti-bribery*);
- (f) the 3PL has made a material misrepresentation during the tendering process in relation to this Agreement;
- (g) the 3PL has failed to meet any Milestone;
- (h) the 3PL has failed to:
 - (i) achieve any Severity Level 1 Service Level and/or Severity Level 1 KPI, five (5) or more times in any twelve (12) consecutive months' period;
 - (ii) rectify any Severity Level 1 Incident within the relevant Resolution Time, five (5) or more times in any twelve (12) consecutive months' period;
 - (iii) achieve any Severity Level 2 Service Level and/or Severity Level 2 KPI, eight (8) or more times in any twelve (12) consecutive months' period;
 - (iv) rectify any Severity Level 2 Incident within the relevant Resolution Time, eight (8) or more times in any twelve (12) consecutive months' period;
 - (v) achieve any Severity Level 3 Service Level and/or Severity Level 3 KPI, twelve (12) or more times in any twelve (12) consecutive months' period; or
 - (vi) rectify any Severity Level 3 Incident within the relevant Resolution Time, twelve (12) or more times in any twelve (12) consecutive months' period;
- (i) the 3PL has breached any applicable Law, or has failed to obtain or maintain any licence, certificate, authorisation, or approval required in order to provide the Services or to use the Warehouse or Dedicated Area for the purposes of the Services;
- (j) any material loss or damage to the Products in the 3PL's possession or control, or any personal injury, property damage or death arising out of or in relation to the actions or omissions of the 3PL, its Affiliates, or the 3PL Personnel;
- (k) any third-party claim, action, or proceedings made against CUHKMC or the 3PL, that arises out of or in relation to the Services

or the actions or omissions of the 3PL, its Affiliates, or the 3PL Personnel;

- (l) the 3PL or its licensees or sub-licensees challenge the validity of or CUHKMC's ownership of or rights in the CUHKMC Materials, the Developed Materials, or any other Intellectual Property Rights of CUHKMC;
- (m) the 3PL misappropriates, misuses, or makes any unauthorised use of the CUHKMC Materials, the Developed Materials, or any other Intellectual Property Rights of CUHKMC;
- (n) the 3PL is subject to any investigation or proceedings which could reasonably be expected to have adverse impact on the reputation of CUHKMC as a provider of medical and/or healthcare services in association with the 3PL;
- (o) the applicable Law or any change in the applicable Law or the practice of the Government Authorities causes or shall cause this Agreement to be in breach of the applicable Laws or requirements of the Government Authorities;
- (p) a Government Authority directs, orders, instructs, or issues a notice requiring the termination of this Agreement, or for the 3PL to cease its business activities (in whole or in part), or informs either Party that this Agreement (in whole or in part) is or will be a breach of any applicable Laws; and
- (q) the 3PL refuses to agree and to execute one or more Change Control Note(s) more than five (5) times in total throughout the Term.

18.4 The 3PL shall be entitled to terminate this Agreement by serving a written notice on CUHKMC in the event that CUHKMC fails to pay any Fees due under a valid Invoice by the relevant Due Date (excluding any Disputed Invoice and subject to Clause 17.8 (*Payment Term*)) and fails to remedy such non-payment within sixty (60) calendar days of receiving a written notice from the 3PL asking CUHKMC to rectify such non-payment and notifying CUHKMC of its intention to terminate this Agreement pursuant to this Clause.

19. Transition Services

- 19.1 During the Transition Period, at no extra cost or charge to CUHKMC, 3PL agrees to provide the Transition Services.
- 19.2 CUHKMC will issue written notice to the 3PL to specify the Transition Services required ("**Transition Services Notice**") (i) at least two (2) months prior to the expiry of the Initial Term or, if this Agreement has been renewed, the Renewal Term or (ii) upon service of or, as applicable, as soon as

reasonably practicable after receipt from the 3PL of, the written notice of termination. CUHKMC will further issue written notice to the 3PL to specify the intended termination date of the Transition Period at least three (3) months prior to such intended termination date.

- 19.3 No later than one (1) month after the issue date of the Transition Services Notice in the case of expiry of this Agreement or no later than five (5) Business Days from the commencement of the Transition Period in the case of early termination of this Agreement, 3PL shall prepare and submit to CUHKMC a draft Transition Plan which shall:
- (a) ensure that the expiry or early termination of this Agreement shall not disrupt or adversely affect the operation of the Hospital, and the CUHK Medical Clinics, the business and affairs of CUHKMC, or the Logistics Services;
 - (b) facilitate the orderly transfer of the Services, all data in respect of the Products as recorded in or by the Warehouse Management System (which may include data migration that involves extraction, transformation, and loading of all data in non-proprietary formats), and the remaining inventory of the Products and the Equipment that belongs to CUHKMC which are under the possession or control of the 3PL to CUHKMC or a CUHKMC Contractor, as directed by CUHKMC;
 - (c) be capable of being implemented upon commencement of the Transition Period in case of expiry of this Agreement or immediately in case of early termination of this Agreement; and
 - (d) include the Transition Services that CUHKMC requires.
- 19.4 The Transition Plan shall be agreed by the Parties (acting in good faith and in a commercially reasonable manner) within ten (10) Business Days of CUHKMC's receipt of the draft Transition Plan pursuant to Clause 19.3. If the Parties fail to agree on the Transition Plan within the foregoing period, CUHKMC may substitute its own Transition Plan.
- 19.5 Unless instructed otherwise by CUHKMC, as part of the Transition Services, the 3PL shall continue to provide the Services and the Dedicated Area, and operate the Warehouse Management System during the Transition Period, without any interruption, delay, or disruption and strictly in accordance with the terms of this Agreement, until the Services, the Warehouse Management System, and the remaining inventory of the Products and the Equipment that belongs to CUHKMC which are under the possession or control of the 3PL have been transferred to CUHKMC or a CUHKMC Contractor pursuant to the Transition Plan.
- 19.6 The 3PL shall comply with and perform all of its obligations under the Transition Plan.

- 19.7 During the Transition Period, the terms of this Agreement shall continue in force in so far as they apply to the Transition Services, except that the Fees for the Transition Services, the Dedicated Area, and the Warehouse Management System provided by the 3PL during the Transition Period shall be calculated at the Fee rates that are effective at the expiry or immediately prior to the early termination, as applicable, of this Agreement.

20. Consequences of Termination or Expiry

- 20.1 The termination or expiry of this Agreement shall be without prejudice to any right or remedies of the Parties which may have accrued on or before the date of termination or expiry of this Agreement.

- 20.2 At the end of the Transition Period:

- (a) the 3PL shall promptly pay to CUHKMC in immediately available funds an amount equal to any outstanding Liquidated Damages and/or Service Credits, if the amount of outstanding Liquidated Damages and/or Service Credits exceed the amount of Fees owed by CUHKMC to the 3PL; and
- (b) the 3PL shall reimburse to CUHKMC all amounts paid by CUHKMC to the 3PL for Services not yet provided, or any other amounts paid in advance.

- 20.3 At the end of the Transition Period:

- (a) all rights granted by CUHKMC to the 3PL under this Agreement shall immediately terminate;
- (b) the 3PL must immediately and permanently cease to use, in any manner whatsoever, the Developed Materials, the CUHKMC Materials and CUHKMC's Confidential Information;
- (c) the 3PL must immediately return to CUHKMC or destroy (at CUHKMC's option) all of CUHKMC's Confidential Information, the Developed Materials, and the CUHKMC Materials in the possession or control of the 3PL, its Affiliates or the 3PL Personnel;
- (d) the 3PL shall promptly pay all creditors relating to the Services or the Products;
- (e) transfer all Products and Equipment that belongs to CUHKMC which are in the 3PL's possession or control to CUHKMC or a CUHKMC Contractor, in accordance with the instructions of CUHKMC; and
- (f) within thirty (30) days after the end of the Transition Period, the 3PL shall confirm in writing to CUHKMC that it has carried out its obligations under this Clause 20.3.

- 20.4 Termination or expiry of this Agreement shall not affect any rights, remedies, or liabilities of the Parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of this Agreement which existed at or before the date of termination or expiry.
- 20.5 Any provisions of this Agreement which by their very nature should survive termination and/or expiry of this Agreement shall survive and continue indefinitely, including Clause 5 (*Delays*), Clause 7.11 (*3PL's Responsibilities*), Clause 9 (*Service Levels, KPIs, Incident Management Procedure, and Service Credits*), Clause 11.1 (*Subcontracting*), Clause 12 (*3PL's Employees and Meetings*), Clause 15.9 (*Intellectual Property Rights*), Clause 19 (*Transition Services*), Clause 20 (*Consequences of Termination or Expiry*), Clause 21 (*Indemnities*), Clause 22 (*Limitation of Liability*), Clause 23 (*Inspection and Audit*), Clause 25 (*Confidentiality*), Clause 26 (*Personal Data*), Clause 30 (*Governing Law and Jurisdiction*), Clause 32 (*Miscellaneous*).

21. Indemnities

- 21.1 The 3PL undertakes to indemnify the CUHKMC Indemnified Parties on demand and keep them indemnified against all Losses arising in any way from:
- (a) any misappropriation, unauthorised use, or infringement of the CUHKMC Materials, Developed Materials, or any other Intellectual Property Rights of CUHKMC or its Affiliates;
 - (b) any breach by the 3PL, its Affiliates, or 3PL Personnel of Clause 25 (*Confidentiality*) of this Agreement;
 - (c) any breach by the 3PL, its Affiliates, or 3PL Personnel of Clause 26 (*Personal Data*);
 - (d) any breach by the 3PL, its Affiliates, or 3PL Personnel of Clause 28 (*Anti-Bribery*);
 - (e) any breach of Clause 15.9 (*Intellectual property undertakings*) of this Agreement;
 - (f) the 3PL or the 3PL Personnel failing to comply with or being in breach of any applicable Law or order or direction of any Government Authority in relation to this Agreement, the Services, or the Warehouse Management System;
 - (g) subject to Clause 22.4, loss or damage to the Products in the 3PL's, it's Affiliates' or 3PL Personnel's possession or control;
 - (h) any breach by the 3PL, its Affiliates, or 3PL Personnel of Clause 7 (*Logistics Services*) or Clause 8 (*Warehouse, Dedicated Area*,

Materials Store, Pharmacy Stores, Hospital Stores, CUHK Medical Clinics, and Equipment);

- (i) any third party claims arising out of or in relation to the Services or the Warehouse Management System, a breach of this Agreement by the 3PL, or the actions or omissions of the 3PL, its Affiliates, or the 3PL Personnel; or
- (j) any loss or damage to any property owned or occupied by CUHKMC or CUHKMC Contractors, including damage to the Hospital, the Materials Store, the Pharmacy Stores, the Hospital Stores, or the CUHK Medical Clinics, or any personal injury or death caused by the actions or omissions of the 3PL, its Affiliates, or the 3PL Personnel.

21.2 The 3PL acknowledges and agrees that CUHKMC shall have the right to enforce the indemnity under Clause 21.1, and to exercise and enforce all other rights and remedies in relation to this Agreement, on behalf of each CUHKMC Indemnified Party, and any Loss suffered by a CUHKMC Indemnified Party shall be deemed to be a Loss suffered by CUHKMC for such purpose. This is without prejudice to Clause 32.8 (*Rights of Third Parties*).

21.3 Notwithstanding any provision or agreement to the contrary, neither Party is liable for indemnification or damages to the other Party for civil and criminal sanctions which have been imposed on such other Party, as well as administrative sanctions and deferred prosecution agreement penalties and/or monetary obligations, solely to the extent that it arises out of such other Party's own breach – or alleged breach – of its compliance obligation, including breaches of anti-corruption Laws, and the legal fees related to those proceedings, investigations, and prosecutions.

22. Limitation of Liability

22.1 CUHKMC's total liability to the 3PL in respect of this Agreement and its subject matter (whether under contract, tort, or otherwise) shall not exceed the total Fees paid by CUHKMC to the 3PL under this Agreement in the twelve (12) months immediately preceding the cause of action.

22.2 Subject to the other provisions of this Clause 22, the 3PL's total liability to CUHKMC per claim in respect of this Agreement and its subject matter (whether under contract, tort, or otherwise) shall not exceed:

- (a) eight (8) times the total amounts paid or that remain payable in arrears by CUHKMC to the 3PL under this Agreement in the six (6) months immediately preceding the date of the cause of action; or
- (b) in the event that a claim arises in the first six (6) months of the Initial Term, then the liability cap shall be eight (8) times the fees paid or

payable during the period preceding the cause of action multiplied as necessary to constitute six (6) months. Such formula is as follows:

Liability cap during first six (6) months = (amounts paid or payable during Y x Z) x 8

Y = number of months in the Initial Term that have passed prior to the cause of action arising (e.g. 2 months)

Z = six (6) divided by Y (e.g. 6 divided by 2 months, which equals 3)

By way of illustration, if a cause of action arises in month two (2) of the Initial Term, then the liability cap shall be calculated based on the total amounts paid or payable during such 2 months, multiplied by 3 (in order to make it the equivalent of 6 months), and then further multiplied by eight (8).

22.3 The limitations and exclusions of liability under Clause 22.1 and Clause 22.2 shall not apply:

- (a) for death or personal injury to the extent resulting from a Party's negligence;
- (b) for the fraudulent misrepresentation or fraud of a Party;
- (c) to any liability that cannot be excluded or limited under applicable Law; and
- (d) to the indemnity obligations of the 3PL under Clause 21 (*Indemnity*).

22.4 Notwithstanding any provision or agreement to the contrary, neither Party shall be made liable or responsible to the other Party under this Agreement for any punitive, exemplary, indirect, consequential, or incidental damages, whether foreseeable or unforeseeable, including lost goodwill, lost profit, business custom, income or revenue or any other form of economic loss, (collectively referred to as "**special damages**") incurred by the other Party, regardless of whether such claim arises under or results from contract, tort, or strict liability, Provided that the foregoing limitation is not intended and shall not affect special damages imposed in favour of persons that are not parties to this Agreement. For the avoidance of doubt, the following Losses shall be deemed to be direct (not special damages) and are recoverable by CUHKMC: (a) cost of replacing any Products; (b) cost of migrating or transitioning to a new system or service provider; (c) cost of repairing any property damage; (d) reasonable legal and professional fees and disbursements incurred in connection with investigating and mitigating an Incident or the effect of any non-compliance with an applicable Law; or (e) fines, penalties, damages, and amounts paid in settlement, damages, reimbursement or compensation, and costs incurred to comply with any other ongoing obligations, requirements, or rectification steps when undertaken as a result of a settlement, judgment, or other legal requirement,

or an order or direction issued by any applicable Government Authority or court of competent jurisdiction.

23. Inspection and Audit

- 23.1 CUHKMC and its authorised person(s), or any Government Authority with jurisdiction over CUHKMC or its Affiliates, shall have the right to inspect the Warehouse at any time to check that the 3PL is complying with the terms of this Agreement and the CUHKMC Policies (including inspecting the inventory of the Products and ensuring that security measures are in place). CUHKMC shall, save in the case of emergency, provide the 3PL with at least twenty-four (24) hours prior written notice prior for CUHKMC and/or its authorised person(s) conducting any such inspections.
- 23.2 CUHKMC and its internal and external auditors, or any Government Authority with jurisdiction over CUHKMC or its Affiliates, will have the right to perform audits and inspections of the 3PL's policies, procedures, books, records, and accounts, no more than once per calendar quarter, or as and when required by the Government Authority, upon reasonable prior notice (except where the auditors are appointed or directed by the relevant Government Authority to conduct an audit, in which case notice will be given as soon as practicable), to:
- (a) verify the Fees and Invoices;
 - (b) verify the integrity and security measures of the 3PL; and/or
 - (c) verify the 3PL's compliance with all applicable Laws, the CUHKMC Policies, and the terms of this Agreement.
- 23.3 The 3PL shall provide CUHKMC and/or its internal and/or external auditors, and any Government Authority (or their audit representatives) conducting an audit in accordance with Clause 23.2, with:
- (a) access at all reasonable times and on reasonable notice to the Warehouse and any other premises from which the 3PL carries out the Services or where it stores CUHKMC's Confidential Information, the CUHKMC Materials, and/or the 3PL's books and records; and
 - (b) full co-operation, including providing access to relevant books and records and supporting documentation of financial and non-financial transactions relating to this Agreement and the Services (but excluding information and records unrelated to CUHKMC, the Services, the Warehouse Management System, CUHKMC's Confidential Information, the CUHKMC Materials, or this Agreement).
- 23.4 Each Party shall bear its own costs incurred in connection with the audits or inspections under this Clause 23.

- 23.5 Without prejudice to any other rights or remedies available to CUHKMC and notwithstanding Clause 23.4, if the audit or inspection is made necessary by the failure of the 3PL to furnish reports, supporting records, or other documents or information, as required under this Agreement, or if it is determined by an audit that there has been an overpayment of the Fees or an any amount is overstated in any Invoice, the 3PL must repay to CUHKMC, within thirty (30) days after receipt of the audit report, the overpayment of any Fees and the costs directly incurred by CUHKMC for such audit.
- 23.6 Without prejudice to any other rights or remedies available to CUHKMC, if any audit reveals that the 3PL, its Affiliates, or the 3PL Personnel have failed to comply with any of the 3PL's obligations under this Agreement, then:
- (a) CUHKMC shall notify the 3PL in writing of the deficiencies; and
 - (b) the 3PL shall promptly, and in any event no later than the deadline specified by CUHKMC in its notice, rectify (at its own costs) any deficiencies identified by CUHKMC in its notice.

Books and records

- 23.7 During the Term and for a period of seven (7) years thereafter, the 3PL shall maintain complete, accurate, and up-to-date books and records regarding the Services, this Agreement, the calculation of the Fees, Service Credits, and/or Liquidated Damages, including all receipts and statements. Such books and records shall be made available to CUHKMC for inspection during the Term and for a period of seven (7) years thereafter.

24. Insurance

- 24.1 The 3PL shall effect and maintain the following insurances, in each case with international and reputable insurers, each with an insurer financial strength rating of at least A- by Standard and Poors' and/or A by AM Best and licensed to undertake insurance business in Hong Kong:
- (a) employer's liability insurance in the amount of not less than HK\$100,000,000 for each accident;
 - (b) general third party liability insurance, including warehouse liability, in the amount of not less than HK\$20,000,000 for each occurrence, such insurance to cover personal injury, bodily injury (including death), property damage liability inclusive of coverage for all premises and operations, independent contractors liability and contractual liability for this Agreement;
 - (c) professional liability insurance in the amount of not less than HK\$10,000,000 for each occurrence; and

- (d) any other appropriate insurance cover in a sum which would be effected by a prudent service provider providing substantially the same services as those provided under this Agreement in respect of third party and public liability.

24.2 The 3PL shall ensure that each insurance policy listed in Clause 24.1 shall:

- (a) name CUHKMC as an additional insured party;
- (b) contain the agreement of the insurer to waive any rights of subrogation against CUHKMC;
- (c) contain a cross-liability or severability of interest clause with respect to any insurance effected by CUHKMC; and
- (d) be primary and non-contributory, and shall respond on a primary basis without any right of contribution from any insurance carried by, or available to, CUHKMC.

24.3 As and when requested by CUHKMC, the 3PL shall provide reasonable evidence to CUHKMC (as soon as reasonably practicable) that such insurances as specified in Clause 24.1 have been effected in accordance with this Agreement. Furthermore, CUHKMC may again request, and the 3PL must again provide, such reasonable evidence at any time thereafter.

24.4 The 3PL shall give CUHKMC not less than twenty (20) Business Days' notice of any cancellation or restrictive modification of the insurances.

24.5 The 3PL shall be solely responsible for any retentions, deductibles, and exclusions in the insurance policies referred to in Clause 24.1.

24.6 Should the 3PL make default in insuring or in maintaining any insurance referred to in Clause 24.1, CUHKMC may itself insure against any risk with respect of which the default shall have occurred and may deduct a sum equivalent to the amount paid in respect of premiums from any monies due or to become due to the 3PL.

25. Confidentiality

25.1 All Confidential Information shall be subject to the obligations of confidence in this Clause 25, regardless of whether communicated orally or in writing (in whatsoever format) by the Parties and/or their respective directors, officers, employees, agents, contractors, and/or professional advisors (collectively, the “**Representatives**”). The 3PL acknowledges that the Confidential Information of CUHKMC, is and remains the property of CUHKMC, and this Agreement does not convey any proprietary or other interest in the Confidential Information of CUHKMC to the 3PL, except as expressly stated otherwise in this Agreement.

25.2 The Receiving Party shall at all times:

- (a) hold the Disclosing Party's Confidential Information in strict confidence;
- (b) not use the Disclosing Party's Confidential Information for any purpose other than for the purposes of performing the Receiving Party's obligations or exercising its rights under this Agreement;
- (c) not disclose any Disclosing Party's Confidential Information to any third party or use it for the benefit of itself or any third party, unless expressly permitted under the terms of this Agreement or with the prior written consent of the Disclosing Party;
- (d) not make unauthorised copies of any portion of the Disclosing Party's Confidential Information;
- (e) implement and maintain sufficient security and safeguarding measures to prevent the unauthorised access or use of the Disclosing Party's Confidential Information;
- (f) only disclose the Disclosing Party's Confidential Information to its Representatives on a strictly need to know basis for the purposes of complying with its obligations and/or exercising its rights under this Agreement under this Agreement, subject to each of them signing a confidentiality agreement that contains terms which are no less protective than this Clause 25 prior to such disclosure.

25.3 Notwithstanding Clause 25.2 above, if the Receiving Party is required to disclose any of the Disclosing Party's Confidential Information under applicable Law, or by any court of competent jurisdiction or by any Government Authority, then the Receiving Party may make such a disclosure, provided that the Receiving Party shall notify the Disclosing Party of such required disclosure as soon as it becomes aware of the same (to the extent lawfully permitted to do so) and provides the Disclosing Party with all reasonable assistance in appealing against such a disclosure or seeking a redaction of the information to be so disclosed; notwithstanding the foregoing, the Receiving Party shall only disclose what is legally required to be disclosed.

25.4 On termination or expiry of this Agreement, the Receiving Party must immediately:

- (a) deliver to the Disclosing Party or destroy (at the Disclosing Party's direction) any of the Disclosing Party's Confidential Information in the Receiving Party's possession or control; and
- (b) confirm in writing to the Disclosing Party that it has carried out its obligations under (a) above,

provided however that the Receiving Party may retain in strict confidence a

copy of the Disclosing Party's Confidential Information in its archives solely as is necessary for verifying fulfilment of the Parties' obligations under this Agreement and in case of any dispute between the Parties, or which it is required by applicable Law to maintain, or which is maintained on routine computer system backup storage such that it is not readily available to or not readily retrievable by an end user. In relation to such unreturned or undestroyed Confidential Information of the Disclosing Party, the Receiving Party shall, and shall use its best efforts to ensure that its Representatives shall, continue to be bound by and to comply with the confidentiality obligations under this Clause 25.

- 25.5 The 3PL further agrees and undertakes to comply with the additional confidentiality obligations as provided for in the Special Conditions set out in paragraph 2 (*Confidentiality*) of Schedule 4 (*Special Conditions*). In the event of any inconsistency or conflict between any of the said Special Conditions and any term in Clauses 25.1 to 25.4, the said Special Condition shall prevail to the extent of such inconsistency or conflict.
- 25.6 No Party shall make any public announcement or issue any press release or any other publication, marketing materials, or disclosure to the public (in any format whatsoever) regarding this Agreement or the Parties' relationship without the prior written consent of the other Party in relation to the content thereof.
- 25.7 The obligations under this Clause 25 shall apply during the term of this Agreement and shall survive and continue after the termination or expiry of the Agreement.

26. Personal Data

- 26.1 In relation to the use and disclosure (to CUHKMC or to any third party) of any Personal Data, or the collection, storage, retention, transfer, processing, and provision of access and correction rights in relation to any Personal Data (“**Privacy Activities**”), the 3PL shall comply with all Privacy Laws applicable to the Privacy Activities, including any Privacy Laws by which CUHKMC are bound and/or of which CUHKMC notifies the 3PL.
- 26.2 In the event that the 3PL carries out any Privacy Activities on behalf of CUHKMC, then the 3PL shall, and shall procure its Affiliates and the 3PL Personnel to, during the Term and following expiry or termination of this Agreement:
 - (a) carry out the Privacy Activities as a processor (as that term is defined under the relevant Privacy Laws) on behalf of CUHKMC and only on CUHKMC's instructions;
 - (b) ensure that all persons authorised to process the Personal Data have committed themselves to confidentiality;

- (c) not transfer or disclose any Personal Data to any third party (including any of its Affiliates or subcontractors) without the prior written consent of CUHKMC or the relevant Data Subject and then only in circumstances where it imposes the same data protection obligations as those contained in this Clause 26 upon them;
- (d) not transfer or disclose any Personal Data outside of the jurisdiction in which it was collected (i.e. Hong Kong) without the prior written consent of CUHKMC or the relevant Data Subject, and in any event without fully complying with (and continuing to comply with) the Privacy Laws regarding the cross-border (or cross-boundary) transfer or disclosure of any Personal Data;
- (e) apply a reasonable degree of care and implement robust and sufficient security and safeguarding technical and operational measures in order to protect the Personal Data from any unauthorised or accidental disclosure, loss, use, access, amendment, damage, or erasure, and ensure that such measures must also comply with any requirements under the Privacy Laws;
- (f) immediately inform CUHKMC after the 3PL, its Affiliates, or its subcontractors become aware of any Personal Data Breach, including providing CUHKMC with:
 - (i) a clear description of the nature of the breach, including where possible, the categories and approximate number of Data Subjects concerned and the categories and approximate number of Personal Data records concerned;
 - (ii) the name and contact details of the data protection officer or other contact point where more information can be obtained;
 - (iii) a description of the likely consequences of the Personal Data Breach; and
 - (iv) a description of the measures taken or proposed to be taken by it to address the Personal Data Breach; and
 - (v) any further information and assistance that may be requested by CUHKMC;
- (g) promptly, and in any event no later than required in order to enable CUHKMC to fulfil its duties under the Privacy Laws, forward to CUHKMC any communications relating to the Personal Data (including data subject access requests) from Data Subjects or Government Authorities. The 3PL shall not disclose any Personal Data without CUHKMC's consent unless required by applicable law, in which case the 3PL shall, to the extent permitted by the applicable law and the Privacy Laws, inform CUHKMC of that legal

requirement before making any such disclosure. 3PL shall not respond to any requests or enquiries relating to the Personal Data except on the documented instructions of CUHKMC;

- (h) provide CUHKMC with such information, assistance, and co-operation as CUHKMC may reasonably require from time to time to establish compliance with the Privacy Laws and will allow for and contribute to audits, including inspections, conducted by CUHKMC or another auditor mandated by CUHKMC; and
- (i) not retain any Personal Data for longer than is necessary in order to carry out the purposes in which the Personal Data was provided, and shall return or delete it at CUHKMC's request.

26.3 The 3PL shall at all times remain responsible and liable for any actions or omissions of, and any breach of this Clause 26 caused by, its Affiliates and the 3PL Personnel, as if such actions or omissions, or breaches of this Clause 26, were carried out by the 3PL.

26.4 Any Personal Data provided by the 3PL to CUHKMC, including the Personal Data of the 3PL Personnel, shall be used by CUHKMC solely for the purposes of performing its obligations or exercising its right under, or benefiting from, this Agreement. The 3PL represents, warrants, and undertakes that it shall comply with all Privacy Laws in relation to the provision of any Personal Data to CUHKMC. Without prejudice to the foregoing, the 3PL represents, warrants, and undertakes that it has provided any necessary notice or obtained any necessary consent from the Data Subjects as required under applicable Privacy Laws to enable the transfer of such Personal Data to CUHKMC, its Affiliates, and CUHKMC Contractors to be used, processed, stored, and transferred for the purposes of CUHKMC performing its obligations or exercising its rights under, or benefiting from, this Agreement.

26.5 The 3PL further agrees and undertakes to comply with the additional obligations in relation to Personal Data as provided for in the Special Conditions set out in paragraph 4 (*Data Protection*) of Schedule 4 (*Special Conditions*). In the event of any inconsistency or conflict between any of the said Special Conditions and any term in Clauses 26.1 to 26.4, the said Special Condition shall prevail to the extent of such inconsistency or conflict.

27. Force Majeure

Force majeure event

27.1 Subject to complying with this Clause 27, neither Party (the "**Affected Party**") shall be liable to the other Party for delay or failure to perform any obligation under this Agreement, or any loss or damage suffered by the other Party or any person or entity claiming through or under the other Party due to a Force Majeure Event.

Notification and mitigation of force majeure event

- 27.2 The Affected Party shall use reasonable endeavours to mitigate and notify the other Party immediately on becoming aware of a Force Majeure Event and the manner and extent to which the relevant obligations are likely to be prevented or delayed. In the event that the Affected Party is the 3PL and the Services are affected by the Force Majeure Event, nothing in this Clause 27 shall relieve the 3PL of its obligation to comply with the Incident Management Procedure or the Business Continuity Plan.

Suspension of performance

- 27.3 If a Party is unable to perform its duties and obligations under this Agreement as a result of a Force Majeure Event, the relevant provision of this Agreement which the Affected Party is unable to perform shall be suspended during the period for which the event continues save in relation to activation of the Incident Management Procedure and implementation of the Business Continuity Plan by the 3PL (where no such suspension shall apply). In no event shall a Party be considered in breach of this Agreement resulting from any delay or non-performance caused by a Force Majeure Event (save in relation to activation of the Incident Management Procedure and implementation of the Business Continuity Plan by the 3PL) provided that:
- (a) in the case of the 3PL, it has used its best endeavours to ensure that the Services are reinstated at the earliest possible opportunity; and
 - (b) the relevant Party complies with this Clause 27 (*Force Majeure*).
 - (c) The Parties agree that in so far as a Force Majeure Event prevents an Incident from being resolved, then the 3PL must still exercise its best efforts to resolve the Incident as soon as reasonably possible pursuant to the Incident Management Procedure.

Termination right

- 27.4 Notwithstanding anything in this Agreement to the contrary, if a failure of performance on the part of the 3PL caused by a Force Majeure Event exceeds thirty (30) days, CUHKMC may terminate this Agreement immediately on written notice to the 3PL without liability.

28. Anti-Bribery

- 28.1 The 3PL warrants and undertakes that it has not and shall not, and shall procure that its Affiliates and the 3PL Personnel shall not:
- (a) commit, offer, procure, facilitate, or encourage bribery or any other unlawful inducement in relation to its performance of or exercise of its rights under this Agreement, or to obtain or retain business or any advantage in business. This Clause applies whether or not the bribery is:

- (i) direct or through a third party;
- (ii) of a public official or a private sector person;
- (iii) financial or in some other form; or
- (iv) relates to past, present, or future performance or non-performance of a function or activity whether in an official capacity or not,

and whether or not the person being bribed is to perform the function or activity to which the bribe relates, or is the person who is to benefit from the bribe. A person is any individual, partnership, company, government, or organisation, or any other legal entity, public or private;

- (b) the 3PL shall immediately inform CUHKMC in writing upon becoming aware of any non-compliance or suspected non-compliance with Clause 28.1(a), including any non-compliance or suspected non-compliance by any of its Affiliates and the 3PL Personnel, and shall provide details to CUHKMC regarding the situation; and
- (c) it shall maintain, or adopt and implement, an adequate code of conduct and/or anti-corruption policies.

28.2 For the purposes of Clause 28.1:

- (a) a “**bribe**” includes money, gifts, loans, commissions, offices, corporate hospitality, contracts, services, favours, and discharge of liability in whole or in part, and any other advantage which it is unlawful to provide under applicable anti-bribery Laws; and
- (b) “**bribery**” refers to the giving, receiving, or facilitating or approving the giving or receiving of a bribe, or any other act deemed unlawful under applicable anti-bribery Laws.

28.3 The 3PL further agrees and undertakes to comply with the additional probity obligations as provided for in the Special Conditions as set out in paragraph 3 (*Probity*) of Schedule 4 (*Special Conditions*). In the event of any inconsistency or conflict between any of the said Special Conditions and any term in Clauses 28.1 to 28.2, the said Special Condition shall prevail to the extent of such inconsistency or conflict.

29. Collaboration

- 29.1 The objective of this clause is to encourage both 3PL and CUHKMC, together with other relevant partners, to forge a good working relationship and proactively work towards attaining the following objectives with a view to continue improving the Logistics Services, or its expanded scope, to be delivered by 3PL to CUHKMC under this Agreement:
- (a) set out effective project management tools for managing risks, changes, costs, and contingency plans;
 - (b) attain cost-efficiency and continuous service improvements of the Logistics Services through regular review of workflows and engagement in lean management workshops; and
 - (c) identify and resolve problems encountered in the course of carrying out the operations under this Agreement, with a view to ensuring that the up-to-date Logistics Services provided by 3PL will continue to contribute towards CUHKMC's objective of being a pioneering "smart hospital", and one that offers proficient healthcare services to good value for the services rendered to its patients.
- 29.2 Any collaboration, discussions, and meetings that 3PL participates in or attends for the purposes of Clause 29.1, shall be at no additional cost to CUHKMC. For the avoidance of doubt, if the Parties agree to launch a new project based on its collaborative discussions, a separate agreement shall be entered into the Parties and any costs to be incurred in relation to such new project will be dealt with under the separate agreement.

30. Governing Law and Jurisdiction

- 30.1 This Agreement shall be governed by, and construed in accordance with, the Laws of Hong Kong, which Laws shall prevail in the event of any conflict of Laws.
- 30.2 The Parties agree that any dispute, controversy, difference, or claim arising out of or relating to this Agreement shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under the HKIAC Administered Arbitration Rules in force when the notice of arbitration is submitted. The seat of arbitration shall be Hong Kong, and the arbitration proceedings shall be conducted in the English language. The arbitral tribunal shall consist of one (1) arbitrator.
- 30.3 Nothing in Clause 30.2 shall operate to prevent a Party from immediately initiating any proceedings to obtain any injunctive or interim relief in Hong Kong courts.

31. Notices

- 31.1 All notices, demands, requests, consents, approvals, authorisations, specification, or other communications under this Agreement must be in writing, in the English language and sent by regular, registered, or certified post, prepaid post, return receipt requested, or by courier or email, addressed as follows:

CUHKMC

Attention: Procurement, CUHKMC

Address: 12/F, CUHK Medical Centre

9 Chak Cheung Street

Shatin, New Territories

Hong Kong

Email: procurement@cuhkmc.hk

3PL

Attention: [●]

Address: [●]

Email: [●]

- 31.2 Either Party may change their address or contact details by giving notice of such change to the other Party in writing in accordance with this Clause 31 (*Notices*).
- 31.3 Any notices, demands, requests, consents, approvals, authorisations, specification, or other communications under this Agreement that are sent in accordance with Clause 31.1 shall:
- (a) if posted, be deemed to have been received three (3) Business Days after the date of posting or, in the case of a notice to an addressee not in the same jurisdiction of the sender, ten (10) Business Days after the date of posting; or
 - (b) if sent by email, be deemed to have been received at the time of transmission; or
 - (c) if couriered or delivered in person, be deemed to have been received on delivery.
- 31.4 For the purposes of this clause, "writing" shall include email.

32. Miscellaneous

Language

- 32.1 This Agreement is drafted in the English language. If this Agreement is translated into any other language, such translation is provided for reference purposes only and the English language version shall prevail.

Relationship

- 32.2 It is understood and agreed by the Parties that this Agreement does not create a fiduciary relationship between them, that CUHKMC and the 3PL are independent contractors and that nothing in this Agreement is intended to make either Party a general or special agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose. This Agreement shall not in any way be construed to create a relationship of landlord and tenant or licensor and licensee between the 3PL and CUHKMC nor a tenancy agreement or licence agreement of the Dedicated Area or the Warehouse.

Severability

- 32.3 If any of the terms of this Agreement are held invalid, illegal, or unenforceable by any court or tribunal of competent jurisdiction, it will be severed and the remaining terms will continue in full force and effect as if this Agreement had been made without the invalid, illegal, or unenforceable terms. Each clause and sub-clause herein shall be treated as a separate and independent provision, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein.

Entire Agreement, Supersession, Transition

Entire Agreement and Supersession

- 32.4 (a) This Agreement, including the Schedules hereto and the Appendices to the Consolidated Tender Requirements, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, and supersedes all prior agreements, understandings, or proposals, whether oral or written, with respect to the subject matter of this Agreement with effect from the Effective Date, save that this Agreement fully replaces and supersedes the Letter of Acceptance Contract, which shall, except as provided in this Clause 32.4, cease to have any further legal force or effect from the Effective Date.

Preservation of Accrued Rights and Liabilities in Letter of Acceptance Contract

- (b) Notwithstanding Clause 32.4(a):
- (i) all rights, remedies, obligations, and liabilities which have accrued, arisen, or become due and enforceable prior to the Effective Date under the Letter of Acceptance Contract (collectively, the “**Accrued Rights and Liabilities**”) shall be

- preserved; and
- (ii) such Accrued Rights and Liabilities may be enforced as if the Letter of Acceptance Contract had not been superseded.
- For the avoidance of doubt, the Accrued Rights and Liabilities include any entitlement to payment, any liability for breach, and any right to damages or liquidated damages arising from events occurring prior to the Effective Date.

Ongoing Obligations and Continuity of Performance

- (c)
 - (i) Any obligations, duties, services, deliverables, or milestones under the Letter of Acceptance Contract which, as at the Effective Date, have not been fully performed, completed, or satisfied (collectively, the “**Ongoing Obligations**”) shall, with effect from the Effective Date, be performed and completed in accordance with this Agreement.
 - (ii) Such Ongoing Obligations shall be deemed to form part of, and be governed by, this Agreement, notwithstanding that they may have commenced under the Letter of Acceptance Contract.
 - (iii) The Parties agree that there shall be no interruption or discontinuity in performance arising from the transition from the Letter of Acceptance Contract to this Agreement.

Treatment of Milestones, Deliverables, and Payments

- (d)
 - (i) *Completed Milestones:* Where any milestone, deliverable, or service has been fully completed and, where applicable, accepted on or before the Effective Date, any corresponding rights to payment shall constitute Accrued Rights and Liabilities and shall be governed by the Letter of Acceptance Contract.
 - (ii) *Partially Completed Milestones or Services:* Where any milestone, deliverable, or service has commenced, but has not been fully completed, as at the Effective Date, such work shall constitute Ongoing Obligations and shall be governed by this Agreement from the Effective Date, including in relation to its completion, acceptance, and payment.

Service Levels, Service Credits and Liquidated Damages

- (e)
 - (i) *Pre-Effective Date Performance:* Any entitlement to service

credits, liquidated damages, or other remedies arising from any failure, delay, or performance which has occurred prior to the Effective Date shall constitute Accrued Rights and Liabilities and shall be governed by the Letter of Acceptance Contract.

- (ii) *Post-Effective Date Performance:* Any service credits, liquidated damages or other remedies arising from performance after the Effective Date shall be determined in accordance with this Agreement.
- (iii) *Performance Spanning the Effective Date:* To the extent that any service level measurement period, milestone assessment, or performance evaluation spans the Effective Date:
 - (I) the period up to the date immediately preceding the Effective Date shall be assessed under the Letter of Acceptance Contract; and
 - (II) the period starting from the Effective Date shall be assessed under this Agreement,unless otherwise expressly provided in this Agreement.

No Double Recovery

- (f) The Parties agree that no Party shall be entitled to recover duplicate or overlapping payments, compensation, service credits, or liquidated damages in respect of the same delay, failure, or event solely by reason of the transition from the Letter of Acceptance Contract to this Agreement.

No Waiver of Prior Breach

- (g) The supersession of the Letter of Acceptance Contract shall not operate as a waiver of any breach occurring prior to the Effective Date, nor as a release of any liability arising therefrom, unless expressed in writing by the Party who agrees to waive such breach.

Survival

- (h) Any provision of the Letter of Acceptance Contract which is expressed to survive, or which by its nature is intended to survive, shall continue in full force and effect to the extent not inconsistent with this Agreement or to the extent necessary to give effect to this Clause 32.4.

Modification

- 32.5 No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

Waiver

- 32.6 A failure or delay by either Party to exercise any right or act upon any breach under this Agreement will not be a waiver of that right or breach. Any waiver by a Party of any of its rights or of a breach of this Agreement must be in writing, and such waiver is limited to the particular right or breach stated therein.

Assignment

- 32.7 The 3PL may not transfer or assign any of its rights or obligations under this Agreement without the prior written consent of CUHKMC. This Agreement and the rights and obligations of CUHKMC may be transferred or assigned by CUHKMC to any of its Affiliates, or any assignee or other legal successor to the interests of CUHKMC, without the need to obtain any consent from the 3PL.

Rights of Third Parties

- 32.8 Each CUHKMC Indemnified Party is a beneficiary of Clause 21 (*Indemnities*), and shall be entitled to enforce Clause 21 (*Indemnities*), even though it (except CUHKMC) is not a Party to this Agreement. Save for the foregoing, nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity who is not a party to this Agreement, and the Contract (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) shall not apply. The rights of the Parties to terminate, rescind, or agree any variation, waiver, or settlement under this Agreement are not subject to the consent of any other person.

Counterparts

- 32.9 This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

[SIGNATURE PAGE TO FOLLOW]

SIGNED by _____,)
duly authorised for and on behalf of)
CUHK MEDICAL CENTRE LIMITED)

Name: _____

Title: _____

SIGNED by _____,)
duly authorised for and on behalf of)
[NAME OF COMPANY])

Name: _____

Title: _____

Signature of
witness: _____
Name: _____
Title: _____

Schedule 1

Consolidated Tender Requirements

[to be inserted upon award of contract]

Schedule 2

Fees

A. Set-Up Fee

[to be inserted upon award of contract]

B. Dedicated Area Fee

[to be inserted upon award of contract]

C. Logistics Services Fee

[to be inserted upon award of contract]

Schedule 3

Change Control Procedure

1. General

- 1.1 The 3PL and CUHKMC shall not unreasonably withhold its agreement to any Change.
- 1.2 No amendments to this Agreement shall be valid and no Change shall be effective unless and until they have been agreed in writing in a Change Control Note and signed by an authorised representative of each Party.

2. Procedure

- 2.1 CUHKMC and the 3PL shall discuss in good faith any Change proposed by either Party.
- 2.2 If either Party wishes to request a Change ("**Requester**"), then the Requester shall issue a Change Control Note to the other Party ("**Receiver**"), that:
 - (a) describes the Change requested;
 - (b) the terms and conditions (including those relating to charges and dates) that will be affected by the Change; and
 - (c) allocate a sequential number to the Change Control Note in order to identify it.
- 2.3 The Receiver shall within fifteen (15) Business Days of receiving the Change Control Note, evaluate the Change Control Note and either:
 - (a) request further information in relation to the requested Change or contents of the Change Control Note, which the Requestor shall promptly provide; or
 - (b) discuss the terms of the Change Control Note with the Requestor and request amendments thereto; or
 - (c) approve the Change Control Note, as submitted by the Requestor, or as amended pursuant to (b) above; or
 - (d) reject the Change Control Note.
- 2.4 The Receiver shall notify the Requestor of its approval or rejection of the Change Control Note by notice in writing. If approved, both Parties shall execute the Change Control Note.
- 2.5 If CUHKMC and the 3PL agree to a Change Control Note, then the

execution of the Change Control Note by both Parties and any written supplement or amendment thereto by both Parties shall constitute a formal amendment to this Agreement to the extent only specified in the Change Control Note and any such written supplement or amendment.

- 2.6 All charges proposed by the 3PL in a Change Control Note shall be, at the most, reasonable market rates available in the market as at the date of the relevant Change Control Note or at the amount or rates provided in this Agreement, whichever is the lower.

Schedule 4

Special Conditions

1. Inconsistency

In the event of any inconsistency or conflict between any Special Condition set out in this Schedule and any term set out in other parts of this Agreement, the Special Condition set out in this Schedule shall prevail to the extent of such inconsistency or conflict.

2. Confidentiality

2.1 Subject to paragraph 2.2 of this Schedule, the 3PL shall not use or disclose and shall keep confidential all matters relating to this Agreement and shall use its best endeavours to prevent its Affiliates and the 3PL Personnel from making any use or disclosure to any person of any matters relating hereto.

2.2 Paragraph 2.1 of this Schedule shall not apply to the disclosure of information:

- a. required by all applicable laws, bye-laws, regulations, policies and code of conduct, including the Code of Practice for Private Hospitals issued by the Department of Health of the Government of Hong Kong;
- b. that is reasonably required by persons engaged by the 3PL in the performance of the 3PL's obligations under this Agreement (provided that such third person is itself subject to confidentiality obligations with respect to the information);
- c. where the 3PL can demonstrate that such information is already generally available in the public domain otherwise than as a result of a breach of this Agreement; or
- d. which is already lawfully in the possession of the 3PL, prior to its disclosure by CUHKMC.

3. Probity

3.1 The 3PL shall prohibit its Affiliates, the 3PL Personnel, and other persons who are involved in or in relation to this Agreement from offering, soliciting, or accepting any advantage as defined in the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) when conducting business in connection with this Agreement.

3.2 The 3PL shall issue to each of its Affiliates, the 3PL Personnel, and other persons who are involved in or in relation to this Agreement a copy of this paragraph 3 (*Probity*) on the commencement date of this Agreement (or if such Affiliates, the 3PL Personnel, and other persons are engaged after the

commencement date of this Agreement, on the date of engagement).

- 3.3 The 3PL shall give and shall ensure that each of its Affiliates, the 3PL Personnel, and any persons authorised by the 3PL in writing are given all relevant information relating to the performance of the obligations set out in this paragraph 3 (*Probity*) on request.
- 3.4 If the whole or any part of this Agreement is subcontracted to any person, the 3PL shall ensure that the terms of this paragraph 3 (*Probity*) are included in all subcontracts at all levels (whether or not the 3PL is a party to such subcontracts).
- 3.5 The 3PL shall:
- a. procure any contract pursuant to this Agreement by a fair, transparent, and competitive bidding process;
 - b. during any procurement process pursuant to this Agreement, follow procedures reasonably intended to identify subcontractors and other professionals of appropriate quality, capabilities, and calibre so that the services meet appropriate quality standards and are provided in a cost-efficient manner; and
 - c. report agreements or transactions with its related companies/persons in relation to the business and services of CUHKMC, this Agreement, or the land grant in respect of the lot used by CUHKMC for the operation of CUHK Medical Centre as when and required by the Government of Hong Kong (the “**Government**”).
- 3.6 If the 3PL commits a breach of any provision of paragraphs 3.1 or 3.5 of this Schedule, CUHKMC shall have the right to terminate this Agreement by five (5) Business Days’ prior notice in writing to the 3PL, without entitling the 3PL to any compensation whatsoever, and due notice will be taken by the Government of the breach which may prejudice the standing, approval, or eligibility of the 3PL (as contractor or subcontractor) for inclusion or consideration in any approved list or pre-qualification exercise for Government contracts. CUHKMC and the 3PL acknowledge and agree that damages may not be an adequate remedy for any breach of this paragraph 3 (*Probity*), and that in the event of such breach, specific performance shall be an appropriate remedy.
- 3.7 CUHKMC declares that to the extent that any of its rights or interests arises out of, relates to, or results from any of the provisions of paragraphs 3.2, 3.3, 3.4, and 3.6 of this Schedule, it acquires, holds, and maintains such rights and interests on its own behalf and on behalf of and for the benefit of the Government.

4. Data Protection

- 4.1 The 3PL shall, and shall procure that any of its Affiliates, the 3PL Personnel, and other persons involved in the provision of the Services under this Agreement shall:
- a. comply with its obligations under the PDPO;
 - b. only use the “personal data” (as defined in the PDPO) as reasonably required in connection with the provision of the Services;
 - c. comply with the procedures or processes notified to the 3PL by CUHKMC with respect to personal data from time to time;
 - d. implement and maintain all reasonable technical and organisational measures to maintain security, prevent unauthorised or unlawful access to or processing of personal data and accidental disclosure, loss or destruction of, or damage to, personal data; and
 - e. give CUHKMC notice as soon as, but in any case within two (2) hours of, the 3PL becoming aware of any breach of its data protection obligations under this Agreement or of any enforcement proceedings against it under the PDPO or any unauthorised or unlawful access to or processing of, or accidental disclosure, loss or destruction of, or damage to, any personal data. Following such notice, the 3PL shall within six (6) hours from first becoming aware of any breach provide CUHKMC with a further second notice which should include a minimum details of: (i) the nature of the breach; (ii) the categories of personal data affected; (iii) the estimated number of “data subjects” (as defined in the PDPO) affected; (iv) the likely consequences of the breach; and (v) the measures taken or proposed to be taken to address and mitigate the breach.
- 4.2 Unless CUHKMC requires in writing otherwise, the 3PL shall not disclose the personal data to any third parties other than:
- a. to employees and subcontractors to whom the disclosure is necessary for the provision of the Services, provided it is made subject to obligations of confidentiality no less onerous than those imposed upon the 3PL and is consistent with any procedures specified by CUHKMC from time to time; or
 - b. to the extent required by any regulatory authority, provided the 3PL gives notice to CUHKMC of any such disclosure promptly after it becomes aware of that requirement.
- 4.3 At the time of collection of personal data from a data subject by the 3PL or its employees or subcontractors, the 3PL shall or shall ensure that:
- a. it notifies such data subjects; and
 - b. each of its subcontractors notifies such data subjects,

that the data may be used or accessed by the Government or a third party in the event that the Government or a third party assumes the operation of CUHK Medical Centre for any reason.

PART IV
OFFER TO BE BOUND

- 1 I/We, do hereby bind myself/ourselves to execute orders for the provision of any or all of the Services, which may be placed by CUHKMC, at the prices quoted in the Schedules free of all other charges, subject to and in accordance with the terms and conditions of this Invitation to Tender.
- 2 I/We, also certify that the particulars given by me/us below, are correct:
- 2.1 The number of my/our/the Company's Business Registration Certificate is _____
- 2.2 The date of expiry of my/our/the company's Business Registration Certificate is _____
- 2.3 I/We/the Company is/are covered by an Employees' Compensation Insurance Policy, the particulars of which are as follows:
- Policy No. _____
- Name of Insurance Company _____
- Period covered by the Policy is from _____
- Brief particulars of the cover provided and any special conditions are as follows:
- _____
- _____
- 3 I am the Secretary / Managing Director of the limited company hereinafter mentioned and duly authorised to bind the said Company by my signature.
- The Tender is submitted with the authority and on behalf of _____
- Company Limited whose registered office is situated at _____
- Hong Kong.

- or -

I am a partner / We are partners in the firm hereinafter mentioned and duly authorised to bind the said firm and the partners therein for the time being.

The Tender is submitted on behalf of myself / ourselves and the firm known as _____

of _____

Hong Kong and other partners hereof namely; (state names and residential addresses of all other partners):

4 In the event of any queries relating to our offer, please contact _____
Tel. No. _____.

5 Name(s) and address(es) of person(s) signing:

Signature (s):

Dated this _____ day of _____

Notes (1) All the particulars required above must be provided. (ii) Strike out clearly alternatives which are not applicable.

PART V
CUHKMC'S BRIEF

This CUHKMC's Brief aims at providing Tenderers with general understanding of CUHK Medical Centre Limited ("CUHKMC" or "we", and "our" and "us" shall be construed accordingly) and should be read in conjunction with this Invitation to Tender issued by CUHKMC. The information contained herein is prepared to the best of our knowledge and should not be seen as binding.

Hospital at a Glance

CUHK Medical Centre Limited ("CUHKMC"), which operates CUHK Medical Centre ("Hospital"), a non-profit, private teaching hospital, is indirectly wholly owned by The Chinese University of Hong Kong ("CUHK").

CUHKMC is committed to provide innovative and patient-centered healthcare services, with package fees offered for designated inpatient and day-patient services. This will bridge the service gap between private and public healthcare sectors by providing high-quality medical services with transparent and affordable pricing to middle-class families, so alleviating the pressure on the public healthcare system.

For more information about CUHK Medical Centre, please click into the hospital website: www.cuhkmc.hk

Part VI
Tender Brief - Pharmaceuticals and Medical Consumables

Contents

- 1 Project Background and Objective
- 2 Purpose of the Tender Brief
- 3 Project Programme
- 4 Requirements for Pharmaceuticals
 - 4.1 3PL's Services for Pharmaceuticals
 - 4.2 Storage Facilities
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 - 5.1 3PL's Services for Medical Consumables
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- 6 Acceptance Criteria
- 7 Key Performance Indicators and Service Levels
- 8 Reporting by 3PL
- 9 Submission of Tender
- 10 Assessment Criteria
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Abbreviation and Interpretation

Abbreviation/Interpretation	Description
3PL	Third-party logistics services provider
Acceptance Criteria for Supplier's Delivery	Has the meaning as set out in <i>Section 4.3.1 and 5.3.1</i>
Agreement	An agreement dated on [●] and entered into between the CUHKMC and the 3PL for the provision of Logistics Services provided by the 3PL under the Pharmaceuticals and Medical Consumables Project.
Applicable Requirements	Has the meaning as set out in <i>Section 4.1.2 & 5.1.2</i>
Bulky Fluids	Includes both (a) IV fluids and (b) Irrigation fluids as specified by the CUHKMC from time to time
CUHK Medical Clinic	Means any medical clinic operated under the trade name of "CUHK Medical Clinic" or "CUHK Medical Clinic" forms part of its trade name;
CUHKMC	CUHK Medical Centre Limited
Dedicated Area	The segregated and secure area inside the Warehouse used for the storage and packaging of the Pharmaceuticals and Medical Consumables, and any other CUHKMC Materials (as defined in <i>Clause 1</i> of the Agreement) to be used in relation to the Pharmaceuticals and Medical Consumables.
ERP	Enterprise Resource Planning System
HIS	Hospital Information System
Hospital	CUHK Medical Centre
Hospital Stores	Means the areas within the Hospital in which the Products shall be stored, as specified by

Abbreviation/Interpretation	Description
	CUHKMC from time to time, which may include the service centres, ward stores, clinical centres, and departments, but excluding the Materials Store and Pharmacy Stores;
ICT	Information and Communication Technology
Including/include	Including/include are deemed to be followed by the words “without limitation” and general words are not limited by examples
KPI	Key Performance Indicator(s)
Logistics Services	Has the meaning as defined in <i>Clause 1</i> of the Agreement
Materials Store	Means the area located on the lower ground floor of the Hospital for buffer or emergency stock in respect of the Medical Consumables and as such area may be located at other parts of the Hospital, as designated by CUHKMC from time to time;
MC Project	Provision of Services in respect of the Medical Consumables
Medical Consumables	The Medical Consumables required for use at the Hospital, including those which are more particularly set out in the <i>Appendix N (Product Category - Medical Consumables)</i> , which may be amended by CUHKMC from time to time;
Pharmaceuticals	Pharmaceutical products comprising of drugs, IV fluids and irrigation fluids to be used at the Hospital, including those which are more particularly set out in <i>Appendix C (Product Category)</i> , which may be amended by CUHKMC from time to time;
Pharmacy Stores	Means the pharmacy store on the lower ground floor of the Hospital, the in-patient pharmacy on the third floor of the Hospital, and the out-patient pharmacy on the ground floor of the Hospital and as any of such stores may be

Abbreviation/Interpretation	Description
	located at other area of the Hospital, as designated by CUHKMC from time to time;
Pharmaceuticals Project	Provision of Services in respect of the Pharmaceuticals
PO	Purchase Order(s)
Quarantine Area	The Warehouse has a segregated and secure area for the storage and packaging of the Products and any other CUHKMC Materials to be used in relation to the Products ("Dedicated Area"), and a further separate and secure area within the Dedicated Area which shall be used to temporarily store any Products that have been rejected, recalled, and/or are to be disposed of or returned to the Supplier ("Quarantine Area"), pursuant to the Specifications and CUHKMC Policies;
RFID	Radio-frequency Identification
SOP	Standard Operating Procedures
Supplier(s)	Supplier(s) or provider(s) of Pharmaceuticals or Medical Consumables to the CUHKMC
UoM	Unit of Measurement
Warehouse	The warehouse located outside the Hospital used by the 3PL for provision of the Services (as defined in <i>Clause 1</i> of the Agreement) as agreed by the CUHKMC in writing
Working Hours	Working hours for the 3PL's designated personnel to provide operational services at the Hospital which generally are from 9 a.m. to 6 p.m. from Mondays to Fridays, and 9 a.m. to 1 p.m. on Saturdays, except Hong Kong's statutory holidays
WMS or Warehouse Management System	Has the meanings as set out in <i>Section 4.4.1 & 5.4.1</i>

In addition, the following defined terms are adopted from the Agreement, and are incorporated into this Tender Brief for ease of reference only:

"Logistics Services"	Means, as defined in <i>Clause 1</i> of the Agreement, the services to be provided by the 3PL as further described in the Consolidated Tender Requirements, including: (h) liaising with the Suppliers and CUHKMC in relation to delivery (scheduled and actual) of the Products as per the Orders, and any returns or exchanges of the Products; (i) receiving and reviewing the Product inventory to be stored at the Dedicated Area and the Materials Store, Pharmacy Stores, to ensure that they meet their description, are consistent with the Order and are free of defects; (j) the storage of the Product inventory at the Dedicated Area within the Warehouse and the Materials Store and Pharmacy Stores and the management of such inventory; (k) re-labelling and secondary packaging of selected Products, as specified by CUHKMC; (l) the delivery of the Products to the relevant Materials Store, Pharmacy Stores, and/or the delivery and topping up of the Products from the Materials Store to the relevant Hospital Stores; (m) the processing of any cancellations, returns or exchanges of the Products; and (n) manage the Product inventory and related logistics through the Warehouse Management System and/or CUHKMC Software; (o) as and when required by CUHKMC, Logistics Services for Products may be partially or fully extended to the CUHK Medical Clinics.
"Product"	Means, as defined in <i>Clause 1</i> of the Agreement, the Medical Consumables and/or Pharmaceuticals;
"Set-Up Services"	Means, as defined in <i>Clause 1</i> of the Agreement, the services to be provided by the 3PL as further described in the Consolidated Tender Requirements for:

	(f) the development and customisation of the Warehouse Management System; (g) the integration of the Warehouse Management System with the CUHKMC Software and CUHKMC System (as defined in the Agreement), including the development of all required interfaces; (h) procuring all required third party licences for the use of the Warehouse Management System; (i) obtaining all licences, certificates, authorisations and/or approvals required for the provision of the Services and use of the Warehouse and Dedicated Area for the purposes of the Service, and the setting-up and fitting-out of Warehouse, the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores, and (j) the setting-up of the Dedicated Area, the Warehouse, the Materials Store, Pharmacy Stores, Hospital Stores, including the fitting-out of the Warehouse and the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores, and obtaining and installing any Equipment required in relation to the provision of the Logistics Services at the Warehouse, the Dedicated Area, the Materials Store, Pharmacy Stores, Hospital Stores.
"Services"	Means, as defined in <i>Clause 1</i> of the Agreement, all the services to be provided by the 3PL under this Agreement, including the Set-Up Services, the WMS Services, the Logistics Services, the Transition Services, compliance with the Project Plan and Milestones, and compliance with the CUHKMC Policies, and such other services, functions and responsibilities that are set out in this Agreement or which are required for the proper performance and provision of any of the Set-Up Services, the WMS Services, the Logistics Services, and the Transition Services.
"Transition Services"	Means, as defined in <i>Clause 1</i> of the Agreement, the continued provision of the WMS Services and the Logistics Services (in whole or in part, as specified by CUHKMC), and the provision of any other services by the 3PL for the transition and transfer of the Services and Products in the 3PL's possession or control, to CUHKMC or a CUHKMC Contractor (as directed by CUHKMC), during the Transition Period.

"WMS Services"	Means, as defined in <i>Clause 1</i> of the Agreement, the services to be provided by the 3PL for the continued operation, hosting and maintenance of the Warehouse Management System, including any interfaces or Upgrades (as defined in the Agreement), as further described in the Consolidated Tender Requirements.
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1 Project Background and Objective

Hospital logistics management is a complex and critical system for a hospital's operations. CUHK Medical Centre Limited (**CUHKMC**) intends to establish partnerships with logistics services provider(s) to build up a business model to manage the Logistics Services in respect of Pharmaceuticals and Medical Consumables for the Hospital.

Accordingly, the CUHKMC intends to outsource the Services in respect of the Pharmaceuticals (**Pharmaceuticals Project**) and **Medical Consumables (MC Project)** to a third-party logistics services provider (**3PL**).

The objective of outsourcing the third-party Logistics Services is to achieve:

- (a) operational efficiency;
- (b) cost efficiency; and
- (c) quality assurance and continuous updated industry service improvements.

2 Purpose of the Tender Brief

This Tender Brief describe how the logistics management of the Pharmaceuticals and Medical Consumables will be designed, deployed and implemented by the 3PL. This document contains the following information:

- (a) overview of the 3PL's scope of services;
- (d) requirements applicable to the Warehouse, the Dedicated Area, the Pharmacy Stores, the Material Store, the Hospital Stores, and the CUHK Medical Clinics;
- (e) reference Logistics Services workflows;
- (f) transportation within the Hospital; and
- (g) Key Performance Indicator(s) (**KPI**) and Service Levels.

3 Project Programme

The 3PL shall manage the Warehouse and the Dedicated Area, the Material Store and Hospital Stores as well as to provide topping-up services at the Hospital Stores during the contractual period for an initial term of three (3) years as specified under the Agreement. The Agreement shall be automatically renewed for a further period of two (2) years, unless terminated by either party by giving notice to the other of not less than nine (9) months prior to the expiry of the initial 3-year term.

[For the contractual terms and conditions, please refer to the Agreement.]

The timeline for the Pharmaceuticals Project and MC Project is as follows:

Item	Activity	Duration	Tentative start	Tentative finish
1	Award to successful tenderer for 3PL Logistics Services Tender	3 months	23-Dec-26	31-Mar-27
	a) Contract award - issue Letter of Acceptance (LoA) to the Successful Tenderer	0.3 month	23-Dec-26	31-Dec-26
	b) Execute Logistics Services Agreement (sign contract)	3 months	4-Jan-27	31-Mar-27
2	Fitting-out design for Dedicated Area, and reporting design	3 months	4-Jan-27	2-Apr-27
	a) The Successful Tenderer shall liaise with the CUHKMC to gather requirements, conduct an on-site assessment of the hospital environment, and confirm the final equipment specifications to ensure compliance with operational needs.	1 month	4-Jan-27	29-Jan-27
	b) CUHKMC provides material details in Material Store, and all Hospital Stores, to the Successful Tenderer	0.5 month	4-Jan-27	15-Jan-27
	c) The Successful Tenderer shall submit the workflow, report templates, and the finalised installation and fitting-out design for the Dedicated Area for CUHKMC's review and alignment.	2.5 months	4-Jan-27	19-Mar-27
	d) Review and acceptance by CUHKMC will be granted upon agreement of the final design at	3 months	4-Jan-27	2-Apr-27

	Dedicated Area and reports development			
3	Refinement of the existing setup at Materials Store, and Hospital Stores	3.5 months	4-Jan-27	12-Mar-27
	a) Equipment, system Installation, and bin setting (if needed)	2 months	4-Jan-27	26-Feb-27
	b) Staff training to the Successful Tenderer's Project Manager & Operations Manager	2 months	4-Jan-27	26-Feb-27
	c) Review and acceptance by CUHKMC will be granted upon successful setup done.	3.5 months	4-Jan-27	12-Mar-27
4	SOP preparation	5 months	6-Apr-27	31-Aug-27
	a) The Successful Tenderer shall provide CUHKMC with the initial draft of the Standard Operating Procedures (SOPs) for the operation of the Dedicated Area, the Materials Store, the Hospital Stores, and the transportation	2 months	6-Apr-27	31-May-27
	b) CUHKMC to review drafted SOP and provide feedback	1 month	1-Jun-27	30-Jun-27
	c) The Successful Tenderer shall perform amendment in SOP, provide CUHKMC with the final draft for CUHKMC's review and alignment.	0.5 month	2-Jul-27	16-Jul-27
	d) Review and acceptance by CUHKMC will be granted upon agreement of the final SOP draft.	1.5 months	19-Jul-27	31-Aug-27

5	Facility setup at Dedicated Area	3.5 months	6-Apr-27	16-Jul-27
	a) The Successful Tenderer to arrange cage / racking / shelving installation at Dedicated Area, and arrange validation or calibration of the temperature controlled dedicated vehicle.	1.5 months	6-Apr-27	14-May-27
	b) The Successful Tenderer to form the dedicated operations team (both on-site & off-site)	3 months	6-Apr-27	30-Jun-27
	c) Review and acceptance by CUHKMC will be granted upon successful form, setup and verification of the operation team, the Dedicated Area and the dedicated vehicle.	3.5 months	6-Apr-27	16-Jul-27
6	Wholesale Dealer Licence (WDL) application for CUHKMC	3.5 months	19-Jul-27	29-Oct-27
	a) The Successful Tenderer shall perform temperature mapping of the equipment/storage area and provide a detailed temperature mapping report to CUHKMC.	0.5 month	19-Jul-27	30-Jul-27
	b) The Successful Tenderer shall assist CUHKMC with the preparation, processing, and submission of the application for a Wholesale Dealer Licence (WDL) for Pharmaceuticals in the name of CUHKMC.	3 months	2-Aug-27	29-Oct-27
7	System integration (e.g. WMS, ERP and EDI) and data migration	6 months	4-Jan-27	30-Jun-27
	a) The Successful Tenderer shall study detailed system or IT requirements	1 month	4-Jan-27	29-Jan-27

	b) Development, configuration and data migration by CUHKMC, existing 3PL, and the Successful Tenderer	5 months	1-Feb-27	30-Jun-27
	c) The Successful Tenderer shall draft test scenario for System integration test (SIT) and User Acceptance test (UAT) for CUHKMC's review and alignment.	5 months	1-Feb-27	30-Jun-27
8	System integration test (SIT) and User Acceptance test (UAT)	6.5 months	2-Jul-27	14-Jan-28
	a) System integration test mainly performed by IT	2 months	2-Jul-27	31-Aug-27
	b) User Acceptance test mainly performed by users	2 months	1-Sept-27	29-Oct-27
	c) The Successful Tenderer shall perform system fine-tuning, arrange 1st dry run for the outstanding test scenario	1 month	1-Nov-27	30-Nov-27
	d) The Successful Tenderer shall perform system fine-tuning, arrange 2nd dry run for the outstanding test scenario	1 month	1-Dec-27	31-Dec-27
	e) Review and acceptance by CUHKMC will be granted upon successful setup done.	2.5 months	1-Nov-27	14-Jan-28
9	Trial run before go-live	1.5 months	17-Jan-28	29-Feb-28
	a) Receive and store new inbound or transferred shipment to Dedicated Area	1.5 months	17-Jan-28	29-Feb-28

	b) Trial run for pick, pack and delivery from Dedicated Area to CUHKMC	1.5 months	17-Jan-28	29-Feb-28
	c) Inventory transfer from existing 3PL to the Successful Tenderer's warehouse	0.5 month	1-Feb-28	14-Feb-28
10	Commencement of Logistics Services	3 Years (Initial Term) + 2 Years (Renewal Term)	1-Mar-28	Ongoing

[Please refer to *Appendix A* for the Project Plan – Pharmaceuticals and *Appendix L* for the Project Plan – Medical Consumables.]

(The above indicative timeline is for reference only. A detailed Pharmaceuticals Project and MC Project timeline will be developed, together with the Successful Tenderer and existing 3PL, which will include activities relating to licensing, workflows, interior design and fitting-out of the Dedicated Area, equipment procurement, IT set-up, testing, commissioning, training and other related activities. CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.)

4 Requirements for Pharmaceuticals

4.1 3PL's Services for Pharmaceuticals

The scope of the Services and requirements sought by the CUHKMC for the Pharmaceuticals Project are set out in this section.

4.1.1 3PL's Scope of Services for Pharmaceuticals

The scope of services of the 3PL shall encompass provision of all labour, equipment, transportation, warehousing and all related facilities necessary for the proper performance of the Services in respect of the Pharmaceuticals. These include the following:

(a) Logistics Services

3PL shall provide the Logistics Services based on the terms of the Agreement and the Tender Brief to support the day-to-day operations of the Hospital and the CUHK Medical Clinics. The workflows at *Appendix B* indicate the workflows for the Pharmaceuticals. The 3PL shall review and provide adjustments to the workflows, if necessary, in light of its internal capabilities, all of which shall first need to be agreed with the CUHKMC. These shall include the following areas:

- (i) 3PL shall manage end-to-end inventory and supply of Pharmaceuticals, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report to CUHKMC.
 - (ii) liaising with Supplier(s) and the CUHKMC in regard to delivery (scheduled and actual) of the Pharmaceuticals as per the PO and the returns and exchanges;
 - (iii) check and verify the accuracy and quality including quantity, size, volume and the general condition of the Pharmaceuticals delivered by the Suppliers against each PO placed by the CUHKMC with them to ensure that the Pharmaceuticals delivered are in accordance with the relevant Acceptance Criteria for Supplier's Delivery;
 - (iv) manage the storage of the Pharmaceuticals in conditions and in accordance with the requirements as specified by the manufacturers and the Department of Health (including cold chain management), the warehousing operations and inventory management at the Dedicated Area;
 - (v) conduct regular expiry date checks for Pharmaceuticals that stored at pharmacy stores, and hospital stores. Extract and segregate expired inventory, and place a tag for those expiry date within one (1) month items to support FEFO practices.
 - (vi) conduct cycle counts at pharmacy stores, hospital stores, and material stores, ensuring that each location is fully covered at least once per year. Any discrepancies identified during cycle counts shall be documented and reported.
 - (vii) provide re-labelling and secondary packaging services for the Pharmaceuticals, where necessary;
 - (viii) manage orders, transportation and delivery of the Pharmaceuticals between the Warehouse and the Hospital, and the CUHK Medical Clinics;
 - (ix) provide topping-up services for the Bulky Fluids only at the Hospital Stores;
 - (x) the processing of any returns or exchanges of the Pharmaceuticals in accordance with the instructions of the CUHKMC;
 - (xi) Arrange stock take and support audit activities as requested by CUHKMC; and
 - (xii) other related aspects pertaining to the inventory management and quality assurance of the Pharmaceuticals.
- (b) Set-up and Maintenance Services of the Dedicated Area and the Hospital Stores
- (i) advise on the layout design of the Dedicated Area;
 - (ii) design, fit out, equip, manage and maintain the Dedicated Area with defined conditions necessary for the storage, segregation, sorting, inspection, re-labelling and secondary packaging and movement of the Pharmaceuticals, all of which must comply with the Applicable Requirements; and
 - (iii) set up the Dedicated Area in accordance with the Applicable Requirements (e.g., as stipulated in the Code of Practice for Wholesale Dealer Licence under the Pharmacy and Poisons Ordinance (Cap.138) and any other applicable statutes and regulations).
- (c) Set-up and WMS Services of IT Solutions

Propose and install IT solutions which shall optimise the performance of the Logistics Services. The IT solutions shall be able to comply with statutory requirements, attain effective inventory management, time and cost efficiency, improve communications, good data/record management, and enhance tracing and tracking.

(d) Transition Services

The provision of Transition Services as set out in the Agreement.

(e) Project Plan

Compliance with the Project Plan as set out at *Appendix A*.

(f) Applicable Requirements

Compliance with all Applicable Requirements as set out in *Section 4.1.2*.

4.1.2 Compliance, Legal and CUHKMC Requirements (Applicable Requirements)

In relation to the Services to be provided by the 3PL under the Agreement, the 3PL shall ensure that:

- (a) all applicable statutory and regulatory requirements including those set out under *Section 4.1.2.1*;
- (b) all policies, guidelines and instructions issued by the CUHKMC;
- (c) manufacturers' instructions and guidelines; and/or
- (d) any other applicable policies, rules, codes and/or guidelines representing best industry practice,

in regard to each category of services as comprised in the definition of "Services" are fully comply with.

The 3PL shall timely update and maintain the Services in accordance with new and/or amendments to the statutes, regulations, policies, rules, codes, guidelines or instructions which may be enacted or introduced from time to time and which may affect the provision of the Services by the 3PL.

4.1.2.1 3PL Warehouse Compliance

For the avoidance of doubt, 3PL shall be responsible for ensuring that the Warehouse and the Dedicated Area shall comply with all applicable statutory and regulatory requirements, which shall include the following:

- (a) Pharmacy and Poisons Ordinance and Regulations (Cap. 138 and Cap. 138A);
- (b) Antibiotics Ordinance and Regulations (Cap. 137 and Cap. 137A);
- (c) Dangerous Drugs Ordinance and Regulations (Cap. 134 and Cap.134A) (If applicable);
- (d) Licence for Manufacturer (Secondary Packaging);
- (e) Licence for Undesirable Medical Advertisements Ordinance (Cap. 231);
- (f) Import and Export Ordinance (Cap. 60);
- (g) Pharmaceutical Inspection Co-operation Scheme for Good, Manufacturing Practice (PIC/S GMP) or equivalent;

- (h) Chemical Waste Ordinance and Regulations (Cap. 354 and Regulations);
- (i) Guide to Good Storage Practices (GSP) for Pharmaceuticals as published by the World Health Organisation or equivalent;
- (j) Good Distribution Practices (GDP) for Pharmaceuticals as published by the World Health Organisation or equivalent;
- (k) ISO 9001 certificate or equivalent; and
- (l) Wholesale Dealer Licence (WDL) and the related Code of Practice as issued by the Drug Office, Department of Health. (the CUHKMC will apply for and maintain its own WDL. As the agent for the CUHKMC, 3PL shall support and manage all requirements necessary under the WDL, including provision of support to the CUHKMC for the application for WDL and its subsequent renewals). Accordingly, the 3PL shall:
 - (i) ensure all records of the transaction are in the specified form and layout as required by WDL; and
 - (ii) collect the signed sale or supply receipts (wholesale dealer's copy) within 72 hours of corresponding transaction and provide regular update on the collection status.

4.1.3 Reference Workflows for Pharmaceuticals

The workflows for the Logistics Services of the Pharmaceuticals are at *Appendix B*. The 3PL may propose changes to the workflows as deemed necessary, taking into account its capabilities and internal management. Any proposed changes by the 3PL to the workflows will need to be first approved by the CUHKMC before implementation.

The workflows describe the operational sequence of the Pharmaceuticals to be handled by the 3PL, its interfacing with the Suppliers and the CUHKMC. The workflows activities include the follow-up on PO, checking and accepting deliveries made by the Suppliers, storage, re-labelling, “**pick and pack**”, delivery and replenishing of the Pharmaceuticals at the Hospital Stores, and the CUHK Medical Clinics, topping-up of the Pharmaceuticals at the Hospital Stores, and dealing with product returns, exchanges and/or disposal.

4.1.4 Product List

A product category of the Pharmaceuticals showing at *Appendix C*. [The product list and the projections set out at *Appendix C* is strictly for reference only of which CUHKMC has the right to change it from time to time. For avoidance of doubt, any changes made in the Appendix C shall not be subject to the Clause 14 – Change Control Procedure.]

The fridge items, common IV fluids and common irrigation fluids in the list are colour coded as follows (the CUHKMC will review this list on a regular basis and update the 3PL on any changes being made):

- (a) fridge items are highlighted in Yellow.
- (b) common IV fluids are highlighted in Green.
- (c) common irrigation fluids are highlighted in Blue.

For the avoidance of doubt, all the Pharmaceuticals referred to in this Tender Brief including those which may from time to time be accepted by the 3PL on behalf of the CUHKMC upon delivery by the Suppliers or those Pharmaceuticals which may be kept for storage at the

Dedicated Area shall belong to the CUHKMC. By accepting the role as the logistics services provider under the Agreement and this Tender Brief, the 3PL shall disclaim and waive all rights and interests, if any, that it might otherwise have in respect of any of the Pharmaceuticals in its possession or under its control.

4.1.5 Roles and Responsibilities

The contractual arrangement relating to the Pharmaceuticals Project shall be between the CUHKMC and the 3PL, and the 3PL shall not assign any of its rights, benefits, duties and obligations under the Agreement and this Tender Brief unless the written permission of the CUHKMC is first obtained.

4.1.5.1. 3PL's Role

The 3PL shall manage, implement and provide an efficient, cost-effective and accurate Services in respect of the Pharmaceuticals to the CUHKMC as set out in the Agreement and the Tender Brief.

4.1.5.2. CUHKMC's Role

The CUHKMC shall:

- (i) provide this Tender Brief to the 3PL and monitor performance of the 3PL; and
- (ii) provide updates or revisions to this Tender Brief from time to time as may be agreed with the 3PL.

4.1.5.3. 3PL's Responsibilities

The 3PL's responsibilities shall include the following:

- (i) provide a designated person with relevant management experience and authority to handle all commercial discussions, agreements, regulatory and compliance matters with the CUHKMC; [Please refer to *Appendix D* for the Key Staff.]
- (ii) provide a designated person with relevant logistics experience and authority to manage the end-to-end Logistics Services and resources, including daily operations, response to queries from the CUHKMC and ensuring that the performance of the Logistics Services by the 3PL is in satisfaction with the parameters as set out in the KPI; [Please refer to *Appendix D* for the Key Staff.]
- (iii) be responsible for the proper working of the Services and meet the requirements as set out in the Tender Brief to the full satisfaction of the CUHKMC, and to conduct all internal audits in the manner as required by the CUHKMC, and to fully cooperate and assist the CUHKMC when it carries out scheduled and spot audits on the 3PL;
- (iv) obtain design input requirements and procure relevant resources for the implementation of the set-up of the Services, to provide (and maintain) the SOP and ensure their full compliance with the Applicable Requirements in the post-launch reviews;
- (v) check and ensure that the conditions of the Pharmaceuticals are in full compliance with the Acceptance Criteria for Supplier's Delivery on receipt of the delivery by each Supplier as per the PO, and ensure that the accepted

Pharmaceuticals are kept and maintained in the good order and condition in accordance with the manufacturer's specifications pending their delivery to the Hospital;

- (vi) 3PL shall manage end-to-end inventory and supply of Pharmaceuticals, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report to CUHKMC.
- (vii) in relation to the Bulky Fluids only, manage the inventory level and the topping-up of such products at the Hospital Stores;
- (viii) manage the Suppliers' performance and the condition of the Pharmaceuticals on receipt of the Pharmaceuticals from the Suppliers and, if necessary, arrange and follow up on the return of those Pharmaceuticals to the relevant Suppliers;
- (ix) proactively review the Pharmaceuticals' usage data and advise the CUHKMC timely on the inventory of the Pharmaceuticals to avoid out-of-stock situation from arising;
- (x) provide Logistics Services at the Hospital, during working hours from 9 a.m. to 6 p.m. from Mondays to Fridays, and 9 a.m. to 1 p.m. on Saturdays except Hong Kong statutory holidays; and
- (xi) provide emergency support (i.e. which shall include labour, equipment, transportation, etc.), 24 hours a day, 7 days a week (inclusive of adverse weather conditions but subject to observance of legal requirements) for urgent deliveries for the Pharmaceuticals requested by the CUHKMC.

4.1.5.4. CUHKMC's Responsibilities

The CUHKMC's responsibilities shall include the following:

- (i) provide a designated point of contact for the Pharmaceuticals Project. The contact will work with the appointed 3PL on the development and delivery of the Pharmaceuticals Project to ensure that Timeline on Project is met;
- (ii) provide the required information (e.g., a copy of the PO and advance shipment notice when it is made available by Suppliers) and data necessary for 3PL to effectively meet the requirements of the Pharmaceuticals Project;
- (iii) handle the procurement of the Pharmaceuticals from the Suppliers, and notify the 3PL upon any such procurement of the Pharmaceuticals being placed with the relevant Suppliers;
- (iv) provide daily inventory data to 3PL for the Pharmacy Stores; and
- (v) make due payment on satisfactory performance of the Services as set out in the Agreement and this Tender Brief.

4.2 Storage Facilities

4.2.1. 3PL's Warehouse and Dedicated Area

The Warehouse and the Dedicated Area shall be provided by the 3PL for the Logistics Services of the Pharmaceuticals. The Warehouse and the Dedicated Area shall be equipped with all necessary building service installations and with relevant licences obtained. The spacing and layout of the Dedicated Area shall also be properly designed and fitted out by the 3PL, and which shall at all times comply with the Applicable Requirements.

4.2.1.1. Layout

The Dedicated Area shall be designed by the 3PL, with the prior approval of the CUHKMC, satisfying the following requirements:

- (a) a clearly identified, segregated and dedicated storage and handling area for the Pharmaceuticals of the CUHKMC;
- (b) maximisation in the utilisation and space of the facility to accommodate any fluctuations of product volumes and/or related service requirements; and
- (c) physical separation of the Pharmaceuticals for their staging, storage, return, rejection, assembly, disposal and impending delivery to the Pharmacy Stores, Hospital Stores, and/or the CUHK Medical Clinics.

4.2.1.2. Building Services

The Warehouse and the Dedicated Area shall be installed and fitted by the 3PL with the necessary building service installations which shall include the following:

- (a) fire detection and extinguishing systems compliant with all regulations and licensing requirements;
- (b) adequate lighting;
- (c) energy supply and backup power (especially for cold room) to ensure no variation in storage requirements;
- (d) ventilation and air conditioning with 25°C or below, and with 60% relative humidity;
- (e) temperature sensors, humidity sensors and monitors;
- (f) Information and Communication Technology (ICT) network;
- (g) security and alarm systems; and
- (h) cleaning and pest control,

all of which should attain a standard and quality which could ensure that the Applicable Requirements are duly met.

4.2.1.3. Access and Security

The Warehouse and the Dedicated Area shall be equipped with access control and security systems. All locations at which the Pharmaceuticals are handled and stored shall be monitored by real-time CCTV. CCTV images shall be backed up daily and kept for at least five (5) years, and such records shall be made available to the CUHKMC as soon as practicable on request. The 3PL shall allow the CUHKMC unlimited access at all times to the Warehouse and the Dedicated Area with prior notice.

Only authorised personnel of the 3PL can access the Dedicated Area in the performance of 3PL's duties under the Agreement and the Tender Brief. Records of all personnel entering and exiting the Dedicated Area shall be kept for at least five (5) years and such records shall be made available to the CUHKMC as soon as practicable on request.

4.2.1.4. Operations

In relation to the Dedicated Area, the 3PL shall ensure the following:

- (a) all the Pharmaceuticals shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief, and in particular, the following sections:
 - (i) *Section 4.3.1: Receipt of Pharmaceuticals from Suppliers*
 - (ii) *Section 4.3.2: Inventory Management*
 - (iii) *Section 4.3.3: Re-labelling and Secondary Packaging*
 - (iv) *Section 4.3.4: “Pick and Pack” for Delivery and Replenishment*
 - (v) *Section 4.3.5: Transportation between Warehouse, Hospital, and the CUHK Medical Clinics*
 - (vi) *Section 4.3.7: Return and Disposal*
- (b) timely maintenance and compliance with all KPI performance;
- (c) maintaining record of all discrepancies / (apparent) deteriorations in quality / problems in regard to the Pharmaceuticals within the same working day;
- (d) notifying the CUHKMC immediately of any incidents that may directly / indirectly affect any of the Pharmaceuticals or related facilities;
- (e) ensuring that all Pharmaceuticals shall be stored within the range of the temperature and humidity control environment as specified under the Applicable Requirements as are more particularly specified in *Section 4.1.2*;
- (f) maintaining complete transactional records and documents including supporting documents, e.g., certificate of analysis;
- (g) inventory at the LG Pharmacy Store will only be used as buffer stock (for urgent need) or as instructed by the CUHKMC; and
- (h) complying always in full with Applicable Requirements.

4.2.2. Hospital LG Pharmacy Store, G/F Out-Patient Pharmacy and 3/F In-Patient Pharmacy (Pharmacy Stores)

There are 3 loading/ unloading docks in the Hospital. The 3PL shall use the docks within the time slots specified below for delivery to the CUHKMC.

3PL is responsible for monitoring of the inventory through its WMS [*Section 4.4.3* system interface between WMS and ERP], and replenishing the Pharmaceuticals to the Pharmacy Stores.

3PL shall also advise on inventory rotation in the LG Pharmacy Store to ensure that the soon-to-be expired Pharmaceuticals are first taken out for distribution to the Pharmacy Stores and the Hospital Stores [*Section 4.2.3 Service Centres, Ward Stores, Clinical Centres and*

Departments (Hospital Stores)] to avoid wastage of the Pharmaceuticals due to the effective date of the Pharmaceuticals having expired.

The staff at the Pharmacy Stores shall be responsible for the confirmation and signing off of the delivery order if the Pharmaceuticals delivered are found to be correct and in good condition according with the manufacturers' specified conditions.

The staff at the Pharmacy Stores shall return the signed supply receipts (wholesale dealer's copies) to the 3PL within 72 hours from receipt of the Pharmaceuticals delivered.

4.2.2.1. Operations

In relation to the Pharmacy Stores, the 3PL shall ensure the following:

- (a) all the Pharmaceuticals shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief and, in particular, the following sections:
 - (i) *Section 4.3.2: Inventory Management*
 - (ii) *Section 4.3.5: Transportation between Warehouse, Hospital, and the CUHK Medical Clinics*
 - (iii) *Section 4.3.6: Transportation within Hospital*
 - (iv) *Section 4.3.7: Return and Disposal*
- (b) take primary responsibility for maintaining Pharmaceuticals stock level at the Pharmacy Stores.;
- (c) timely maintenance and compliance with all KPI performance;
- (d) maintaining record of all discrepancies/(apparent) deteriorations in quality/problems in regard to the Pharmaceuticals within the same working day;
- (e) notifying the CUHKMC immediately of any incidents that may directly / indirectly affect any of the Pharmaceuticals or related facilities;
- (f) comply fully with the workplace procedures when delivering and distributing the Pharmaceuticals to the Pharmacy Stores; and
- (g) complying always in full with all Applicable Requirements.

4.2.3. Service Centres, Ward Stores, Clinical Centres and Departments (Hospital Stores), and the CUHK Medical Clinics

As part of the Logistics Services provided by the 3PL, the Pharmaceuticals shall be arranged at the Dedicated Area and packed in individual lots according to the respective delivery locations before delivery to the Hospital Stores and/or the CUHK Medical Clinics. The delivery locations include CUHK Medical Clinic Limited and/or other locations where CUHKMC's affiliated companies operate, which may be subject to change from time to time [Please refer to the *Appendix E* for the Delivery Destination Matrix.].

The 3PL shall advise the CUHKMC on the layout and storage settings for the Bulky Fluids within the Hospital Stores.

The pharmacy stores have been fully set up, and therefore no significant redesign, fit-out, or re-setup works are required.

3PL shall be responsible for monitoring the inventory through its systems and provide topping-up services for the Bulky Fluids to the Hospital Stores.

The individually packed Bulky Fluids shall be delivered to the Pharmacy Stores for initial checking and sign off by the CUHKMC staff. Those Bulky Fluids which have been identified as the buffer stock will be kept at the Hospital LG Pharmacy Store, while topping-up stock will be distributed by 3PL's designated personnel to the relevant Hospital Stores in accordance with the agreed schedules.

The 3PL is required to prepare QR codes and booklets that trigger Transfer Orders for replenishment from the 3PL warehouse to Hospital Stores and the CUHK Medical Clinics, plan and prepare all necessary materials (e.g., shelves, trays) required for new ward or clinic openings.

4.2.3.1. Operations (Topping-up Services)

In relation to the Hospital Stores, the 3PL shall ensure the following:

- (a) all the Pharmaceuticals shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief and, in particular, the following sections:
 - (i) *Section 4.3.2: Inventory Management*
 - (ii) *Section 4.3.4: Pick & Pack for Delivery and Replenishment*
 - (iii) *Section 4.3.5: Transportation between Warehouse, Hospital, and the CUHK Medical Clinics*
 - (iv) *Section 4.3.6: Transportation within the Hospital*
 - (v) *Section 4.3.7: Return and Disposal*
- (b) take primary responsibility for maintaining the Bulky Fluids stock level at the Hospital Stores. The 3PL shall also design an efficient topping-up procedure at each of the Hospital Stores with the application of IoT devices which could automatically capture the stock level and facilitate replenishment of the consumed Bulky Fluids;
- (c) timely maintenance and compliance with all KPI performance;
- (d) maintaining record of all discrepancies / (apparent) deteriorations in quality/problems in regard to the Pharmaceuticals within the same working day;
- (e) notifying the CUHKMC immediately of any incidents that may directly / indirectly affect any of the Pharmaceuticals or related facilities;
- (f) complying fully with the workplace procedures when delivering and distributing the Pharmaceuticals to the specified locations at the Hospital Stores; and
- (g) complying always in full with all Applicable Requirements.

In regard to the topping up of the Bulky Fluids at the Hospital Stores, the CUHKMC shall notify the 3PL as soon as practicable if the quantity, quality and/or condition of the Bulky Fluids so delivered do not match the delivery notes.

4.2.4. Temperature and Humidity Control

To ensure the quality of the Pharmaceuticals is properly maintained, the 3PL shall ensure that the temperature and humidity requirements applicable to the Pharmaceuticals are fully complied with at all times:

- (a) ensure that all Pharmaceuticals are stored at appropriate conditions, temperature with 25°C or below, and not more than 60% relative humidity levels according to the Applicable Requirements;
- (b) ensure that a robust cold chain management procedure is in place to prevent cold chain breach that could adversely affect the quality of the Pharmaceuticals. (Cold Chain Pharmaceuticals must at all times be handled or stored within the specified temperature range at 2-8°C);
- (c) ensure that temperature-controlled areas are installed / equipped with calibrated recorders and devices with alert / warnings systems when out-of-range temperature situation occurs;
- (d) provide an open-door test report of the refrigerators, including procedures and records;
- (e) provide the temperature alarm system test report – including procedure and screen shot, where applicable. Alarm signal shall be set and triggered when the environment is out of alert limit. (e.g., high alarm test, low alarm test and door open alarm). For each test, record the alarm settings and trigger the desired alarm event and ensure that the alarm is activated. All relevant systems shall be tested (e.g., alarm activation may be indicated by an alarm sounder, by SMS / email or by any combination of these);
- (f) provide calibration certificate of the data logger(s) used if required;
- (g) provide temperature and humidity uniformity assessment results and mapping results if required;
- (h) investigate and inform the CUHKMC for any deviations and take corrective actions immediately;
- (i) prepare contingency plan(s) and ensure that the plan(s) must be in place for management of situations when the temperature and / or humidity levels are not within the specified range;
- (j) keep and provide all data and records in respect of temperature and humidity monitoring for the review by the CUHKMC on request; and
- (k) provide backup power in case of power failure.

4.3 Logistics Services

4.3.1. Receipt of Pharmaceuticals from Suppliers [Applicable to Dedicated Area only]

The 3PL shall be responsible for accepting the Pharmaceuticals delivered by the Suppliers to the Warehouse pursuant to the PO. The 3PL shall undertake and comply with the following:

- (a) The 3PL shall monitor all supplier deliveries and promptly report any missing items to CUHKMC, while also providing a Daily Planned vs Actual Goods Receipt report for CUHKMC's review. In addition, the 3PL shall conduct timely and accurate inventory reconciliation between CUHKMC's ERP system and the vendor's ERP system to ensure full alignment of stock quantities. Any discrepancies identified must be

investigated, with root causes determined and appropriate corrective actions and solutions proposed to CUHKMC.

- (b) monitor and follow up on information received from the CUHKMC which is interfaced with the 3PL's WMS for action and validation (e.g., expected arrival date, item code, quantity ordered, etc.);
- (c) communicate and follow up on outstanding PO with the Suppliers;
- (d) ensure that there are sufficient resources to receive the deliveries of the Pharmaceuticals ordered under the PO and timely update the WMS as soon as possible;
- (e) upon delivery, the 3PL shall receive, sample, check and inspect the Pharmaceuticals delivered, and further manage the stock level and status of the Pharmaceuticals, and arrange for their orderly storage at the Dedicated Area;
- (f) verify that the Acceptance Criteria for Supplier's Delivery (as elaborated below) for checking and verification of each product delivered prior to acceptance are being complied with;
- (g) for any product which does not meet the Acceptance Criteria for Supplier's Delivery, the 3PL shall notify the CUHKMC immediately followed by report in writing within 24 hours of receiving the relevant products. All deviated Pharmaceuticals shall be segregated by holding them at Quarantine Area pending further instructions from the CUHKMC;
- (h) notify the CUHKMC immediately all incidents (e.g. damage, leaking, improper stacking or any quality issues) followed by report in writing within predefined time frame of the happening of each such incident. All deviated Pharmaceuticals shall be segregated by holding them at Quarantine Area pending further instructions from the CUHKMC;
- (i) allow only trained and authorised person(s) to handle the Pharmaceuticals especially those requiring cold chain storage handling;
- (j) handle and store Pharmaceuticals that require refrigeration in cold rooms. All inspection processes shall also be performed in cold rooms to prevent temperature deviations;
- (k) sub-divide the Pharmaceuticals according to their batch numbers if there are more than one batch;
- (l) ensure that there are no deviations from temperature requirements during the loading / unloading processes especially for management of cold chain Pharmaceuticals; and
- (m) provide updates on product information to the CUHKMC, including product dimensions, changes in packaging, drug photos, etc.

4.3.1.1. Acceptance Criteria for Supplier's Delivery

The following shall be ensured prior to the acceptance of delivery:

- (a) verify that the Pharmaceuticals delivered by the Suppliers conform to the relevant PO:
 - (i) product identity: product name, strength, dosage form
 - (ii) pack size and quantity
 - (iii) manufacturer
 - (iv) Hong Kong registration number (for registered product)
 - (v) country of origin

- (vi) shelf-life of ≥ 18 months upon delivery
- (b) check the physical condition of the Pharmaceuticals (e.g. intact packaging, intact seal etc.);
- (c) ensure that cold chain is maintained continuously during the delivery for heat sensitive items; and
- (d) ensure that relevant documents such as certificate of analysis and batch release certificate (if applicable) are available along with the products.

4.3.2 Inventory Management as regards Stock Levels of Pharmaceuticals [Applicable to Dedicated Area, Pharmacy Stores, and Hospital Stores]

4.3.2.1. The 3PL undertakes that it will use its expertise and best efforts to:

- (a) discuss, advise and agree with the CUHKMC on the optimum, maximum and minimum stock level, from time to time, for each type of the Pharmaceuticals to be kept at the Dedicated Area, the Pharmacy Stores, the Hospital Stores, by taking into account the historical usage pattern of the Pharmaceuticals at each of such locations; and
- (b) through the information, news and updates obtained from the market and other sources based on the 3PL's industry experience, support and alert the CUHKMC timely on the type of the Pharmaceuticals that is being or may be affected by interruptions in the market on its supply and, accordingly, advise and recommend to the CUHKMC on the quantity of the affected Pharmaceuticals that will need to be acquired to ensure that there will not be a shortage of the affected Pharmaceuticals at the Hospital.

4.3.2.2. Assurance on Sufficiency of Stock Levels of the Pharmaceuticals. The 3PL shall:

- (a) manage end-to-end inventory and supply of Pharmaceuticals, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report and Warehouse Space Occupancy report to CUHKMC.
- (b) recognise that the CUHKMC has placed full reliance on the 3PL to manage the inventory level of the Pharmaceuticals, and undertakes that it shall at all times ensure that the optimum, maximum and minimum stock levels of the Pharmaceuticals at each of the Pharmacy Stores and the relevant Hospital Stores remain within the maximum and minimum range as agreed with and specified by the CUHKMC to avoid jeopardising the operations of the Hospital and the clinics; and
- (c) be responsible for maintaining an accurate inventory record for each type of the Pharmaceuticals at the Dedicated Area, including the correct quantity, batch number, expiry date, etc., and such information shall be made available to the CUHKMC at all times.

4.3.2.3. Assurance for Good and Proper Inventory Management of Pharmaceuticals

Under the Agreement and this Tender Brief, it is the responsibility of the 3PL to ensure that through the Logistics Services provided by the 3PL, the Pharmaceuticals are kept in good order and conditions at all times. In the event that:

- (a) the quality of the Pharmaceuticals is found to have deviated from the manufacturers' acceptable specifications for the use of such products; and/or
- (b) the quantity of the Pharmaceuticals taken at the physical stock count differs from those recorded in the IT system of the CUHKMC/3PL,

the 3PL shall promptly investigate into the cause of the above-mentioned affected products, and provide the CUHKMC with a report on the outcome of its investigation. The 3PL shall liaise and secure from the relevant Supplier(s) for the exchange or return of the affected products or the replacement of such shortfall in the quantity of such products if it deems that the Pharmaceuticals were already affected or there was already a shortfall in the quantity at the time of delivery by the relevant Suppliers, failing which the 3PL shall be liable to the CUHKMC for the replacement of the Pharmaceuticals or its replacement value unless the 3PL is required to prove that the affected products and/or shortfall in the Pharmaceuticals was not caused by its negligence or default.

4.3.2.4. Drugs (Exclusive of Bulky Fluids)

The 3PL shall undertake and ensure compliance with the following:

- (a) store and manage all the Drugs at the Dedicated Area, until replenishment to the Hospital is required;
- (b) monitor and manage the safety stock levels of the Drugs, and arrange for their replenishment to the Pharmacy Stores with reference to the maximum and minimum stock level, in accordance with a schedule and timeline agreed with the CUHKMC with the objective of minimising any disturbance to the Hospital's operations, and maximising the operational efficiency;
- (c) manage the inventory information, which includes interfacing with the CUHKMC's systems including the ERP for the purpose of enabling the CUHKMC to keep track of the stock levels of the Drugs in the relevant IT systems. [Section 4.4.3 System Interface between WMS and ERP];
- (d) always adopt the **"first-expire, first-out"** rule, then followed by the **"first-in, first-out"** rule during the **"pick and pack"** phase when selecting the Drugs at the Dedicated Area for their delivery to the Pharmacy Stores. The 3PL shall first seek written approval from the CUHKMC if there is any deviation from application of the above rules;
- (e) proactively work with the CUHKMC, advise monthly consumption per item level for the past 6 months, maintain stock level at 1.5 months based on the average consumption at the Dedicated Area at all times; and
- (f) conduct cycle count and annual stock count and ensure that the above duties and obligations are properly undertaken and completed, and the results of the each such count being made available to the CUHKMC within the agreed timeline.

4.3.2.5. Bulky Fluids

The 3PL shall undertake and ensure compliance with the following:

- (a) store and manage all the Bulky Fluids at the Dedicated Area, until their replenishment to the Hospital Stores and the CUHK Medical Clinics is required;
- (b) monitor and manage the safety stock levels of the Bulky Fluids, and arrange for their replenishment to the Pharmacy Stores with reference to the maximum and minimum stock level, in accordance with a schedule and timeline agreed with the CUHKMC with

the objective of minimising any disturbance to the Hospital's operations, and maximising the operational efficiency;

- (c) monitor and manage safety stock levels for each type of Bulky Fluids, and arrange for their topping-up (to maintain the products within the agreed minimum/maximum product levels), in accordance with a schedule and timeline agreed with the CUHKMC with the objective of minimising any disturbance to the Hospital's operations, and maximising its operational efficiency;
- (d) always adopt the **“first-expire, first-out”** rule, then followed by the **“first-in, first-out”** rule during the **“pick and pack”** phase when selecting the Bulky Fluids at the Dedicated Area for their delivery to the Hospital Stores and the CUHK Medical Clinics. The 3PL shall first seek written approval from the CUHKMC if there is any deviation from application of the above rules;
- (e) conduct regular expiry date checks for Pharmaceuticals that stored at pharmacy stores, and hospital stores. Extract and segregate expired inventory, and place a tag for those expiry date within one (1) month items to support FEFO practices.
- (f) proactively work with the CUHKMC to maintain a stock level for two (2) weeks supply of stock at the Dedicated Area and a stock level for one (1) week supply of stock at the LG Pharmacy Store (or such other levels as may be agreed with the CUHKMC from time to time) at all times; and
- (g) conduct cycle counts at pharmacy stores, and hospital stores, ensuring that each location is fully covered at least once per year. Any discrepancies identified during cycle counts shall be documented and reported.

4.3.3 Re-labelling and Secondary Packaging [Applicable to Dedicated Area only]

Pharmaceuticals received by the 3PL at the Warehouse may require re-labelling. The 3PL shall perform the re-labelling activities as follows:

- (a) conduct the re-labelling at the Warehouse;
- (b) follow re-labelling requirements as instructed by the CUHKMC;
- (c) only trained and authorised person(s) shall handle the re-labelling process;
- (d) source and supply packaging materials for the re-labelling process; and
- (e) perform all cold chain re-labelling process in the cold room to prevent temperature deviation in accordance with the manufacturer's specifications.

4.3.4 “Pick and Pack” for Delivery and Replenishment [Applicable to Dedicated Area only]

Once orders are created for delivery and replenishment to the Hospital, the 3PL shall pick the Pharmaceuticals from the Dedicated Area based on the **“first-expire, first-out”** rule, then followed by the **“first-in, first-out”** rule. The 3PL shall pack the Pharmaceuticals in individual lots in accordance with their respective destinations and shall ensure that they are securely protected during the transportation.

The 3PL shall ensure that the following precautionary measures are taken prior to and during transportation of the Pharmaceuticals:

- (a) provide the Pharmaceuticals with clear identification;
- (b) avoid the Pharmaceuticals from being contaminated by other products or materials;
- (c) ensure that adequate precautions are being taken against spillage and/or breakage;
- (d) timely update the inventory data promptly within 9 hours following each delivery from the Dedicated Area to the Pharmacy Stores, the Hospital Stores;
- (e) pack temperature-controlled Pharmaceuticals in suitable packaging (e.g., in validated cold boxes) to ensure that the products' requisite temperature conditions are maintained throughout the transportation; and
- (f) ensure that the Pharmaceuticals is not exposed to temperature excursions during delivery process.

4.3.5 Transportation between Warehouse, Hospital, and the CUHK Medical Clinics [Applicable to Dedicated Area, Pharmacy Stores, Hospital Stores and the CUHK Medical Clinics]

Movement of the Pharmaceuticals that are being relocated by the 3PL between the Warehouse and the Hospital and the CUHK Medical Clinics shall comply with the following requirements:

- (a) Pharmaceuticals shall be transported by a dedicated vehicle with the following delivery arrangements:
 - (i) Regular delivery – Based on operational needs, truck trip between 8:30am – 5:30pm (Monday to Friday), except public holidays and adverse weather conditions;
 - (ii) Urgent delivery – delivery within 2 hours from request being made outside regular delivery schedule
 - (iii) The order cut-off time and delivery time schedule may be subject to change based on actual operational needs [Please refer to *Appendix F* for the Delivery Arrangement - Pharmaceuticals];
- (b) Pharmaceuticals shall be transported in a manner which would guarantee and ensure that:
 - (i) the safety, security (e.g., security seal tape), identity, strength, and quality of the Pharmaceuticals are not affected nor compromised;
 - (ii) the Pharmaceuticals are not contaminated by other products or materials during the transportation;
 - (iii) adequate precautions are taken against spillage and/or breakage; and
 - (iv) the Pharmaceuticals and their packaging are not exposed to heat, cold, light, moisture or other adverse influences nor being attacked by micro-organisms or pests;
- (c) all Pharmaceuticals shall be transported under the temperature conditions which are in accordance with the manufacturers' specifications, and by appropriate vehicles to ensure that the products' requisite temperature conditions are maintained throughout the transportation. (e.g., cold storage vehicles);

- (d) the 3PL shall arrange advanced delivery schedules with the CUHKMC to minimise traffic congestion at the Hospital's and the CUHK Medical Clinics' loading/unloading docks; and
- (e) delivery of the Pharmaceuticals to the Hospital and the CUHK Medical Clinics shall be accompanied by a delivery note which shall include the following:
 - (i) recipient's name / department to receive the product;
 - (ii) name of the product;
 - (iii) quantity of the product;
 - (iv) special storage and handling instructions for the product; and
 - (v) batch number and expiry date of the product.

4.3.6 Transportation within Hospital [Applicable to Pharmacy Stores and Hospital Stores]

The 3PL shall comply with the requirements stipulated by the CUHKMC for movement of the Pharmaceuticals within the Hospital. These requirements shall include the following:

- (a) each delivery of the Pharmaceuticals from the Warehouse to the Hospital must first be received by the CUHKMC's staff, prior to its delivery to the relevant Hospital Stores;
- (b) all 3PL personnel shall wear proper uniform and maintain proper behaviour when performing their duties within the Hospital;
- (c) 3PL shall ensure that markings are not made to the Hospital floors or walls during delivery of the Pharmaceuticals within the Hospital;
- (d) all equipment used for carrying the Pharmaceuticals for delivery within the Hospital shall not generate any excessive noise;
- (e) unless otherwise permitted by the CUHKMC, the 3PL can only use the designated cargo lift for delivery; and
- (f) service routes to be accessed by the 3PL will be advised and notified to the 3PL by the CUHKMC.

4.3.7 Return and Disposal [Applicable to Dedicated Area, Pharmacy Stores Hospital Stores]

On receiving instructions from the CUHKMC, the 3PL shall be responsible for:

- (a) processing the Pharmaceuticals identified to be returned to and/or exchanged with the relevant Suppliers. The 3PL shall provide information regarding the handling of the Pharmaceuticals during the logistics cycle of such Pharmaceuticals, to assist the return of such products to the Suppliers or, where applicable, to facilitate the risk assessment of the such products returned by the CUHKMC, if required; and
- (b) the lawful disposal of those Pharmaceuticals identified by the CUHKMC to be disposed of. The 3PL shall provide documentary proof to evidence the disposal.

4.3.7.1. Pharmaceuticals Rejected on delivery to Pharmacy Stores, and Hospital Stores

For the Pharmaceuticals that are rejected on delivery to the Pharmacy Stores, and the Hospital Stores, the following requirements and procedures shall be complied with:

- (a) the CUHKMC may reject the Pharmaceuticals (partially or totally) if on receipt the products are found to have deviated from the Acceptance Criteria for Supplier's Delivery;
- (b) the 3PL shall return the rejected Pharmaceuticals to the Quarantine Area;
- (c) the 3PL shall ensure that all rejected Pharmaceuticals are segregated, by holding them at the Quarantine Area either for their return to the relevant Suppliers, or their disposal based on the rejected reasons or instructions from the CUHKMC; and
- (d) the 3PL shall provide to the CUHKMC detailed report(s) with photos and records of the rejected Pharmaceuticals.

4.3.7.2. Pharmaceuticals Return from Pharmacy Stores, and Hospital Stores

For Pharmaceuticals that are returned from the Pharmacy Stores, the Hospital Stores, the following requirements and procedures shall be complied with:

- (a) the 3PL shall collect the Pharmaceuticals returned by the CUHKMC, within 48 hours after receiving the return notification from the Hospital;
- (b) the 3PL shall ensure that all returned Pharmaceuticals are segregated, by holding them at the Quarantine Area either for their return to the relevant Suppliers, or their disposal based on the returned reasons or instructions from the CUHKMC; and
- (c) the 3PL shall provide to the CUHKMC detailed report(s) with photos and records of returned Pharmaceuticals.

4.3.7.3. Product Disposal

The 3PL shall be responsible for the lawful disposal of the returned (including rejected) Pharmaceuticals as follows:

- (a) on confirmation and approval by the CUHKMC, all Pharmaceuticals pending disposal shall be temporarily stored and clearly labelled as for disposal at the Quarantine Area;
- (b) 3PL shall submit a detailed disposal report to the CUHKMC monthly;
- (c) 3PL shall develop a disposal procedure approved by the CUHKMC; and
- (d) the disposal of the Pharmaceuticals shall fully comply with the requirements in accordance with applicable laws and regulations, including the Chemical Waste Ordinance (Cap. 354).

4.4 IT and Equipment

The importance and success to an efficient, safe, accurate, and cost-effective operations, shall be heavily driven by the equipment and information systems that support the overall logistics for the Pharmaceuticals.

The 3PL shall ensure that there is a “**track and trace**” system with real-time monitoring capability to manage the Pharmaceuticals and their operations throughout the logistics cycle for the CUHKMC.

4.4.1 Warehouse Management System (WMS)

The 3PL is required to propose and apply its WMS to manage the Logistics Services for the CUHKMC, and the CUHK Medical Clinics. The 3PL's WMS shall include the following functions:

- (a) manage and organise the inventory by adopting the “**first-expired, first-out**” rule, then followed by the “**first-in, first-out**” rule;
- (b) monitor the batch and expiry date of the Pharmaceuticals, report and block the transactions of those items where the respective effective dates have already expired;
- (c) provide real-time stock level monitoring;
- (d) “**track and trace**” the product transactions by reference to their item code, quantity, delivery destination, past bin location, etc.;
- (e) manage return, exchange or disposal of products;
- (f) provide stocktake functions;
- (g) provide cycle count functions;
- (h) provide inventory information/data to interface with the CUHKMC's Enterprise Resource Planning System (**ERP**) and other relevant systems;
- (i) integrate all logistics workflows and processes into a closed-loop system to facilitate the efficiency and communication of the logistics management for the Dedicated Area, the Pharmacy Stores, the Hospital Stores, and the CUHK Medical Clinics;
- (j) provide all data by backing up in real time;
- (k) store back-up data in a separate and secure location; and
- (l) restrict the access right of all data to “can-be-accessible” personnel only who are authorised by the CUHKMC. Apart from the above authorised personnel, all data should be kept strictly confidential, and shall not be disclosed to any third party unless otherwise authorized by the CUHKMC in writing.

4.4.2 Enterprise Resource Planning System (ERP)

The CUHKMC will use the Enterprise Resource Planning System for the management and placing of purchase orders for the Pharmaceuticals.

The 3PL shall provide strong support to the CUHKMC for the systems development and the set-up of the ERP. The 3PL shall provide and ensure a smooth and seamless data interface between the ERP with the WMS, the implementation of which should be carried out without interruption to the CUHKMC's daily operations.

4.4.2.1. Oracle Fusion Enterprise Resource Planning System (ERP)

The ERP is a cloud-based system for Financial Management and Supply Chain Management. The system provides functionalities for procurement support, including purchase requisitions, Purchase Orders, goods receipts etc. The procurement-related information will be communicated to different Suppliers and 3PL using mostly Electronic Data Interchange (**EDI**) messages potentially through an external communication gateway provider. The ERP also provides inventory management functions for the inventory control of the Pharmaceuticals.

4.4.3 System Interface between WMS and ERP

In relation to the system interface between WMS, ERP, the 3PL's WMS shall support all security, networking and telecommunication standards as governed by the CUHKMC ICT Architecture Frameworks. The 3PL's WMS shall integrate with the ERP system provided by the CUHKMC. The 3PL shall work together with the CUHKMC's appointed contractors for the integration in accordance with the CUHKMC's requirements as follows;

- (a) for the integration with ERP, all the requirements specified in the CUHKMC ERP Integration Specifications must be complied with. [Please refer to *Appendix G* for the ERP Integration Specifications]; and
- (b) for integration with other related CUHKMC System, the requirements provided by the CUHKMC must be complied with.

4.4.3.1 Information for System Interface between WMS and ERP

The 3PL system shall interface with the CUHKMC's System in the manner according to the table below. The following information provided by either the 3PL or the CUHKMC shall be interfaced on-line with data of the other party in batches of agreed time intervals. The types of information required for interfacing include:

ERP (by the CUHKMC)		<u>Master Information</u>		WMS (by the 3PL)
		Product Master	→→	
		Product Updates	→→	
		Supplier Master	→→	
		Location Master	→→	
		<u>Movements Information</u>		
		<u>A. Goods delivered by Suppliers to 3PL</u>		
		Purchase Order	→→	
		Purchase Order Change	→→	
	←←	Inbound Reception Confirmation		
		<u>B. Goods delivered by 3PL to CUHKMC for replenishment</u>		
		Stock Transfer Order	→→	
	←←	Delivery Notification / Advanced Shipment Notice		
	←←	Proof of Delivery / Receiving Advice		
		<u>C. Other goods movements between CUHKMC and 3PL</u>		
		Stock Transfer Order (Goods Return / Exchange)	→→	
	←←	Goods Return Notice		
	←←	Goods Exchange Notice		
		Stock Adjustments	→→	

Interfaced Information	Details
Product Master	Product creation and updates (e.g., product code, product base UoM, requirement, etc.)
Product Updates	Updates on product details (e.g., product code, dimension, product storage UoM, etc.)
Supplier Master	Supplier creation and updates
Location Master	Stock location (e.g., storage site, storage location including Hospital details)
Purchase Order	Details of the CUHKMC's Purchase Order(s) (e.g., PO number, order date, arrival date, product code, batch, expiry date, quantity, etc.)
Purchase Order Change	Details of the change of CUHKMC's Purchase Order(s) (e.g., quantity, product code etc.)
Inbound Reception Confirmation	Confirmation of order reception (e.g., PO number, date of receipt, product code, quantity, product status, etc.), i.e. goods received at Dedicated Area
Stock Transfer Order	Notification of stock transfer (e.g., storage site from and to, storage location from and to, transfer date, product code, batch, expiry date, quantity, product status, etc.), so to facilitate goods movement between 3PL and CUHKMC, and goods exchange and return with Suppliers
Delivery Notification / Advanced Shipment Notice	Delivery notification / Advance shipment notice (e.g., delivery order, delivery address, delivery date, product code, batch, expiry date, quantity, product status, etc.)
Proof of Delivery / Receiving Advice	"Track and trace" of delivery; visibility of deliveries; Confirmation of goods delivered and received
Goods Return Notice	Details of goods return (e.g., receipt number, product code, quantity, batch etc.)
Goods Exchange Notice	Detail of goods exchanged (e.g. product needs to be exchanged with suppliers at Dedicated Area)
Stock Take Report	Details of stock take (e.g., product code, quantity, UoM, batch, expiry date, storage site, storage location, product status etc.)
Stock Adjustments	Notification of stock adjustments (e.g., storage site, storage location, adjusted date, product code, batch, expiry date, quantity, product status, remark, etc.)

Note: Important for the movement of each transaction of the Pharmaceuticals to be classified in accordance with the above categories.

4.4.4 IT Network

The CUHKMC will provide and ensure connectivity, integration and the network capability within the Hospital; and the 3PL shall provide and ensure connectivity, integration and the network capability within the Warehouse and the Dedicated Area. The 3PL shall provide the network connection with external communication gateway provider.

4.4.5 IT Solutions

The CUHKMC aims to optimise the performance of the Logistics Services with the application of the IT solutions. The IT solutions are targeted at achieving time and cost efficiency, improving communications, implementing good data/record management with **“track and trace”** monitoring by adopting best industry practices in regard to technology and devices including the use of:

- (a) identification and tracking system (e.g. barcode, RFID, etc.) for real-time status tracking of the inventory and the movement of the items transferring within the system; and
- (b) data analysis, forecast, report printing, etc. to fulfil commercial and statutory requirements.

4.4.6 IT Integrity and Security

The integrity and security of the CUHKMC’s IT systems are of paramount importance to the CUHKMC.

4.4.6.1. Precautionary and Proactive Measures

In light of the interfacing of the IT systems between the 3PL and the CUHKMC, the 3PL shall adopt all precautionary and proactive measures to ensure that the CUHKMC’s IT systems will not be compromised, weakened, corrupted or become vulnerable to unauthorised access due to the interfacing with the 3PL’s IT system. Accordingly, such precautionary and proactive measures which the 3PL shall adopt should include the following:

- (a) internal network addresses, configurations, and related system or network information shall not be publicly released;
- (b) all internal networks with connections to other networks or publicly accessible computer networks shall be protected with access control and encryption (i.e. encryption level Advanced Encryption Standard 256 bit, firewall);
- (c) the systems shall be security hardened according to industry best practices (CIS benchmarking);
- (d) the systems shall be installed with anti-virus or endpoint security protection software which are kept updated with the latest signatures;
- (e) sensitive data shall be encrypted with restricted access control;
- (f) security measures shall be in place to prevent unauthorised access to the systems and data, including access to the interfaced network or folder, e.g., SFTP folder;
- (g) access control mechanism shall be in place to identify and monitor authorised individual’s access activities; and

- (h) connections and links made to other networks shall not compromise the security information processed at the other networks, and vice versa.

4.4.6.2. Audit Trails

If requested by the CUHKMC, the 3PL shall provide the CUHKMC with audit trails of the WMS which shall be substantiated by, and comply with the requirements including the following:

- (a) policies shall be defined relating to the logging of system activities, such as successful and unsuccessful log-in attempts, activities of privileged user accounts, changes to user access rights, password changes, and modifications to software;
- (b) all activities and actions shall be fully logged and detailed audit trails shall be created. No authorisation on the deletion of audit trails shall be granted whatsoever;
- (c) any log(s) kept by the systems shall provide sufficient information to support comprehensive audits on the effectiveness and compliance of the security measures; and
- (d) all activities and events logs shall be retained for a period commensurate with their usefulness as an audit tool. During this period, such logs shall be secured so that they cannot be modified and can only be read by authorised persons.

4.4.6.3. Audits on 3PL's IT Security

The 3PL shall conduct at least annually, and on request by the CUHKMC audits on its IT security, the scope of which shall cover and include the following:

- (a) check for conformance to IT security policy, standards, guidelines, and procedures as provided by the CUHKMC.
[Please refer to *Appendix H* for the CUHKMC's IT Security Requirements];
- (b) identify and understand its IT systems' vulnerabilities; and
- (c) review and evaluate the effectiveness of security controls on operational, administrative and managerial issues, and ensure compliance with the security standards.

Following the completion of an audit on its IT security, the 3PL shall report, document the evaluation results, and adopt corrective actions for improvement, and the 3PL shall accordingly notify the CUHKMC of the outcome of each audit and the improvements made.

In addition, the 3PL shall allow and facilitate security assessment and audit to be performed by the CUHKMC's authorised service partners.

4.4.6.4. Disaster Recovery and Contingency

The 3PL is required to provide system resilience and disaster recovery to ensure that the specified service levels can be maintained in case of a localised failure of system components, and to ensure basic survival of vital business processes in a disaster situation.

4.4.7 Logistics Operating Equipment

The 3PL shall supply and install all equipment necessary for the performance of the Logistics Services, and ensure that all equipment used shall comply with the following:

- (a) specifications of all equipment for performing the Logistics Services shall be provided to the CUHKMC (e.g. Refrigerator);
- (b) recording and controlling equipment must be calibrated and checked at defined intervals by appropriate methods in accordance with the manufacturers' instructions, if applicable;
- (c) there should be a planned preventative maintenance programme for such equipment in place;
- (d) contingency plans shall be established on the systems' failure of such equipment, with procedures to capture the information on resumption of the systems;
- (e) any failures and remedial action taken in respect of the equipment must be recorded by 3PL;
- (f) procedures to record and analyse errors in respect of the equipment that will enable corrective actions to be taken should be in place; and
- (g) the 3PL must ensure all equipment are calibrated by an external certified party and shall maintain the calibration certification throughout the provision of its Logistics Services to the CUHKMC.

5 Requirements for Medical Consumables

5.1 3PL's Services for Medical Consumables

The scope of the Services and requirements sought by the CUHKMC for the MC Project are set out in this section.

5.1.1 3PL's Scope of Services

The scope of services of the 3PL shall encompass provision of all labour, equipment, transportation, warehousing and all related facilities necessary for the proper performance of the Services in respect of the Medical Consumables. These include the following:

(a) Logistics Services

The 3PL shall provide the Logistics Services based on the terms of the Agreement and this Tender Brief to support the day-to-day operations of the Hospital. The workflows at *Appendix M - Reference Workflows - Medical Consumables* indicate the workflows for the Medical Consumables. The 3PL shall review and provide adjustments to the workflows, if necessary, in light of its internal capabilities, all of which shall first need to be agreed with the CUHKMC. These shall include the following areas:

- (i) 3PL shall manage end-to-end inventory and supply of Medical Consumables, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report to CUHKMC.

- (ii) liaising with the Supplier(s) and the CUHKMC in regard to delivery (scheduled and actual) of the Medical Consumables as per the PO and the returns and exchanges;
 - (iii) check and verify the accuracy and quality including quantity, size, volume and the general condition of the Medical Consumables delivered by the Suppliers against each PO placed by the CUHKMC with them to ensure that the Medical Consumables delivered are in accordance with the relevant Acceptance Criteria for Supplier's Delivery;
 - (iv) manage the storage of the Medical Consumables in conditions and in accordance with the requirements as specified by the manufacturers, the warehousing operations and inventory management at the Dedicated Area and the Materials Store;
 - (v) conduct regular expiry date checks for Medicals Consumables that stored at pharmacy stores, hospital stores, and material stores. Extract and segregate expired inventory, and place a tag for those expiry date within one (1) month items to support FEFO practices.
 - (vi) conduct cycle counts at pharmacy stores, hospital stores, and material stores, ensuring that each location is fully covered at least once per year. Any discrepancies identified during cycle counts shall be documented and reported.
 - (vii) provide re-labelling for the Medical Consumables, where necessary;
 - (viii) manage transportation and delivery of the Medical Consumables between the 3PL Warehouse and the Hospital;
 - (ix) provide topping-up services for the Medical Consumables at the Hospital Stores;
 - (x) the processing of any returns or exchanges of the Medical Consumables in accordance with the instructions of the CUHKMC;
 - (xi) Arrange stock take and support audit activities as requested by CUHKMC;
 - (xii) other related aspects pertaining to the inventory management and quality assurance of the Medical Consumables; and
 - (xiii) as and when required by CUHKMC, Logistics Services for Medical Consumables may be partially or fully extended to the CUHK Medical Clinics.
- (b) Set-up and Maintenance Services of the Dedicated Area, the Materials Store, the Hospital Stores
- (i) advise on the layout design of the Dedicated Area;
 - (ii) design, fit out, equip, manage, maintain the Dedicated Area, the Materials Store, and the Hospital Stores, with defined conditions necessary for the storage, segregation, sorting, inspection, re-labelling and movement of the Medical Consumables, all of which must comply with the Applicable Requirements; and
 - (iii) set up the Dedicated Area in accordance with the Applicable Requirements.
- (c) Set-up and WMS Services of IT Solutions
- Propose and install IT solutions which shall optimise the performance of the Logistics Services. The IT solutions shall be able to comply with statutory requirements, attain effective inventory management, time and cost efficiency, improve communications, good data/record management, and enhance tracing and tracking.
- (d) Transition Services

The provision of Transition Services as set out in the Agreement.

(e) Project Plan

Compliance with the Project Plan as set out at *Appendix L*.

(f) Applicable Requirements

Compliance with all Applicable Requirements as set out in *Section 5.1.2*.

5.1.2 Compliance, Legal and CUHKMC Requirements (Applicable Requirements)

In relation to the Services to be provided by the 3PL under the Agreement, the 3PL shall ensure that:

- (a) all applicable statutory and regulatory requirements;
- (b) all policies, guidelines and instructions issued by the CUHKMC;
- (c) manufacturers' instructions and guidelines; and/or
- (d) any other applicable policies, rules, codes and/or guidelines representing best industry practices,

in regard to each category of services as comprised in the definition of "Services" are fully comply with.

The 3PL shall timely update and maintain the Services in accordance with new and/or amendments to the statutes, regulations, policies, rules, codes, guidelines or instructions which may be enacted or introduced from time to time and which may affect the provision of the Services by the 3PL.

For the avoidance of doubt, the 3PL shall be responsible for ensuring that the Warehouse and the Dedicated Area shall comply with all applicable statutory and regulatory requirements, which shall include ISO 9001 certificate or equivalent.

5.1.3 Reference Workflows for Medical Consumables

The workflows for the Logistics Services of the Medical Consumables are at *Appendix M*. The 3PL may propose changes to the workflows as deemed necessary, taking into account its capabilities and internal management. Any proposed changes by the 3PL to the workflows will need to be first approved by the CUHKMC before implementation.

The workflows describe the operational sequence of the Medical Consumables to be handled by the 3PL, its interfacing with the Suppliers and the CUHKMC. The workflow activities include the follow up on PO, checking and accepting deliveries made by the Suppliers, storage, re-labelling, "**pick and pack**", delivery and replenishing/ topping-up of the Medical Consumables at the Hospital Stores, and dealing with product returns, exchanges and/or disposals.

5.1.4 Product List

A product category of the Medical Consumables showing at *Appendix N*. [The product list and the projections set out at *Appendix N* is strictly for reference only of which CUHKMC has the

right to change it from time to time. For avoidance of doubt, any changes made in the *Appendix N* shall not be subject to the Clause 14 – Change Control Procedure.]

For the avoidance of doubt, all the Medical Consumables referred to in this Tender Brief including those which may from time to time be accepted by the 3PL on behalf of the CUHKMC upon delivery by the Suppliers or those Medical Consumables which may be kept for storage at the Dedicated Area shall belong to the CUHKMC only. By accepting the role as the logistics services provider under the Agreement and this Tender Brief, the 3PL shall disclaim and waive all rights and interests, if any, that it might otherwise have in respect of any of the Medical Consumables in its possession or under its control.

5.1.5 Roles and Responsibilities

The contractual arrangement relating to the MC Project shall be between the CUHKMC and the 3PL, and the 3PL shall not assign any of its rights, benefits, duties and obligations under the Agreement and this Tender Brief unless the written permission of the CUHKMC is first obtained.

5.1.5.1. 3PL's Role

The 3PL shall manage, implement and provide an efficient, cost-effective and accurate Services in respect of the Medical Consumables to the CUHKMC as set out in the Agreement and the Tender Brief.

5.1.5.2. CUHKMC's Role

The CUHKMC shall:

- (a) provide this Tender Brief to the 3PL and monitor performance of the 3PL; and
- (b) provide updates or revisions to this Tender Brief from time to time as may be agreed with the 3PL.

5.1.5.3. 3PL's Responsibilities

The 3PL's responsibilities shall include the following:

- (a) provide a designated person with relevant management experience and authority to handle all commercial discussions, agreements, regulatory and compliance matters with the CUHKMC; [Please refer to *Appendix O* for the Key Staff.]
- (b) provide a designated person with relevant logistics experience and authority to manage the end-to-end Logistics Services and resources, including daily operations, response to queries from the CUHKMC and ensuring that the performance of the Logistics Services by the 3PL is in satisfaction with the parameters as set out in the KPI; [Please refer to *Appendix O* for the Key Staff.]
- (c) be responsible for the proper working of the Services and meet the requirements as set out in the Tender Brief to the full satisfaction of the CUHKMC, and to conduct all internal audits in the manner as required by the CUHKMC, and to fully cooperate and assist the CUHKMC when it carries out its scheduled and spot audits on the 3PL;

- (d) obtain design input requirements and procure relevant resources for the implementation of the set-up of the Services, to provide (and maintain) the SOP and ensure their full compliance with the Applicable Requirements in the post-launch reviews;
- (e) check and ensure that the conditions of the Medical Consumables are in full compliance with the Acceptance Criteria for Supplier's Delivery on receipt of the delivery by each Supplier as per the PO, and ensure that the accepted Medical Consumables are kept and maintained in the good order and condition in accordance with the manufacturer's specifications pending their delivery to the Hospital;
- (f) 3PL shall manage end-to-end inventory and supply of Medical Consumables, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report to CUHKMC.
- (g) manage the Suppliers' performance and the condition of the Medical Consumables on receipt of the Medical Consumables from the Suppliers and, if necessary, arrange and follow up on the return of those Medical Consumables to the relevant Suppliers;
- (h) manage the inventory level and the topping-up of the Medical Consumables at the Hospital Stores;
- (i) proactively review the Medical Consumables' usage data and advise the CUHKMC timely on the inventory of the Medical Consumables to avoid out-of-stock situation from arising;
- (j) provide training to the CUHKMC's staff for urgent picking and processing at the Materials Store when the 3PL's personnel are not present (i.e. during non-working hours and statutory holidays);
- (k) provide Logistics Services at the Hospital, during working hours from 9 a.m. to 6 p.m. from Mondays to Fridays, and 9 a.m. to 1 p.m. on Saturdays except Hong Kong statutory holidays; and
- (l) provide emergency support (i.e. which shall include labour, equipment, transportation etc.), 24 hours a day, 7 days a week (inclusive of adverse weather conditions but subject to observance of legal requirements) for urgent deliveries for the Medical Consumables requested by the CUHKMC.

5.1.5.4. CUHKMC's Responsibilities

The CUHKMC's responsibilities shall include the following:

- (a) provide a designated point of contact for the MC Project. The contact will work with the appointed 3PL on the development and delivery of the MC Project to ensure that Timeline on Project is met;
- (b) provide the required information (e.g. copy of the PO and advance shipment notice when it is made available by Suppliers) and data necessary for the 3PL to effectively meet the requirements of the MC Project;
- (c) handle the procurement of the Medical Consumables from the Suppliers and notify the 3PL upon any such procurement of the Medical Consumables being placed with the relevant Suppliers; and

- (d) make due payment on satisfactory performance of the Services as set out in the Agreement and this Tender Brief.

5.2 Storage Facilities

5.2.1 3PL's Warehouse and Dedicated Area

The Warehouse and the Dedicated Area shall be provided by the 3PL for the Logistics Services of the Medical Consumables. The Warehouse and the Dedicated Area shall be equipped with all necessary building service installations and with relevant licences obtained. The spacing and layout of the Dedicated Area shall also be properly designed and fitted out by the 3PL, and which shall at all times comply with the Applicable Requirements.

5.2.1.1 Layout

The Dedicated Area shall be designed by the 3PL, with the prior approval of the CUHKMC, satisfying the following requirements:

- (a) a clearly identified, segregated and dedicated storage and handling area for the Medical Consumables of the CUHKMC;
- (b) maximisation in the utilisation and space of the facility to accommodate any fluctuations of product volumes and/or related service requirements; and
- (c) physical separation of the Medical Consumables for their staging, storage, return, rejection, assembly, disposal and impending delivery to the Materials Store, and the Hospital Stores.

5.2.1.2 Building Services

The Warehouse and the Dedicated Area shall be installed and fitted by the 3PL with the necessary building service installations which shall include the following:

- (a) fire detection and extinguishing systems compliant with all regulations and licensing requirements;
- (b) adequate lighting;
- (c) energy supply and backup power to ensure no variation in storage requirements;
- (d) ventilation and air conditioning with 25°C or below, and with 60% relative humidity;
- (e) temperature sensors, humidity sensors and monitors;
- (f) Information and Communication Technology (**ICT**) network;
- (g) security and alarm systems; and
- (h) cleaning and pest control,
- (l) all of which should attain a standard and quality which could ensure that the Applicable Requirements are duly met.

5.2.1.3 Access and Security

The Warehouse and the Dedicated Area shall be equipped with access control and security systems. All locations at which the Medical Consumables are handled and stored shall be monitored by real-time CCTV. CCTV images shall be backed up daily and kept for at least five (5) years, and such records shall be made available to the CUHKMC as soon as practicable

on request. The 3PL shall allow the CUHKMC unlimited access at all times to the Warehouse and the Dedicated Area with prior notice.

Only authorised personnel of the 3PL can access the Dedicated Area in the performance of 3PL's duties under the Agreement and the Tender Brief. Records of all personnel entering and exiting the Dedicated Area shall be kept for at least five (5) years, and such records shall be made available to the CUHKMC as soon as practicable on request.

5.2.1.4 Operations

In relation to the Dedicated Area, the 3PL shall ensure the following:

- (a) all the Medical Consumables shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief, and in particular, the following Sections:
 - (i) *Section 5.3.1: Receipt of Medical Consumables from Suppliers*
 - (ii) *Section 5.3.2: Inventory Management*
 - (iii) *Section 5.3.3: Re-labelling*
 - (iv) *Section 5.3.4: “Pick and Pack” for Delivery and Replenishment*
 - (v) *Section 5.3.5: Transportation between Warehouse and the Hospital*
 - (vi) *Section 5.3.7: Return and Disposal*
- (b) timely maintenance and compliance with all KPI performance;
- (c) maintaining record of all discrepancies / (apparent) deteriorations in quality/ problems in regard to the Medical Consumables within the same working day;
- (d) notifying the CUHKMC immediately of any incidents that may directly/ indirectly affect any of the Medical Consumables or related facilities; and
- (e) ensuring that all Medical Consumables shall be stored within the range of the temperature and humidity control environment as specified under the Applicable Requirements as are more particularly specified in *Section 5.2.4*.
- (f) maintaining complete transactional records and documents including supporting documents, e.g., Proof of Delivery;
- (g) inventory at the LG Material Store will only be used as buffer stock (for urgent need) or as instructed by the CUHKMC; and
- (h) complying always in full with Applicable Requirements.

5.2.2 Materials Store

- (a) The 3PL will take over and manage the following location:

Location	Specification	Clear Ceiling Height	Size
Materials Store at CUHKMC	24 hour essential AC	Approximately 3.5 metres	83.7 sq.m ²

- (b) There are 3 loading / unloading docks in the Hospital. The 3PL shall use the docks within the time slots specified for delivery to the CUHKMC.

5.2.2.1 Layout

The Materials Store have been fully set up, and therefore no significant redesign, fit-out, or re-setup works are required. It will be handed over to the 3PL for its design and installation of storage racks and equipment if necessary for the Logistics Services.

The 3PL shall be responsible for the design and fitting-out of the Materials Store as follows:

- (a) design the Materials Store to maximise the space utilisation to accommodate any fluctuation of product volumes and/or service requirements;
- (b) submit the detailed layout, equipment technical drawings, material finishes, specifications, catalogues, material samples, certification and loading certifications by accredited professionals to the CUHKMC for its approval prior to commencement of the procurement and works in the Materials Store. The 3PL shall have full responsibility for the performance and completion of the works to be in time for the provision of the Logistics Services to the CUHKMC;
- (c) design a Quarantine Area for staging and storage of returned, rejected and/or disposed products pending to a decision for further action;
- (d) design a separate, designated area for the assembly of orders placed by the Hospital Stores;
- (e) equip all the fitting-out works as planned with the installation of the IT system and equipment if applicable;
- (f) propose a detailed project program for the design and fitting-out works for the Materials Store. The program shall set out the expected lead time with target completion date, which shall not substantially deviate from the target completion date by more than 2 weeks;
- (g) comply with the approved project schedule and submit weekly progress update reports to the CUHKMC said that a daily progress update report shall be submitted during the first week of installation works;
- (h) appoint an authorised person to act on behalf of the 3PL in relation to the fitting-out. The appointed person shall attend to all enquiries from the CUHKMC in regard to the works progress within 24 hours upon receiving the enquiry from the CUHKMC;
- (i) allow the CUHKMC to conduct site inspection upon request by the CUHKMC. The 3PL as represented by the appointed person shall also attend to all site inspections, and procure to remedy all defects revealed by such site inspections within the timeline as agreed with the CUHKMC;
- (j) be responsible for the site and security management during the fitting-out works and upon completion;
- (k) remove and clean all rubbish and debris during the fitting-out works and upon completion;
- (l) provide as-built layout, relevant certificates, maintenance manual, warranty to the CUHKMC upon completion of the works; and

- (m) (to the extent it has not already done so) ensure that the ownership of all equipment and installation (e.g. shelving) at the Materials Store are fully and properly transferred to the CUHKMC upon completion of the works.

5.2.2.2 Building Services

- (a) The Materials Store shall be fully fitted by the CUHKMC with the necessary building services installations which shall include the following:
- (b) fire detection and extinguishing systems compliant with all regulations and licensing requirements;
- (c) adequate lighting;
- (d) energy supply and backup power to ensure no variation in storage requirements;
- (e) ventilation and air conditioning with 25°C or below, and with 60% relative humidity;
- (f) Information and Communication Technology (ICT) network;
- (g) security and alarm systems; and
- (h) cleaning and pest control,
- (i) all of which should attain a standard and quality which could ensure that the Applicable Requirements are duly met.

5.2.2.3 Access and Security

The Materials Store shall be fitted with access control provided by the CUHKMC.

For CCTV, the CUHKMC is responsible for installation of CCTV within the Materials Store. The 3PL shall propose the CCTV locations plan to the CUHKMC. The CUHKMC will grant the right to the 3PL to have real-time CCTV monitoring within the Materials Store.

5.2.2.4 Operations

In relation to the Materials Store, the 3PL shall ensure the following:

- (a) all the Medical Consumables shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief and, in particular, the following Sections:
 - (i) *Section 5.3.2: Inventory Management*
 - (ii) *Section 5.3.4: “Pick and Pack” for Delivery and Replenishment*
 - (iii) *Section 5.3.5: Transportation between Warehouse and the Hospital*
 - (iv) *Section 5.3.6: Transportation within Hospital*
 - (v) *Section 5.3.7: Return and Disposal*
- (b) timely maintenance and compliance with all KPI performance;
- (c) maintaining record of all discrepancies/(apparent) deterioration in quality/ problems in regard to the Medical Consumables within the same working day;
- (d) notifying the CUHKMC immediately of any incidents that may directly/ indirectly affect the Medical Consumables or related facilities;
- (e) ensuring that all Medical Consumables shall be stored within the range of the temperature and humidity control environment as specified under the Applicable Requirements as are more particularly specified in *Section 5.2*; and

- (f) Hospital inventory at the Materials Store will only be used as buffer stock (for urgent need) or as instructed by the CUHKMC.

5.2.3 Hospital Stores (Service Centres, Ward Stores, Clinical Centres and Departments), and the CUHK Medical Clinics

As part of the Logistics Services provided by the 3PL, the Medical Consumables shall be arranged at the Dedicated Area and packed in individual lots according to the respective delivery locations before delivery to the relevant Hospital Stores. The delivery locations include CUHKMC and/or other locations where CUHKMC's affiliated companies operate, which may be subject to change from time to time. [Please refer to the *Appendix P* for the Delivery Destination Matrix]

The 3PL shall ensure that an inventory rotation system is adopted when making deliveries of the Medical Consumables from the Materials Store for the topping-up of supplies to Service Centres, Ward Stores, Clinical Centres and Departments to avoid wastage caused by expiry of the Medical Consumables. The Medical Consumables drawn from the Materials Store and delivered to the Hospital Stores shall be replenished with a corresponding amount of the same type of the Medical Consumables drawn from the Dedicated Area simultaneously.

The 3PL shall be responsible for the Medical Consumables shelving and associated equipment design and fitting-out in the Service Centres, Ward Stores, Departments and Clinical Centres, for the Medical Consumables (including the storage equipment and shelving for Bulky fluids).

The 3PL is required to prepare QR codes and booklets that trigger Transfer Orders for replenishment from the 3PL warehouse to Hospital Stores, and the CUHK Medical Clinics and prepare all necessary materials (e.g., shelves, trays) required for new ward or clinic openings.

5.2.3.1 Layout

The existing Hospital Stores have been fully set up, and therefore no significant redesign, fit-out, or re-setup works are required, except for the newly opened Hospital Stores or the CUHK Medical Clinics.

The 3PL shall be responsible for the design and fitting-out of the Hospital Stores when required for new openings.

The 3PL shall provide and comply with the following:

- (a) design the Hospital Stores to maximise the space utilisation to accommodate any fluctuation of product volumes and/or service requirements;
- (b) submit the detailed layout, equipment technical drawings, material finishes, specifications, catalogues, material samples, certification and loading certifications by accredited professionals to the CUHKMC for its approval prior to commencement of the procurement and works in the Materials Store. The 3PL shall have full responsibility for the performance and completion of the works to be in time for the provision of the Logistics Services to the CUHKMC;
- (c) equip all the fitting-out works as planned with the installation of software and equipment if applicable;
- (d) propose a detailed project program for the design and fitting-out works for the Hospital Stores. The program shall set out the expected lead time with target completion date,

which shall not substantially deviate from the target completion date by more than 2 weeks;

- (e) comply with the approved project schedule and submit weekly progress update reports to the CUHKMC said that a daily progress update report shall be submitted during the first week of installation works;
- (f) appoint an authorized person to act on behalf of the 3PL in relation to the fitting out. The appointed person shall attend to all enquiries from the CUHKMC in regard to the works progress within 24 hours upon receiving the enquiry from the CUHKMC;
- (g) allow the CUHKMC to conduct site inspection upon request by the CUHKMC. The 3PL as represented by the appointed person shall also attend to all site inspections, and procure to remedy all defects revealed by such site inspections within the timeline as agreed with the CUHKMC;
- (h) be responsible for the site and security management during the fitting-out works and upon completion of the works;
- (i) remove and clean all rubbish and debris during the fitting-out works and upon completion;
- (j) provide as-built layout, relevant certificates, maintenance manual, warranty to the CUHKMC upon completion of the works; and
- (k) (to the extent is it has not already done so) ensure that the ownership of all equipment and installation (e.g. shelving) at the Hospital Stores, and the CUHK Medical Clinics are fully and properly transferred to the CUHKMC upon completion of the works.

5.2.3.2 Operations (Topping-up Services)

In relation to the Hospital Stores, the 3PL shall ensure the following:

- (a) all the Medical Consumables shall be managed and operated by the 3PL in the manner in accordance with the terms of the Agreement and this Tender Brief and, in particular, the following Sections:
 - (i) *Section 5.3.2: Inventory Management*
 - (ii) *Section 5.3.4: Pick & Pack for Delivery and Replenishment*
 - (iii) *Section 5.3.5: Transportation between Warehouse and the Hospital*
 - (iv) *Section 5.3.6: Transportation within Hospital*
 - (v) *Section 5.3.7: Return and Disposal*
- (b) take primary responsibility for maintaining the Medical Consumables stock level at the Hospital Stores. The 3PL shall also design an efficient topping-up procedure at each of the Hospital Stores (e.g. 2 Bin System) with the application of IoT devices which could automatically capture the stock level and facilitate replenishment of the consumed Medical Consumables;
- (c) timely maintenance and compliance with all KPI performance;
- (d) maintaining record of all discrepancies/(apparent) deteriorations in quality/ problems in regard to the Medical Consumables within the same working day;
- (e) notifying the CUHKMC immediately of any incidents that may directly/ indirectly affect any of the Medical Consumables or related facilities;

- (f) complying with all Applicable Requirements; and
- (g) pack all Medical Consumables in individual lots which are required for delivery to the Hospital Stores. The individual packed Medical Consumables shall first be delivered to the Materials Store pending its distribution in accordance with the agreed schedules to the relevant Hospital Stores by the 3PL's designated personnel at the Materials Store.

5.2.4 Temperature and Humidity Control

To ensure the quality of the Medical Consumables is properly maintained, the 3PL shall ensure that the temperature and humidity requirements applicable to the Medical Consumables are fully complied with at all times:

- (a) ensure that all Medical Consumables are stored at appropriate conditions, temperature with 25°C or below, and not more than 60% relative humidity levels according to the Applicable Requirements;
- (b) ensure that temperature-controlled areas are installed/equipped with calibrated recorders and devices with alert/warnings systems when out-of-range temperature situation occurs;
- (c) provide calibration certificate of the data logger(s) used if required;
- (d) provide temperature and humidity uniformity assessment results and mapping results if required;
- (e) investigate and inform the CUHKMC for any deviations and take corrective actions immediately;
- (f) prepare contingency plan(s) and ensure that the plan(s) must be in place for management of situations when the temperature and / or humidity levels are not within the specified range;
- (g) keep and provide all data and records in respect of temperature and humidity monitoring for the review by the CUHKMC upon request; and
- (h) provide backup power in case of power failure.

5.3 Logistics Services

5.3.1 Receipt of Medical Consumables from Suppliers [Applicable to Dedicated Area only]

The 3PL shall be responsible for accepting the Medical Consumables delivered by the Suppliers to the Warehouse pursuant to the PO. The 3PL shall undertake and comply with the following:

- (a) The 3PL shall monitor all supplier deliveries and promptly report any missing items to CUHKMC, while also providing a Daily Planned vs Actual Goods Receipt report for CUHKMC's review. In addition, the 3PL shall conduct timely and accurate inventory reconciliation between CUHKMC's ERP system and the vendor's ERP system to ensure full alignment of stock quantities. Any discrepancies identified must be investigated, with root causes determined and appropriate corrective actions and solutions proposed to CUHKMC.

- (b) monitor and follow up on information received from the CUHKMC which is interfaced with the 3PL's WMS for action and validation (e.g., expected arrival date, item code, quantity ordered, etc.);
- (c) communicate and follow up on outstanding PO with the Suppliers;
- (d) ensure that there are sufficient resources to receive the deliveries of the Medical Consumables ordered under the PO and timely update the WMS as soon as possible;
- (e) upon delivery, the 3PL shall receive, sample, check and inspect the Medical Consumables delivered, and further manage the stock level and status of the Medical Consumables, and arrange for their orderly storage at the Dedicated Area;
- (f) verify that the Acceptance Criteria for Supplier's Delivery (as elaborated below) for checking and verification of each product delivered prior to acceptance are being complied with;
- (g) for any product which does not meet the Acceptance Criteria for Supplier's Delivery, the 3PL shall notify the CUHKMC immediately followed by report in writing within 24 hours of receiving the relevant products. All deviated Medical Consumables shall be segregated, by holding them at Quarantine Area until further instructions from the CUHKMC;
- (h) notify the CUHKMC immediately all incidents (e.g. damage, leaking, improper stacking or any quality issues) followed by report in writing within predefined time frame of the happening of each such incident. All deviated Medical Consumables shall be segregated by holding them at Quarantine Area until further instructions from the CUHKMC;
- (i) sub-divide the Medical Consumables according to their batch numbers if there are more than one batch; and
- (j) provide updates on product information to the CUHKMC, including product dimensions, changes in packaging, etc.

5.3.1.1 Acceptance Criteria for Supplier's Delivery

- (a) The following shall be ensured prior to the acceptance of delivery:
- (b) verify that the Medical Consumables delivered by the Suppliers conform to the relevant PO;
- (c) verify that the quantity and the UoM of the Medical Consumables ordered correspond to those as stated in the relevant PO;
- (d) verify that the products are in good condition (e.g., no damage or breakage);
- (e) ensure that the Medical Consumables shall have a shelf-life of a minimum of 18 months from the date of receipt by the 3PL (if applicable); and
- (f) confirm that instructions as regards special handling of the Medical Consumables has been followed.

5.3.2 Inventory Management as regards Stock Levels of Medical Consumables [Applicable to Dedicated Area, Materials Store, and Hospital Stores]

5.3.2.1 The 3PL undertakes that it will use its expertise and best efforts to:

discuss, advise and agree with the CUHKMC on the optimum, maximum and minimum stock level, from time to time, for each type of the Medical Consumables to be kept at the Dedicated Area, the Materials Store, the Hospital Stores, by taking into account the historical usage pattern of the Medical Consumables at each of such locations.

5.3.2.2 Assurance on Sufficiency of Stock Levels of the Medical Consumables.
The 3PL shall:

- (a) manage end-to-end inventory and supply of Medical Consumables, including maintaining proper stock levels, advising CUHKMC on purchasing based on lead time, coordinating and monitoring supplier deliveries to the 3PL warehouse, and promptly reporting any discrepancies. The 3PL shall also reconcile inventory between CUHKMC's and the vendor's ERP systems, identify and resolve variances, and provide a Daily Planned vs Actual Goods Receipt report and Warehouse Space Occupancy report to CUHKMC.
- (b) recognise that the CUHKMC has placed full reliance on the 3PL to manage the inventory level of the Medical Consumables, and undertakes that it shall at all times ensure that the optimum, maximum and minimum stock levels of the Medical Consumables at the Materials Store, and the relevant Hospital Stores remain within the maximum and minimum range as agreed with and specified by the CUHKMC to avoid jeopardising the operations of the Hospital and clinics; and
- (c) be responsible for maintaining an accurate inventory record for each type of the Medical Consumables at the Dedicated Area and the Materials Store, including the correct quantity, batch number, expiry date and etc., and such information shall be made available to the CUHKMC at all times.

5.3.2.3 Assurance for Good and Proper Inventory Management of Medical Consumables

Under the Agreement and this Tender Brief, it is the responsibility of the 3PL to ensure that through the Logistics Services provided by the 3PL, the Medical Consumables are kept in good order and conditions at all times. In the event that:

- (a) the quality of the Medical Consumables is found to have deviated from the manufacturers' acceptable specifications for the use of such products; and/or
- (b) the quantity of the Medical Consumables taken at the physical stock count differs from those recorded in the IT System of the CUHKMC/3PL,

the 3PL shall promptly investigate into the cause of the above-mentioned affected products, and provide the CUHKMC with a report on the outcome of its investigation. The 3PL shall liaise and secure from the relevant Supplier(s) for the exchange or return of the affected products or the replacement of such shortfall in the quantity of such products if it deems that the Medical Consumables were already affected or there was already a shortfall in the quantity at the time of delivery by the relevant Suppliers; failing which the 3PL shall be liable to the CUHKMC for the replacement of the Medical Consumables or its replacement value unless the 3PL is required to prove that the affected products and/or shortfall in the Medical Consumables was not caused by its negligence or default.

5.3.2.4 Medical Consumables

The 3PL shall undertake and ensure compliance with the following:

- (a) store and manage the inventory of all the Medical Consumables at the Dedicated Area;
- (b) store and manage the inventory of the Medical Consumables at the Materials Store and arrange for their replenishment from the Dedicated Area with a corresponding amount of the same type of the Medical Consumables drawn from the Materials Store for topping-up at the Hospital Stores;
- (c) monitor and manage the safety stock levels of the Medical Consumables, and arrange for their topping-up at Hospital Stores, in accordance with the procedures agreed with the CUHKMC to ensure that the continued supply of the Medical Consumables at each such Hospital Stores will not be interrupted;
- (d) interface with the CUHKMC's IT system for the purpose of enabling the CUHKMC to keep track of the stock levels of the Medical Consumables. [*Section 5.4.3* for the IT system interfacing refers];
- (e) always adopt the **“first-expired, first-out”** rule, then followed by the **“first-in, first-out”** rule during the **“pick and pack”** phase when selecting the Medical Consumables at (i) the Dedicated Area for their delivery to the Materials Store, and the Hospital Stores, and (ii) the Materials Store for their delivery to the Hospital Stores. The 3PL shall first seek written approval from the CUHKMC if there is any deviation from application of the above rules;
- (f) conduct regular expiry date checks for Medicals Consumables that stored at pharmacy stores, hospital stores, and material stores. Extract and segregate expired inventory, and place a tag for those expiry date within one (1) month items to support FEFO practices.
- (g) proactively work with the CUHKMC to maintain at least one (1) month stock level at the Dedicated Area and a 4-day stock level at the Materials Store for each type of the Medical Consumables at all times (or such other periods as may be agreed with the CUHKMC from time to time); and
- (h) conduct cycle counts at pharmacy stores, hospital stores, and material stores, ensuring that each location is fully covered at least once per year. Any discrepancies identified during cycle counts shall be documented and reported.

5.3.3 Re-labelling [Applicable to Dedicated Area only]

The Medical Consumables received by the 3PL at the Dedicated Area may require re-labelling. The 3PL shall perform the re-labelling activities as follows:

- (a) conduct the re-labelling at the Warehouse;
- (b) follow re-labelling requirements as instructed by the CUHKMC;
- (c) only trained and authorised person(s) shall handle the re-labelling process; and
- (d) source and supply packaging materials for the re-labelling process.

5.3.4 “Pick and Pack” for Delivery and Replenishment [Applicable to Dedicated Area and Materials Store]

Once orders are created for delivery and replenishment to the Hospital, the 3PL shall pick the Medical Consumables from the Dedicated Area and the Materials Store based on the **“first-expire, first-out”** rule, then followed by the **“first-in, first-out”** rule. The 3PL shall pack the

Medical Consumables in individual lots in accordance with their respective destinations and shall ensure that they are securely protected during the transportation.

The 3PL shall ensure that the following precautionary measures are taken prior to and during transportation of the Medical Consumables:

- (a) provide the Medical Consumables with clear identification;
- (b) avoid the Medical Consumables from being contaminated by other products or materials;
- (c) ensure that adequate precautions are being taken against spillage and/or breakage;
- (d) timely update the inventory data promptly within 9 hours following each delivery from the Dedicated Area and/or the Materials Store;
- (e) pack temperature-controlled Medical Consumables in suitable packaging to ensure that the products' requisite temperature conditions are maintained throughout the transportation; and
- (f) ensure that the Medical Consumables is not exposed to temperature excursions during the delivery process.

5.3.5 Transportation between Warehouse and the Hospital [Applicable to Dedicated Area, and Materials Store]

Movement of the Medical Consumables that are being relocated by the 3PL between the Warehouse, and the Hospital, shall comply with the following requirements:

- (a) Medical Consumables shall be transported by a dedicated vehicle with the following delivery arrangements:
 - (i) Regular delivery – Based on operational needs, truck trip between 8:30am – 5:30pm (Monday to Friday), except public holidays and adverse weather conditions;
 - (ii) Urgent delivery – delivery within 2 hours from request being made outside regular delivery schedule
 - (iii) The order cut-off time and delivery time schedule may be subject to change based on actual operational needs [Please refer to *Appendix Q* for the Delivery Arrangement – Medical Consumables];
- (b) Medical Consumables shall be transported in a manner which would guarantee and ensure that:
 - (i) the safety, security (e.g., security seal tape), identity, strength and quality of the Medical Consumables are not affected nor compromised;
 - (ii) the Medical Consumables are not contaminated by other products or materials during the transportation;
 - (iii) adequate precautions are taken against spillage and/or breakage; and
 - (iv) the Medical Consumables and their packaging are not exposed to heat, cold, light, moisture or other adverse influences nor being attacked by micro-organisms or pests;

- (c) all Medical Consumables shall be transported under the temperature conditions which are in accordance with the manufactures' specification, and by appropriate vehicles to ensure that the products' requisite temperature conditions are maintained throughout the transportation;
- (d) the 3PL shall arrange advanced delivery schedules with the CUHKMC to minimise traffic congestion at the Hospital's loading/unloading docks; and
- (e) delivery of the Medical Consumables to the Hospital, shall be accompanied by a delivery note which shall include the following:
 - (i) recipient's name / department to receive the product;
 - (ii) name of the product;
 - (iii) quantity of the product;
 - (iv) special storage and handling instructions for the product; and
 - (v) batch number and expiry date of the product.

5.3.6 Transportation within Hospital [Applicable to Materials Store, Hospital Stores]

The 3PL shall comply with the requirements stipulated by the CUHKMC for movement of the Medical Consumables within the Hospital. These requirements shall include the following:

- (a) each delivery of the Medical Consumables from the Warehouse to the Hospital must first be received by the 3PL's personnel at the Materials Store, prior to its delivery to the relevant Hospital Stores;
- (b) all 3PL's personnel shall wear proper uniform and maintain proper behaviour when performing their duties within the Hospital;
- (c) the 3PL shall ensure that markings are not made to the Hospital floors or walls during delivery of the Medical Consumables within the Hospital;
- (d) all equipment used for carrying the Medical Consumables for delivery within the Hospital shall not generate any excessive noise;
- (e) unless otherwise permitted by the CUHKMC, the 3PL can only use the designated cargo lift for delivery; and
- (f) service routes to be accessed by the 3PL will be advised and notified to the 3PL by the CUHKMC.

5.3.7 Return and Disposal [Applicable to Dedicated Area, Materials Store, and Hospital Stores]

On receiving instructions from the CUHKMC, the 3PL shall be responsible for:

- (a) processing the Medical Consumables identified to be returned to and/or exchanged with the relevant Suppliers. The 3PL shall provide information regarding the handling of the Medical Consumables during the logistics cycle of such Medical Consumables, to assist the return of such products to the Suppliers or, where applicable, to facilitate the risk assessment of such products rejected by the CUHKMC; and
- (b) the disposal of those Medical Consumables identified by the CUHKMC. The 3PL shall provide documentary proof to evidence the disposal.

5.3.7.1 Medical Consumables Rejected on delivery to the Materials Store, and Hospital Stores

For the Medical Consumables that are rejected on delivery to the Hospital Stores, the following requirements and procedures shall be complied with:

- (a) the CUHKMC may reject Medical Consumables (partially or totally) if on receipt the products are found to have deviated from the Acceptance Criteria for Supplier's Delivery;
- (b) the 3PL shall return the rejected Medical Consumables to the Quarantine Area;
- (c) the 3PL shall ensure that all rejected Medical Consumables are segregated by holding them at the Quarantine Area either for their returns to the relevant Suppliers, or their disposals based on the rejected reasons or instructions from the CUHKMC; and
- (d) the 3PL shall provide to the CUHKMC detailed report(s) with photos and records of the rejected Medical Consumables.

5.3.7.2 Medical Consumables Returned from Hospital Stores

For Medical Consumables that are returned from the Hospital Stores, the following requirements and procedures shall be complied with:

- (a) the 3PL shall collect the Medical Consumables returned by the CUHKMC within 48 hours after receiving the return notification from the Hospital;
- (b) the 3PL shall ensure that all returned Medical Consumables are segregated by holding them at the Quarantine Area either for their return to the relevant Suppliers or their disposal of such Medical Consumables based on the returned reasons or instructions from the CUHKMC; and
- (c) the 3PL shall provide to the CUHKMC detailed report(s) with photos and records of returned Medical Consumables.

5.3.7.3 Product Disposal

The 3PL shall be responsible for the disposal of the returned (including rejected) Medical Consumables as follows:

- (a) on confirmation and approval by the CUHKMC, all Medical Consumables pending disposal shall be temporarily stored and clearly labelled as for disposal at the Quarantine Area;
- (b) the 3PL shall submit a detailed disposal report to the CUHKMC monthly; and
- (c) the 3PL shall develop a disposal procedure approved by the CUHKMC.

5.4 IT and Equipment

The importance and success to an efficient, safe, accurate, and cost-effective operations, shall be heavily driven by the equipment and information systems that support the overall logistics for the Medical Consumables.

The 3PL shall ensure that there is a “**track and trace**” system with real-time monitoring capability to manage the Medical Consumables and their operations throughout the logistics cycle for the CUHKMC.

The CUHKMC will consider the adoption of either the 3PL's WMS or the CUHKMC's ERP for managing the transactions of the Medical Consumables at the Materials Store. The CUHKMC will confirm the selection of the system application after reviewing the detailed workflows with the 3PL upon the award of tender.

5.4.1 Warehouse Management System (WMS)

The 3PL is required to propose and apply its WMS to manage the Logistics Services for the CUHKMC, and the CUHK Medical Clinics. The 3PL's WMS shall include the following functions:

- (a) manage and organise the inventory by adopting the **“first-expired, first-out”** rule, then followed by the **“first-in, first-out”** rule;
- (b) monitor the expiry date of the Medical Consumables, report and block the transactions of those items where the respective effective dates have already expired;
- (c) provide real-time stock level monitoring;
- (d) **“track and trace”** the product transactions by reference to their item code, quantity, delivery destination / past bin location etc.;
- (e) manage return, exchange and disposal of products;
- (f) provide stocktake functions;
- (g) provide cycle count functions;
- (h) provide inventory information/data to interface with the CUHKMC's ERP or other relevant system;
- (i) integrate all logistics workflows and processes into a closed-loop system to facilitate the efficiency and communication of the logistics management for the Dedicated Area, the Materials Store, the Hospital Stores, and the CUHK Medical Clinics;
- (j) provide all data by backing up in real time;
- (k) store back-up data in a separate and secure location; and
- (l) restrict the access right of all data to “can-be-accessible” personnel only who are authorised by the CUHKMC. Apart from the above authorised personnel, all data should be kept strictly confidential, and shall not be disclosed to any third party unless otherwise authorised by the CUHKMC in writing.

5.4.2 Oracle Fusion Enterprise Resource Planning System (ERP)

The CUHKMC will use Enterprise Resource Planning System for the management and placing of purchase orders for the Medical Consumables. The 3PL shall provide strong support to the CUHKMC for the systems development and the set-up of the ERP. The 3PL shall provide and ensure a smooth and seamless data interface between the ERP with the WMS, the implementation of which should be carried out without interruption to the CUHKMC's daily operations.

The ERP is a cloud-based system for Financial Management and Supply Chain Management. The system provides functionalities for procurement support, including purchase requests, purchase orders, goods receipts etc. The procurement-related information will be communicated to different Suppliers, and the 3PL using mostly Electronic Data Interchange

(EDI) messages potentially through an external communication gateway provider. The ERP also provides inventory management functions for the inventory control of the Medical Consumables.

5.4.3 System Interface between WMS and ERP

In relation to the system interface between WMS and ERP, the 3PL's WMS shall support all security, networking and telecommunication standards as governed by the CUHKMC ICT Architecture Frameworks.

The WMS shall integrate with the ERP provided by the CUHKMC. The 3PL shall work together with the CUHKMC's appointed contractors for the integration in accordance with the CUHKMC's requirements.

- (a) For the integration with the ERP, all the requirements specified in the CUHKMC ERP Integration Specifications must be complied with.
- (b) For integration with other related CUHKMC System, the requirements provided by the CUHKMC must be complied with.
- (c) [Please refer to *Appendix R* for the ERP Integration Specifications]

5.4.3.1 Information for System Interface between WMS and ERP

- (a) The 3PL's system shall interface with the CUHKMC's System in the manner according to the table below. The following information provided by either the 3PL or the CUHKMC shall be interfaced on-line with data of the other party in batches of agreed time intervals. The types of information required for interfacing include:

ERP (by the CUHKMC)		<u>Master Information</u>		WMS (by the 3PL)
		Product Master	→→	
		Product Updates	→→	
		Supplier Master	→→	
		Location Master	→→	
		<u>Movements Information</u>		
		<u>A. Goods delivered by Suppliers to 3PL</u>		
		Purchase Order	→→	
		Purchase Order Change	→→	
	←←	Inbound Reception Confirmation		
		<u>B. Goods delivered by 3PL to CUHKMC for replenishment</u>		
		Stock Transfer Order	→→	
	←←	Delivery Notification / Advanced Shipment Notice		
	←←	Proof of Delivery / Receiving Advice		
		<u>C. Other goods movements</u>		

		<u>between CUHKMC and 3PL</u>		
		Stock Transfer Order (Goods Return / Exchange)	→→	
	←←	Goods Return Notice		
	←←	Goods Exchange Notice		
		Stock Adjustments	→→	

Interfaced Information	Details
Product Master	Product creation and updates (e.g., product code, product base UoM, requirement, etc.)
Product Updates	Updates on product details (e.g., product code, dimension, product storage UoM, etc.)
Supplier Master	Supplier creation and updates
Location Master	Stock location (e.g., storage site, storage location including Hospital details)
Purchase Order	Details of the CUHKMC's Purchase Order(s) (e.g., PO number, order date, arrival date, product code, batch, expiry date, quantity, etc.)
Purchase Order Change	Details of the change of CUHKMC's Purchase Order(s) (e.g., quantity, product code etc.)
Inbound Reception Confirmation	Confirmation of order reception (e.g., PO number, date of receipt, product code, quantity, product status, etc.), i.e. goods received at Dedicated Area
Delivery Notification / Advanced Shipment Notice	Delivery notification / Advance shipment notice (e.g., delivery order, delivery address, delivery date, product code, batch, expiry date, quantity, product status, etc.)
Proof of Delivery / Receiving Advice	“Track and trace” of delivery; visibility of deliveries
Stock Transfer Order	Notification of stock transfer (e.g., storage site from and to, storage location from and to, transfer date, product code, batch, expiry date, quantity, product status, etc.), so to facilitate goods movement between 3PL and CUHKMC, and goods exchange and return with Suppliers
Goods Return Notice	Details of goods return (e.g., receipt number, product code, quantity, batch etc.)
Goods Exchange Notice	Detail of goods exchanged (e.g. product needs to be exchanged with suppliers at Dedicated Area)

Stock Adjustments	Notification of stock adjustments (e.g., storage site, storage location, adjusted date, product code, batch, expiry date, quantity, product status, remark, etc.)
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Note: Important for the movement of each transaction of the Medical Consumables to be classified in accordance with the above categories.

5.4.4 IT Network

The CUHKMC will provide and ensure connectivity, integration and the network capability within the Hospital; and the 3PL shall provide and ensure connectivity, integration and the network capability within the Warehouse and the Dedicated Area.

The 3PL shall provide the network connection with external communication gateway provider.

5.4.5 IT Solutions

The CUHKMC aims to optimise the performance of the Logistics Services with the application of the IT solutions. The IT solutions are targeted at achieving time and cost efficiency, improving communications, implementing good data/record management “**track and trace**” monitoring by adopting the best industry practises in regard to technology and devices including the use of:

- (a) identification and tracking system (e.g., barcode, RFID etc.) for real-time status tracking of the inventory and the movement of the items transferring within the system; and
- (b) data analysis, forecast, report printing, etc. to fulfil commercial and statutory requirements.

5.4.6 IT Integrity and Security

The integrity and security of the CUHKMC’s IT system are of paramount importance to the CUHKMC.

5.4.6.1 Precautionary and Proactive Measures

In light of the interfacing of the IT systems between the 3PL and the CUHKMC, the 3PL shall adopt all precautionary and proactive measures to ensure that the CUHKMC’s IT system will not be compromised, weakened, corrupted or become vulnerable to unauthorised access due to the interfacing with the 3PL’s IT system. Such precautionary and proactive measures which the 3PL shall adopt should include the following:

- (a) internal network addresses, configurations, and related system or network information shall not be publicly released;
- (b) all internal networks with connections to other networks or publicly accessible computer networks shall be protected with access control and encryption (i.e., encryption level Advanced Encryption Standard 256 bit, firewall);
- (c) the systems shall be security hardened according to industry best practices (CIS benchmarking);
- (d) the systems shall be installed with anti-virus or endpoint security protection software which are kept updated with the latest signatures;

- (e) sensitive data shall be encrypted with restricted access control;
- (f) security measures shall be in place to prevent unauthorised access to the systems and data, including access to the interfaced network or folder, e.g., SFTP folder;
- (g) access control mechanism shall be in place to identify and monitor authorised individual's access activities; and
- (h) connections and links made to other networks shall not compromise the security information processed at the other networks, and vice versa.

5.4.6.2 Audit Trails

If requested by the CUHKMC, the 3PL shall provide the CUHKMC with audit trails of the WMS which shall be substantiated by, and comply with the requirements including the following:

- (a) policies shall be defined relating to the logging of system activities, such as successful and unsuccessful log-in attempts, activities of privileged user accounts, changes to user access rights, password changes, and modifications to software;
- (b) all activities and actions shall be fully logged and detailed audit trails shall be created. No authorisation on the deletion of audit trails shall be granted whatsoever;
- (c) any log(s) kept by the systems shall provide sufficient information to support comprehensive audits on the effectiveness and compliance of the security measures; and
- (d) all activities and events logs shall be retained for a period commensurate with their usefulness as an audit tool. During this period, such logs shall be secured so that they cannot be modified and can only be read by authorised persons.

5.4.6.3 Audits on 3PL's IT Security

The 3PL shall conduct at least annually, and on request by the CUHKMC audits on its IT security. The scope of which shall cover and include the following:

- (a) check for conformance to the IT security policy, standards, guidelines and procedures as provided by the CUHKMC. [Please refer to *Appendix S* for the CUHKMC's IT Security Requirements];
- (b) identify and understand its IT system's vulnerabilities; and
- (c) review and evaluate the effectiveness of security controls on operational, administrative and managerial issues, and ensure compliance with the security standards.

Following the completion of an audit on its IT security, the 3PL shall report, document the evaluation results, and adopt corrective actions for improvement, and the 3PL shall accordingly notify with the CUHKMC of the outcome of each audit and the improvements made.

In addition, the 3PL shall allow and facilitate security assessment and audit to be performed by the CUHKMC's service partners.

5.4.6.4 Disaster Recovery and Contingency

The 3PL is required to provide system resilience and disaster recovery to ensure that the specified service levels can be maintained in case of a localised failure of system components, and to ensure basic survival of vital business processes in a disaster situation.

5.4.7 Logistics Operating Equipment

The 3PL shall supply and install all equipment necessary for the performance of the Logistics Services, and ensure that all equipment used shall comply with the following:

- (a) specifications of all equipment for performing the Logistics Services shall be provided to the CUHKMC;
- (b) recording and controlling equipment must be calibrated and checked at defined intervals by appropriate methods in accordance with the manufacturer's instructions, if applicable;
- (c) there should be a planned preventative maintenance programme for such equipment in place;
- (d) contingency plans shall be established on the systems' failure of such equipment, with procedures to capture the information on resumption of the systems;
- (e) any failures and remedial action taken in respect of the equipment must be recorded by the 3PL;
- (f) procedure to record and analyse errors in respect of the equipment that will enable corrective action to be taken should be in place; and
- (g) the 3PL must ensure all equipment are calibrated by an external certified party and shall maintain the calibration certification throughout the provision of its Logistics Services to the CUHKMC.

6 Acceptance Criteria

The Acceptance Criteria (as defined in the Agreement) for the Set-Up Services by the 3PL during the Set-Up Phase shall include the following:

- (a) Fitting out at the Dedicated area
 - (i) Number of shelving and equipment installed as set out agreed by both CUHKMC and 3PL; and
 - (ii) Confirmation document listing the specification and quantity of the equipment installed and renovation work performed and issued from vendors / Actual counting onsite.
- (b) Set up of Warehouse Management System(WMS)

Interface covered	Details
Facilitate the goods receipt / return with CUHKMC Suppliers in Dedicated Area	1. Create Purchase order for goods receipt in WMS 2. Handle Purchase order change 3. Create inbound delivery based on CUHKMC ASN from supplier / 3PL's Purchase order 4. Send goods receipt message to update CUHKMC Oracle

Manage inventory movement between CUHKMC Hospital, the CUHK Medical Clinics and Dedicated Area	1. For replenishment to Hospital, and the CUHK Medical Clinics 2. For return goods to offsite warehouse under different condition (normal, quarantine, damage, return and exchange) 3. Trigger interface file to update CUHKMC Oracle when the transaction is done
Other messages	1. List of message 2. Location master 3. Material master 4. Vendor master

- (i) System integration test will be done by CUHKMC IT and 3PL's IT;
- (ii) User acceptance test will be done by CUHKMC User and 3PL's key user;
- (iii) Upon the user acceptance test is completed and all the required functions has been tested okay; Dry run will be conducted with all key stakeholders to simulate the operation; and

(c) Transportation Methodology – for the dedicated truck and the back-up truck

	Details	Acceptance Criteria
1	The temperature condition of the dedicated vehicle and back up vehicle during transportation is within 15 - 25°C	Validation report of the dedicated truck and the back-up truck
2	The temperature condition of the cold boxed during transportation is within 2 - 8°C	• Validation report of cold boxes • Temperature logger will be attached during each outbound shipment; there will be sign showing if there is temperature excursion
3	The dedicated truck and backup truck are clean	Previous three-month cleaning record

(d) Licensing requirement

Availability of WDL license for dedicated area for CUHKMC in 3PL's premise. Details refer to Part VII Schedules of Submissions, Schedule 8 Compliance to General Requirements (Pre-qualification).

The satisfaction and compliance of the Acceptance Criteria by the 3PL shall be determined in accordance with the Acceptance Test Plan agreed between the CUHKMC and the 3PL.

7 Key Performance Indicators and Service Levels

The Key Performance Indicator(s) (**KPI**) and Service Levels have been developed to appraise the 3PL's performance on areas of efficiency and responsiveness, accuracy and reliability and overall management of the Pharmaceuticals. Measurements of the KPI and Service Levels shall base primarily on the Logistics Services and the WMS provided by the 3PL as against the conformity to the agreed standards set out in the SOP prepared by the 3PL, and agreed and accepted by the CUHKMC.

The CUHKMC and the 3PL shall hold review meetings at agreed intervals to assess the performance of the 3PL.

The 3PL is required to meet the performance parameters of each KPI and Service Levels throughout the contractual period of the Agreement. The 3PL shall provide the necessary information and compile documentary and other reports for each KPI, Service Level performed and Incident during the previous calendar month. The report shall be submitted to the CUHKMC no later than the 15th day of the calendar month in respect of work performed during the previous month.

[Please refer to *Appendix I* for the KPI, and *Appendix J* for the Service Levels (Pharmaceuticals) for the purposes of monitoring the services performance of the 3PL and *Appendix T* for the KPI, and *Appendix U* for the Service Levels (Medical Consumables) for the purposes of monitoring the services performance of the 3PL.

If the 3PL fails to meet the performance parameters of a KPI/Service Levels, Service Credits will apply, and will accrue each time the 3PL fails to meet a KPI/Service Levels. The service credits will then be deducted from the agreed fees payable by the CUHKMC to the 3PL. The mechanism for the levy of service credits is set out at *Appendix I* and *Appendix J (for Pharmaceuticals)* and *Appendix T* and *Appendix U (for Medical Consumables)*.

8 Reporting by 3PL

The 3PL shall produce the reports associated with the Logistics Services. The types of report to be prepared and submitted to the CUHKMC shall include:

- (a) daily stock reconciliation report (shown inventory quantity between 2 ERPs and if any variance);
- (b) daily safety stock report (shown monthly consumption, stock on hand and open PO quantity);
- (c) real-time inventory can be checked by dashboard / app;
- (d) daily planned vs actual goods receipt report;
- (e) daily in & out-bound transactions report;
- (f) daily distribution report;
- (g) daily warehouse space occupancy report;
- (h) daily stock level report of the Pharmaceuticals;
- (i) daily out-of-stock/insufficient stock report;
- (j) weekly shelf-life report;
- (k) weekly open PO report;

- (l) weekly status report as regards the installation and fitting of the Dedicated Area;
- (m) weekly report of the Pharmaceuticals due to expire within 3 months (or at such other period(s) as specified by the CUHKMC);
- (n) weekly report of returned wholesale dealer's copy and outstanding wholesale dealer's copy to be collected;
- (o) weekly and monthly KPI report;
- (p) monthly report on rejections of the Pharmaceuticals on delivery by Suppliers (if any);
- (q) monthly report as regards return, exchange and disposal of the Pharmaceuticals (if any);
- (r) monthly report as regards temperature and humidity monitoring;
- (s) monthly cycle count report, annual stock take report and variance reports (if any);
- (t) temperature and humidity mapping report (if requested by the CUHKMC); and
- (u) report of incidents that directly/indirectly affect the Pharmaceuticals or Medical Consumables, or any facilities relating to the provision of the Services within 24 hours, to be followed as soon as practicable by a detailed root cause analysis report. The Incident Management Procedure is set out at *Appendix K* and *Appendix V*.

9 Submission of Tender

a) Two-Envelope Bidding

The tender for the Provision of Logistics Services for Pharmaceuticals and Medical Consumables will be conducted in a two-envelope bidding process. **Tenderers are required to submit their Technical Proposal and Price Proposal separately. Failure to comply with this requirement will result in disqualification of the submission.**

The Tenderer shall submit the Technical Proposal and the Price Proposal under its Tender submission in two separate sealed plain envelopes. Tenderer shall submit ONE set of hardcopy and ONE set of softcopy in electronic form on USB flash drive or CD-ROM for EACH proposal. Both the envelope for the Technical Proposal and the envelope for Price Proposal must be clearly stated with the subject of the Tender, the Tender reference number, and marked as either "Technical Proposal" or "Price Proposal". In the event of any conflict between the softcopy version and hardcopy version, the hardcopy version shall prevail.

Envelope 1 (Technical Proposal) should consist of the following information:

- Part IV – Offer To Be Bound
- Part VII – Schedules of Submissions - Schedule 1 to Schedule 32 and Annex A

No Price information should be included in the Technical Proposal. Failure to comply with this requirement will result in disqualification of the submission.

Envelope 2 (Price Proposal) should consist of the following information:

- Part VII – Schedules of Submissions - Schedule 33 and Annex B

Please refer to Section 18 of Part II Terms of Tender for more details.

- b) First, CUHKMC will conduct a technical assessment of all proposals that meet the mandatory requirements. Second, for tenders that pass the technical assessment, CUHKMC will proceed to evaluate their price proposals.

10 Assessment Criteria

- a) **Mandatory Requirements Assessment**
Full compliance with the mandatory requirements as stipulated in this Invitation to Tender Document by completing and submission of Schedule 8A – Compliance to General Requirements (Mandatory). Tender proposals will not be considered further if the mandatory requirements cannot be fully satisfied.
- b) A marking scheme with weighting of 60% on Technical Assessment, and 40% on Price Assessment, will be adopted. Scoring distribution is as follows:

Assessment Criteria	Weighting
Technical Assessment	60%
<u>Logistics and Operational Capabilities:</u> a) Company and organisation scale demonstrating sufficient capacity and resources, including manpower, suitable warehouse site, condition, facilities, and well-maintained vehicle fleets to fulfil all required scope of services, supported by relevant project references demonstrating proven experience in similar projects (Schedule 1, 3, 19 and 28) b) Capacity in terms of the normal and emergency operations, capability, performance, and future expansion plans with proposed operational resources, warehouse operations flexibility, and manning schedule to support the Services for the Hospital, accommodate business fluctuations and required services (e.g. Re-dressing) (Schedule 18, 21 and 25) c) Clear demonstration of operational strengths, together with identification of constraints and risks and proposed mitigation measures, alongside the proposed new way of workflow and SOP that enhance operational efficiency, service quality, inclusive delivery or transportation between 3PL warehouse to the Hospital (Schedule 10 and 11) d) Performance methodology outlining how service levels will be achieved and measured, covering operations capability and productivity, including KPIs, Service Level Agreement, as well as approach to stock level optimization (Schedule 4, 5, 14 and 17) e) Proposed value-added and cost-effective solutions as a strategic logistics partner to strengthen collaboration with CUHKMC, including, but not limited to, practical measures	30%

to minimize inventory overflow, enhance warehouse space utilization, improve overall operational efficiency, and transportation between 3PL warehouse to the Hospital (Schedule 12) f) Knowledge, experience and capability of core personnel, supported by a programme and launch plan, together with commitment to continuous improvements and sustainability and consideration of implications to the surrounding on-site operations (Schedule 20, 22 and 24)	
<u>System Capabilities:</u> a) Level of compliance with IT security requirements and standards (Schedule 6 and 7) b) Quality of recommended systems and specifications (e.g. Warehouse Management System) proposed for the Services (Schedule 15) c) The design of standardized and customizable dashboards, business intelligence report, and/or system to enhance data visualization, accessibility and operational transparency (Schedule 13) d) A comprehensive working programme, launch plan, data migration, system testing and commissioning approach to ensure system, data and reporting readiness and operational stability (Schedule 16 and 23)	20%
<u>Quality and Compliance:</u> a) Level of compliance with the requirements including but not limited to regulations, ordinances, licensing and certifications required for the logistics service, storage, security, and ISO requirements (Schedule 8B, and 9) b) Comprehensive safety and risk management framework to protect personnel, assets and operations (Schedule 26) c) Robust contingency plan to ensure business continuity in the event of disruptions (Schedule 27) d) Relevant awards and recognition demonstrating industry standing and service excellence (Schedule 29)	10%
Price Assessment	40%

c) Technical Assessment

The weighted technical assessment score of a proposal shall be determined in accordance with the following formula:

$$60 \times \frac{\text{Total technical score of the conforming proposal being assessed}}{\text{The highest total technical score among all the conforming proposals}}$$

Any offer which has a weighted technical assessment score less than 30 marks will be considered disqualified and shall not proceed to Price Assessment.

d) Price Assessment

The weighted price assessment score is calculated as follows:

$$40 \times \frac{\text{Lowest Tender price among the conforming proposals}}{\text{Tender price of the proposal being assessed}}$$

- e) The offer obtained the highest combined score, i.e. weighted technical assessment score plus weighted price assessment score, would be recommended for acceptance.

11 Confidential documents and Confidentiality Agreement

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by 01 September 2026 in order to sign a Confidentiality Agreement and receive the confidential documents.

PART VII

Schedules of Submission

Schedule 1 - Company/Organisation Profile

Tenderers must provide information including Business Registration Certificate, organisation charts, professional qualifications of licenses, staff, size, years of operation, past and present clients, relevant experience especially in healthcare industry, range and scope of services. If the Tenderer wishes to fulfill its obligations under the Contract through subcontracting or partnership with third parties, details including name of the subcontracting or partnership organisations or entities and responsibilities should be stated.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 2 - Financial Statements

Tenderers must provide audited financial statements for the past three financial years. The latest audited financial statements shall be for a financial period ending no more than eighteen (18) months before the tender submission date. The financial statements shall be prepared on the same basis for each year in accordance with accounting standards generally accepted in Hong Kong Special Administrative Region, and the disclosure requirements of the Companies Ordinance (Chapter 622 of Hong Kong Laws) for companies incorporated in Hong Kong (or, where applicable, prepared according to the accounting standards and (if applicable) company law as stipulated by the applicable governmental or regulatory body of the Tenderer's corporate domicile).

Failure to provide the audited financial statements for the past three years may jeopardise the consideration of their tender proposals¹.

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 3 - Compliance to CUHKMC's Requirements

Tenderers shall endeavour to comply with all scope of services, information, specifications and requirements listed in Part VI (Tender Brief) of this document. Failure to fulfil the requirements or any proposed deviations may jeopardise the consideration of their tender proposals¹.

We, the Tenderer named below, hereby confirm that the Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System proposed to be offered and provided by us as submitted in response to the Invitation to Tender relating to this document:

- ☐ will comply with Part VI (Tender Brief).
- ☐ differ from the requirements in the following areas: -

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 4 - Compliance to Key Performance Indicator (KPI)

All requirements listed in Appendix I and Appendix T of this document are for pre-qualification. Tenderer is required to comply with all such requirements at the minimum. If any Tenderer indicates any disagreement with, or proposes deviations such that the KPI proposed is less stringent than the said requirements, the consideration of their tender proposals may be jeopardised¹.

We, the Tenderer named below, hereby confirm that the Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System proposed to be offered and provided by us as submitted in response to the Invitation to Tender relating to this document (please tick one, as appropriate):

- ☐ will comply with Appendix I and Appendix T of this document; or
- ☐ will be more stringent than the requirements in Appendix I and Appendix T of this document in the following areas: -

***Remarks: Please contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by 01 September 2026 in order to sign a Confidentiality Agreement and receive the document.**

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 5 - Compliance to Service Level Agreement (SLA)

All requirements listed in Appendix J, Appendix K, Appendix U and Appendix V of this document are for pre-qualification. Tenderer is required to comply with all such requirements at the minimum. If any Tenderer indicates any disagreement with, or proposes deviations such that the SLA proposed is less stringent than, the said requirements may jeopardise the consideration of their tender proposals¹.

We, the Tenderer named below, hereby confirm that the Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System proposed to be offered and provided by us as submitted in response to the Invitation to Tender relating to this document (please tick one, as appropriate):

- ☐ will comply with Appendix J, Appendix K, Appendix U and Appendix V of this document; or
- ☐ will be more stringent than the requirements in Appendix J, Appendix K, Appendix U and Appendix V of this document in the following areas: -

***Remarks: Please contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by 01 September 2026 in order to sign a Confidentiality Agreement and receive the document**

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 6 - Compliance to CUHKMC IT Security Requirements

The Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System shall support and comply with all the requirements described in *Appendix H and Appendix S to this Invitation to Tender document entitled “CUHKMC IT Security Requirements” (2025 version) (collectively, “**CUHKMC IT Security Requirements**”). Tenderer is required to comply with all such requirements. If any Tenderer indicates any disagreement with the said requirements may jeopardise the consideration of their tender proposals¹.

We, the Tenderer named below, hereby confirm that the Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System proposed to be offered and provided by us as submitted in response to the Invitation to Tender relating to this document (please tick one, as appropriate):

☐ will comply with the CUHKMC IT Security Requirements.

***Remarks: Please contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by 01 September 2026 in order to sign a Confidentiality Agreement and receive the document entitled “CUHKMC IT Security Requirements” (2025 version).**

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 7 - IT Security Assessment Form

Tenderer is required to provide information on whether the Logistics Services, end-to-end supply chain, including vendor management, inventory management, logistics, and warehouse operations across the dedicated area, pharmacy stores, material store, hospital stores, and the CUHK Medical Clinics, equipped with Warehouse Management System to be offered comply with the requirements described in Annex A to this Invitation to Tender document entitled “CUHKMC Supplier IT Security Assessment Form” (Version 2.0) in its tender proposal for assessment by CUHKMC.

We, the Tenderer named below, hereby confirm that all the responses and information provided by us in the “CUHKMC Supplier IT Security Assessment Form” (Version 2.0) submitted in the tender proposal (please tick one, as appropriate):

☐ are true, accurate, and complete.

***Remarks: Please contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by 01 September 2026 in order to sign a Confidentiality Agreement and receive the document**

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 8A – Compliance to General Requirements (Mandatory)

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are mandatory. Tenderers must comply with all requirements specified herein. Tenderers must indicate the extent of compliance of their proposals point by point. **If a Tenderer indicates non-compliance with, any disagreement with, or proposes deviations from the mandatory requirements, its tender proposal will not be considered.**

	Description (Mandatory Requirements)	Confirmation for Compliance (Yes or No)
1	The 3PL is fully compliant to all licensing requirements, and regulations required for the logistics service and storage requirements (e.g. segregation, temperature control) Wholesale Dealer License (WDL) and the related Code of Practice as issued by the Drug Office, Department of Health. (the CUHKMC will apply for and maintain its own WDL. As the agent for the CUHKMC, 3PL shall support and manage all requirements necessary under the WDL, including provision of support to the CUHKMC for the application for WDL and its subsequent renewals). Accordingly, the 3PL shall: (1) ensure all records of the transaction are in the specified form and layout as required by WDL; and (2) collect the signed sale or supply receipts (wholesale dealer’s copy) within 72 hours of corresponding transaction and provide regular update on the collection status. Note: Provide supporting documents	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 8A – Compliance to General Requirements (Mandatory) - Continue

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are mandatory. Tenderers must comply with all requirements specified herein. Tenderers must indicate the extent of compliance of their proposals point by point. **If a Tenderer indicates non-compliance with, any disagreement with, or proposes deviations from the mandatory requirements, its tender proposal will not be considered.**

	Description (Mandatory Requirements)	Confirmation for Compliance (Yes or No)
2	The 3PL is required to provide the following capabilities within a licensed, dedicated area with temperature control, a) Warehouse Management b) Storage, In & Out-bound c) Transportation Management d) Return and Disposal e) Inventory & Replenishment Management f) Supplier Management	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 8A – Compliance to General Requirements (Mandatory) - Continue

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are mandatory. Tenderers must comply with all requirements specified herein. Tenderers must indicate the extent of compliance of their proposals point by point. **If a Tenderer indicates non-compliance with, any disagreement with, or proposes deviations from the mandatory requirements, its tender proposal will not be considered.**

	Description (Mandatory Requirements)	Confirmation for Compliance (Yes or No)
3	The 3PL is required to provide: a) At least 35 CBM of Dedicated Area with air conditioning environment with 25°C or below, and with 60% humidity for Pharmaceuticals b) At least 385 CBM of Dedicated Area with air conditioning environment with 25°C or below, and with 60% humidity for Medical Consumables c) At least 5 CBM of Dedicated Area with cold chain (temperature controlled at 2-8°C) environment for Pharmaceuticals Notes: i. The dedicated area must accommodate at least 25 pallets for Pharmaceuticals and 240 pallets for Medical Consumables. ii. Assuming volume 1.6 CBM per pallet. iii. The space (in CBM) of Dedicated Area and Cold Chain products as well as pallet quantities specified above are estimates only, based on current operations. The 3PL must have the flexibility to accommodate expansion or reduction as required by CUHKMC throughout the entire contract period.	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 8B – Compliance to Regulation and Ordinance Requirements

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are regulation and ordinance. Tenderers must comply with all requirements specified herein. Tenderers must indicate the extent of compliance of their proposals point by point.

If a Tenderer indicates non-compliance, express disagreement, or proposes deviations regarding regulation and ordinance requirements, the consideration of its tender proposal may be jeopardized¹.

	Description (Regulation and Ordinance Requirements)	Confirmation for Compliance (Yes or No)
1	The 3PL is fully compliant to the regulation and ordinance requirements, that required for the logistics service and storage requirements (a) Pharmacy and Poisons Ordinance and Regulations (Cap. 138 and Cap. 138A); (b) Antibiotics Ordinance and Regulations (Cap. 137 and Cap. 137A); (c) Dangerous Drugs Ordinance and Regulations (Cap. 134 and Cap.134A) (If applicable); (d) Guide to Good Storage Practices (GSP) for Pharmaceuticals as published by the World Health Organization or equivalent; (e) Good Distribution Practices (GDP) for Pharmaceuticals as published by the World Health Organization or equivalent; (f) Chemical Waste Ordinance and Regulations (Cap. 354 and Regulations); (g) License for Undesirable Medical Advertisements Ordinance (Cap. 231); and (h) Import and Export Ordinance (Cap. 60); Note: Provide supporting documents	

¹ CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 9 – Compliance to License and Certification Requirements

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are desirable. Tenderers must indicate the extent of compliance of their proposals point by point.

	Description (License and Certification Requirements)	Confirmation for Compliance (Yes or No)
1	The 3PL is fully compliant to the license and certification requirements, that required for the logistics service and storage requirements (a) License for Manufacturer (Secondary Packaging); (b) Pharmaceutical Inspection Co-operation Scheme for Good, Manufacturing Practice (PIC/S GMP) or equivalent; Note: Provide supporting documents	
2	The 3PL is fully complaint to security qualifications for both storage and transportation. Transported Asset Protection Association (TAPA) or other equivalent certification. Note: Provide supporting documents	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 9 – Compliance to License and Certification Requirements - Continue

All references to “3PL”, “supplier”, “vendor” are references to “Tenderer” or “Successful Tenderer”, as appropriate.

The requirements set out in the table below are desirable. Tenderers may comply the requirements specified herein. Tenderers must indicate the extent of compliance of their proposals point by point.

	Description (License and Certification Requirements)	Confirmation for Compliance (Yes or No)
3	The 3PL is fully complaint to following ISO compliant, or other equivalent certification. a) Quality Management System (ISO 9001) b) Environmental Management System (ISO 14001) c) Occupational Health & Safety System (ISO 45001) d) Information Security System (ISO 27001) Note: Provide supporting documents	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 10 – Demonstration of operational strengths and constraints / risks

A. Tenderer is required to demonstrate at least 3 key operational strengths in accordance with the tender requirements with elaborations.

i) [Heading of Key Operational Strengths]

- [elaboration]

ii) [Heading of Key Operational Strengths]

- [elaboration]

iii) [Heading of Key Operational Strengths]

- [elaboration]

B. Tenderer is required to state the anticipated project constraints/risks, impact and propose the approach to tackle.

i) [Heading of Project constraints/risks, impact (to be input by tenderer)]

- [elaboration + approach to tackle]

ii) [Heading of Project constraints/risks, impact (to be input by tenderer)]

- [elaboration + approach to tackle]

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 11 – Proposed New Ways of Workflow

The tenderer is required to leverage existing workflow, or propose a new way of work that enhance operational efficiency and service quality, based on their understanding of the following and in accordance with the tender requirements:

- Elaboration in design principle for all storage facilities
- Propose a layout plan for all storage facilities if applicable
- Propose a detailed process flow / work flow (physical and data flow), inclusive delivery or transportation between 3PL warehouse, CHUKMC, and the CUHK Medical Clinics*
- High level Standard Operations Procedures (SOP), and the list of SOP
- Supporting and provision of materials and equipment
- Temperature and Humidity Control with recording and alert function (provide historical data from the last year and calibration certificates)
- Supplier Management of CUHKMC products
- Proposed initiatives, options and solutions offered to CUHKMC benefit

* A detailed process workflow, including both physical and data flows, for the CUHK Medical Clinics shall be developed and implemented as and when required by CUHKMC.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 12 – Proposed Value-Added and Cost-Effective Solutions

Tenderer is required to propose value-added and cost-effective solutions as a logistics partner to strengthen collaboration with CUHKMC, including but not limited to practical measures to minimize inventory overflow, enhance warehouse space utilization, improve overall operational efficiency, and transportation between 3PL warehouse, the Hospital, and the CUHK Medical Clinics through continuous improvement initiatives.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 13 – Proposed System, Dashboard and/or Reporting Design

Tenderer is required to provide inventory and order management systems with high visibility of stock and order status. The tenderer shall design standardized, customizable reports, Business Intelligence report, and/or dashboards according to the requirements stated in Tender Brief to enhance data visualization, accessibility and operational visibility.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 14 – Stock Level Optimization

Tenderer is required to provide the proposed innovative approach and strategy to meet the requirements including forethought in achieving and optimizing stock levels at specified locations. The same should demonstrate the capability and expertise in developing and implementing the logistics operations.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 15 – Recommended systems and specifications (e.g. WMS)

Tenderer is required to provide systems and specifications (e.g. WMS) accordance with the tender requirements:

- Systems and sub-systems for:
 - Receiving
 - Inspection
 - Storage
 - Picking
 - Reporting
 - Storage Maximization
 - Replenishment
 - Urgent Order Process
 - Return
- Specifications of the System and sub-systems
- Associated IT development and UAT (which facilitate the operation of the System and sub-systems)

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 16 – Data Migration, System Testing & Commissioning Approach

Tenderers shall provide a comprehensive Data Migration, System Testing and Commissioning Plan to demonstrate system, data, and reporting readiness, as well as operational stability prior to Go-Live. The plan shall include, but not be limited to, the following:

1. Data Migration

- Data governance and ownership framework
- ERP modules within the migration scope
- Data migration objectives and strategy
- Data mapping and transformation rules between legacy systems and the proposed ERP solution
- Migration of master data and transactional data
- Migration testing approach, including Mock Migration 1, 2, and 3
- Data validation and reconciliation methodology
- Cutover and deployment plan prior to Go-Live

2. System Integration Testing (SIT)

- Testing approach and methodology
- End-to-end business processes to be tested
- Integration testing between ERP modules and interfacing systems
- Defect management and resolution process
- Entry and exit criteria for SIT completion

3. User Acceptance Testing (UAT)

- Validation of data accuracy and completeness
- Validation of reports, dashboards, and analytics
- End-to-end workflow and business process testing
- User readiness and operational readiness assessment
- UAT execution, defect tracking, and sign-off process

4. Hypercare and Post-Go-Live Support

- Hypercare support model, duration, and service levels
- Incident management and issue resolution procedures
- Data and system stabilization activities
- User support and knowledge transfer arrangements
- Post-implementation review and performance monitoring

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 17 – Performance - Methodology

Tenderer is required to describe the approach to proof the effectiveness of the proposed solutions, including the proposed process flow and systems that outlining the required service level could be achieved and measured (including areas under KPI review).

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 18 – Performance – Operations Capability and Performance

Tenderer is required to advise current operations capability and performance, based on past 12 months average data per requested in the following list:

A. Operations Capability (past 12 months)

Warehouse	Unit	Air-Conditioning	Cold Chain
Warehouse Gross Area	Square Meter		
Warehouse Net Area	CBM		
Number of Client(s)	Client		
Number of SKUs	SKU		
Inbound Volume per day	CBM		
Number of Order Lines Picked per day	Order Line		
Number of Delivery Points per day	Delivery Point		

B. Operations Performance (past 12 months)

Warehouse	Unit	Air-Conditioning	Cold Chain
Number of order lines picked per man-hour	Order line picked per man-hour		
Delivery in Full & On Time	%		
Delivery Return / Reject Rate	%		
Inventory Accuracy (By latest Stock Take Result)	%		

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 19 – Proposed Operational Resources, Warehouse and Vehicle

Tenderer is required to propose an adequate team structure, qualified headcount, suitable warehouse site, condition, facilities, and vehicle fleet—demonstrating proven experience in providing healthcare logistics services.

The warehouse site should be accessible for a site visit by CUHKMC as part of the tender evaluation process. CUHKMC will notify the Tenderer to arrange site visit accordingly. Failure to facilitate the site visit may jeopardise the consideration of their tender proposal.

A. Proposed Team Structure specifically assigned to this Logistics Services during set up stage AND after launch (i.e. operation for the entire contract period).

Please provide the details of the team structure including but not limited to Partners/Directors, General Manager, Project/Account Manager, Operations Manager etc.

B. Proposed On-site Operational Resources:

Location	Headcount available
CUHKMC LG Store - Materials Store	

C. Proposed Operational Resources in supporting logistics services requirements:

Items	Headcount available
Dedicated number of Team Member	

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 19 – Proposed Operational Resources, Warehouse and Vehicle - Continue

Tenderer is required to propose an adequate team structure, qualified headcount, suitable warehouse site, and vehicle fleet—demonstrating proven experience in providing healthcare logistics services.

The warehouse site should be accessible for a site visit by CUHKMC as part of the tender evaluation process. CUHKMC will notify the Tenderer to arrange site visit accordingly. Failure to facilitate the site visit may jeopardise the consideration of their tender proposal.

D. Proposed Dedicated Area location at 3PL warehouse:

Name of the Building and Address:	
Leasing Contract Period, from: MM/DD/YY	to: MM/DD/YY
Description of the land / building use (or any limitation in the use):	
Transportation routing and delivery lead-time from proposed 3PL warehouse to CUHKMC: Transportation routing from 3PL warehouse to CHUKMC:	
Delivery lead-time during peak-hour [7:30-9:00am]:	non-peak hour:

E. Proposed Dedicated Temperature Controlled Vehicle for daily transportation:

Number of dedicated vehicle and tones:
Frequency of quality validation per year:
Number, type and feature of Temperature Logger that used in the dedicated vehicle:
Frequency of preventive maintenance per year:

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 20 – Knowledge, experience and capability of core personnel (numbers and duration for deployment for the set up and ongoing operations)

The Tenderer is required to provide the following details and CV of core personnel who will be responsible for delivering the Logistics Services under this tender.

Note: The person stated shall tally with the CV submitted.

Part A:

Position	Name	Professional Qualification	Date of Awarding the Qualification	Years of Post-professional qualification	Additional Years above the Min. Experience	Length of Service in Tenderer's Company (yrs) and Position
<i>Director</i>	<i>John Chan</i>	<i>CMILT</i>	<i>1 Feb 1995</i>	<i>15 years</i>	<i>6 years</i>	<i>10 years, Director</i>
(Example)						
Partners / Directors (P/D)	<i>[Minimum Requirement – A director of a company with extensive experience in the relevant field and not less than 15 years post-qualification experience]</i>					
General Manager (GM)	<i>[Minimum Requirement – Corporate member of an appropriate professional institution or equivalent and not less than 12 years relevant post-qualification experience]</i>					

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 20 – Knowledge, experience and capability of core personnel (numbers and duration for deployment for the set up and ongoing operations) - Continue

The Tenderer is required to provide the following details and CV of core personnel who will be responsible for delivering the Logistics Services under this tender.

Note: The person stated shall tally with the CV submitted.

Part A:

Position	Name	Professional Qualification	Date of Awarding the Qualification	Years of Post-professional qualification	Additional Years above the Min. Experience	Length of Service in Tenderer's Company (yrs) and Position
<i>Director</i>	<i>John Chan</i>	<i>CMILT</i>	<i>1 Feb 1995</i>	<i>15 years</i>	<i>6 years</i>	<i>10 years, Director</i>
(Example)						
Project Manager (PM)	<i>[Minimum Requirement – Corporate member of an appropriate professional institution or equivalent and not less than 5 years relevant post-qualification experience]</i>					
Operations Manager (OM)	<i>[Minimum Requirement – Corporate member of an appropriate professional institution or equivalent]</i>					

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 20 – Knowledge, experience and capability of core personnel (numbers and duration for deployment for the set up and ongoing operations) - Continue

Part B:

Sub-contractor(s) during set up – including the providers for hardware and other services (e.g. building construction and maintenance)

Name	Company	Professional Qualification	Contractual period with the contractor	Service provided in this project	Roles and responsibilities

Note: Provide supporting documents, certificate and proof of agreement (if appointing sub-contractor(s))

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 21 – Warehouse Operations Flexibility

Tenderer is required to provide the proposed approach and strategy to provide flexible warehouse operations, in particular to the planned yearly increase of beds, service centres, wards, and the CUHK Medical Clinics while catering to the fluctuation of the demand and volume changes, as well as the operational changes or required services (e.g. Re-dressing) in the future.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 22 – Continuous Improvements and Sustainability

Tenderer is required to provide a Continuous Improvement Plan with clear targets and measurable outcomes to support and sustain CUHKMC's business growth in the development of logistics services throughout the contract period.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 23 – Programme and Launch Plan

Part A: Programme

Tenderer is required to provide the working programme which shall indicate the schedule for the following activities but not limited to:

- a) Design
- b) Installation
- c) Testing and commissioning
- d) Training
- e) Inspection and certification
- f) Implementation

Part B: Launch Plan

Tenderer is required to describe a detailed launch plan and risk assessment for 3PL Warehouse, Pharmacy Stores, Material Store, Hospital Stores, including following areas. More importantly, the launch plan shall take the consideration of the impact to the surrounding operations at hospital, that shall be minimized. Tenderer shall also provide risk assessment of the proposed launch plan.

- a) Staffing
- b) Systems
- c) Equipment
- d) Facilities

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 24 – Implications to the surrounding on-site operations

Tenderer is required to describe an implication to the surrounding on-site operations.

Person Authorised to Sign Tender	
Name of Company with Company Chop:	Name and Title:
Telephone:	Email:
Authorised Signature:	Date:

Schedule 25 – Manning Schedule (Without Fee)

Tenderer is required to provide manning schedule without fee mentioned in supporting Logistics Services requirements.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 26 – Safety and Risk Management

Tenderer is required to include the safety and sustainability based on the understanding of the following in accordance with the tender requirements:

- Proposed Safety Program (How will you ensure the safety of the staff, particularly when delivering healthcare products and when in areas having significant risks?)
- Proposed Insurance Coverage
- Proposed Code of Conduct (e.g. working environment, social responsibility)

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 27 – Contingency Plan

Tenderer is required to provide details of the plan, including evidence that it is regularly tested and explain how it would ensure continuity of the required service.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 28 – Project Reference

Tenderer is required to provide at least two (2) logistics centers, and/or warehouses in Hong Kong in the past five years in similar industry.

Note: Provide supporting documents and certificate

Project Reference No. 1	
Project Client	
Nature of business	
Location	Address (Hong Kong) _____ _____
Type of services provided (e.g. Inspection)	
Value-added services provided that CUHKMC can consider	
Total years of service (and number of contract renewal)	
If no longer existing client, what was reason for termination of service	
Warehouse size	_____ m ²

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 28 – Project Reference (Continue)

Tenderer is required to provide at least two (2) logistics centers, and/or warehouses in Hong Kong and/or Overseas in the past five years in similar industry.

Note: Provide supporting documents and certificate

Project Reference No. 2	
Project Client	
Nature of business	
Location	Address (Hong Kong) _____ _____
Type of services provided (e.g. Inspection)	
Value-added services provided that CUHKMC can consider	
Total years of service (and number of contract renewal)	
If no longer existing client, what was reason for termination of service	
Warehouse size	_____ m ²

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 29 – Awards

Tenderer is required to prove its past performance by listing the awards and recognitions that demonstrating industry standing and service excellence obtained in the past 5 years.

Award (1)	
Award	
Award Organization	
Award Location	HK / Overseas* (Please Specify _____)

Award (2)	
Award	
Award Organization	
Award Location	HK / Overseas* (Please Specify _____)

Note: Provide supporting documents and certificate

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 30 - Consent to Disclosure

To: CUHK Medical Centre Limited (CUHKMC)

Re: Provision of Logistics Services for Pharmaceuticals and Medical Consumables of CUHK Medical Centre

We, _____ *[insert the name of the Tenderer]*, hereby irrevocably authorise, consent and agree that if CUHKMC agrees to engage us to carry out the Provision of Logistics Services for Pharmaceuticals and Medical Consumables, CUHKMC may, whenever it considers appropriate or upon request by any person (written or otherwise) and without any further reference to us, disclose to any person in such form and manner as CUHKMC deems fit:

- (a) the fee proposal submitted by us on _____ *[insert the relevant date]*; and
- (b) information of the Contract, such as our name and address, product description/brand/model/country of origin (if applicable), description of the relevant services (if applicable) and the value of the Contract.

We hereby waive and forego our right, if any, to make any claims against CUHKMC for any losses, damages, costs, charges, liabilities, demands, proceedings, and actions that may arise out of or in consequence of such disclosure by CUHKMC.

Dated this _____ day of _____

SIGNED by *[insert the name(s) of the signator(ies)]*,)
the *[insert the post(s) of the signatory(ies)]* of the)
[insert the name of the Tenderer])
in the presence of : -

Signature of Witness

Name of Witness:

Occupation:

Address:

Schedule 31 - Non-Collusion Certificate

We certify that this is a bona fide tender, and that we have not fixed or adjusted the amount of the Tender by or under or in accordance with any agreement or arrangements with any other person. We also certify that we have not done and we undertake that we will not do at any time before the hour and date specified for the return of this Tender any of the following acts:

- (a) Communicate to any person other than the person calling for those Tenders the amount or approximate amount of the proposed Tender, except where the disclosure, in confidence, of the approximate amount of the Tender was necessary to obtain insurance premium quotations required for the preparation of the Tender;
- (b) Enter into agreement or arrangements with any other person that he shall refrain from tendering or as to the amount of any Tender to be submitted;
- (c) Offer or pay or give or agree to pay or give any sum of money or valuable consideration directly or indirectly to any person for doing or having done in relation to any other tender or proposed Tender any act or thing of the sort described above.

In this certificate, the word “person” includes any person and any body or association, corporation or unincorporated, and “any agreement or arrangement” includes any such transaction, formal or informal, and whether legally binding or not.

We expressly acknowledge and agree that, without prejudice to any other rights of CUHKMC, if this certification is in anyway incorrect, or becomes incorrect prior to the award of this Tender, CUHKMC may:

- (i) disqualify our Tender from consideration;
- (ii) withdraw any confirmation of award of tender already made, without penalty or liability;
- (iii) disqualify us, our holding company and subsidiaries from participation in any future tender invitation or invitation for quotation issued by CUHKMC for such period as CUHKMC may in its entire discretion consider appropriate;
- (iv) take such other actions, including reporting us to the government or regulatory authorities in Hong Kong or elsewhere, as CUHKMC considers appropriate.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 32 - Personal Data (Privacy) (Amendment) Ordinance

The new provisions on data processors under the Amendment Ordinance had come into effect on 1 October 2012 and as such, I/we certify the following:

- a. I shall/We will and shall/will procure my/our employees, agents or representatives to comply with the provisions of the Personal Data (Privacy) Ordinance (the “Ordinance”) (including any amendments thereon from time to time), and any applicable codes of practice, guidance notes or regulations in the handling of personal data (as defined in the Ordinance from time to time) (“Personal Data”) collected by and provided to me/us for the purpose of this Tender/Agreement.
- b. I/We shall not keep Personal Data longer than is necessary for the fulfilment of the purpose (including any directly related purpose) for which the same are or to be used. I shall/we will:
 - i. return, destroy or permanently erase all such Personal Data;
 - ii. destroy or permanently erase all copies of such Personal Data made by me/us; and
 - iii. use all reasonable endeavors to ensure that anyone who has received any such Personal Data destroys or permanently erases such Personal Data and any copies made by it or him,in each case, save to the extent that I am/we or the recipients are required to retain any such Personal Data by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body.
- c. I shall/We will take all practical steps and have in place and maintain appropriate security measures to prevent unauthorized or accidental access, processing erasure, loss or use of Personal Data collected by or transferred to it having particular regard to:
 - i. the kind of Personal Data and the harm that could result if any of those things should occur;
 - ii. the physical location where the Personal Data are stored;
 - iii. any security measures incorporated (whether by automated means or otherwise) into any Products in which the Personal Data are stored;
 - iv. any measures taken for ensuring the integrity, prudence and competence of persons having access to Personal Data; and
 - v. any measures taken for ensuring the secure transmission of Personal Data.

Person Authorised to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorised Signature:

Date:

Schedule 33 – Fees Proposal

Tenderer is required to complete the excel file – Annex B for the Fees proposal.

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Remarks:

- All amounts are calculated by Hong Kong Dollar (HKD).
- The costs shall include all costs incurred by the 3PL in proper performance of the Services.
- The costs to be reviewed on every 6 months interval after launch.
- "CBM" refer to cubic metres of product size, rounded to one decimal places.
- 3PL shall use the information provided in Annex B – Fees Proposal and the preliminary Product List to estimate the space needed for storage and supporting services for the products.
- 3PL shall be responsible for measuring the product dimension and conversion factor during receiving process.
- Selected capacity plan for the Dedicated Area which must be fully utilized before overflow charge raised unless CUHKMC agreed and approval.
- 3PL must obtained CUHKMC prior approval before any change in space (relating to charges), while providing supporting facts and charge breakdown.
- Working hours at the Hospital are from 9 a.m. to 6 p.m. on Monday to Friday, and 9 a.m. to 1 p.m. on Saturdays except Hong Kong statutory holidays.
- Additional warehouse space is intended for potential future expansion only, with no commitment from CUHKMC. The stated additional CBM being for estimation purposes, and any space expansion requiring CUHKMC's pre-approval and confirmation at least 3 months in advance.
- Overflow in storage: refers to quantities exceeding CUHKMC's approved or available storage capacity, which is subject to operational requirements, and the Successful Tenderer is expected to work closely with CUHKMC to manage such situations and avoid any overflow charges.

Person Authorized to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorized Signature:

Date:

Schedule 33 – Fees Proposal (Continue)

Tenderer is required to complete the excel file – Annex B for the Fees proposal.

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Remarks:

- Optional items are intended for potential future expansion only, with no commitment from CUHKMC.
- 3PL Operations team development and all recruitments requiring CUHKMC's pre-approval and confirmation in advance.
- Monthly Fees during the Operational Period will be based on the unit rates applicable to the relevant year.
- Monthly Fees during the Transition Period will be based on the unit rates applicable at the expiry of the Operational Period or at the time immediately prior to the early termination of this Agreement, as applicable.

Person Authorized to Sign Tender

Name of Company with Company Chop: Name and Title:

Telephone:

Email:

Authorized Signature:

Date:

PART VIII

APPENDICES

Confidential documents and Confidentiality Agreement

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents (Appendix B - Reference Workflows – Pharmaceuticals, Appendix E - Delivery Destination Matrix – Pharmaceuticals, Appendix G - ERP Integration Specifications – Pharmaceuticals, Appendix H - CUHKMC's IT Security Requirements – Pharmaceuticals, Appendix I - KPIs – Pharmaceuticals, Appendix J - Service Levels – Pharmaceuticals, Appendix K - Incident Management Procedure – Pharmaceuticals, Appendix M - Reference Workflows – Medical Consumables, Appendix P - Delivery Destination Matrix – Medical Consumables, Appendix R - ERP Integration Specifications – Medical Consumables, Appendix S - CUHKMC's IT Security Requirements – Medical Consumables, Appendix T - KPIs – Medical Consumables, Appendix U - Service Levels – Medical Consumables, and Appendix V - Incident Management Procedure – Medical Consumables).

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Appendix A

Project Plan – Pharmaceuticals

The following indicative timeline is for reference only. A detailed Pharmaceuticals Project timeline will be developed, together with the successful tenderer and existing 3PL, which will include activities relating to licensing, workflows, interior design and fitting-out of the Dedicated Area, equipment procurement, IT set-up, testing, commissioning, training and other related activities. CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Item	Activity	Duration	Tentative start	Tentative finish
1	Award to successful tenderer for 3PL Logistics Services Tender	3 months	23-Dec-26	31-Mar-27
	a) Contract award - issue Letter of Acceptance (LoA) to the Successful Tenderer	0.3 months	23-Dec-26	31-Dec-26
	b) Execute Logistics Services Agreement (sign contract)	3 months	4-Jan-27	31-Mar-27
2	Fitting-out design for Dedicated Area, and reporting design	3 months	4-Jan-27	2-Apr-27
	a) The Successful Tenderer shall liaise with the CUHKMC to gather requirements, conduct an on-site assessment of the hospital environment, and confirm the final equipment specifications to ensure compliance with operational needs.	1 month	4-Jan-27	29-Jan-27
	b) CUHKMC provides material details in Material Store, and all Hospital Stores, to the Successful Tenderer	0.5 month	4-Jan-27	15-Jan-27
	c) The Successful Tenderer shall submit the workflow, report templates, and the finalised installation and fitting-out design for the Dedicated Area for CUHKMC's review and alignment.	2.5 months	4-Jan-27	19-Mar-27
	d) Review and acceptance by CUHKMC will be granted upon agreement of the final design at Dedicated Area and reports development	3 months	4-Jan-27	2-Apr-27
3	Refinement of the existing setup at Materials Store and Hospital Stores	3.5 months	4-Jan-27	12-Mar-27
	a) Equipment, system Installation, and bin setting (if needed)	2 months	4-Jan-27	26-Feb-27
	b) Staff training to the Successful Tenderer's Project Manager & Operations Manager	2 months	4-Jan-27	26-Feb-27
	c) Review and acceptance by CUHKMC will be granted upon successful setup done.	3.5 months	4-Jan-27	12-Mar-27
4	SOP preparation	5 months	6-Apr-27	31-Aug-27
	a) The Successful Tenderer shall provide CUHKMC with the initial draft of the Standard Operating Procedures (SOPs) for the operation of the Dedicated Area, the Materials Store, the Hospital Stores, and the transportation.	2 months	6-Apr-27	31-May-27
	b) CUHKMC to review drafted SOP and provide feedback	1 month	1-Jun-27	30-Jun-27
	c) The Successful Tenderer shall perform amendment in SOP, provide CUHKMC with the final draft for CUHKMC's review and alignment.	0.5 month	2-Jul-27	16-Jul-27
	d) Review and acceptance by CUHKMC will be granted upon agreement of the final SOP draft.	1.5 months	19-Jul-27	31-Aug-27
5	Facility setup at Dedicated Area	3.5 months	6-Apr-27	16-Jul-27
	a) The Successful Tenderer to arrange cage / racking / shelving installation at Dedicated Area, and arrange validation or calibration of the temperature controlled dedicated vehicle.	1.5 months	6-Apr-27	14-May-27
	b) The Successful Tenderer to form the dedicated operations team (both on-site & off-site)	3 months	6-Apr-27	30-Jun-27
	c) Review and acceptance by CUHKMC will be granted upon successful form, setup and verification of the operation team, the Dedicated Area and the dedicated vehicle.	3.5 months	6-Apr-27	16-Jul-27
6	Wholesale Dealer Licence (WDL) application for CUHKMC	3.5 months	19-Jul-27	29-Oct-27
	a) The Successful Tenderer shall perform temperature mapping of the equipment/storage area and provide a detailed temperature mapping report to CUHKMC.	0.5 month	19-Jul-27	30-Jul-27
	b) The Successful Tenderer shall assist CUHKMC with the preparation, processing, and submission of the application for a Wholesale Dealer Licence (WDL) for Pharmaceuticals in the name of CUHKMC.	3 months	2-Aug-27	29-Oct-27
7	System integration (e.g. WMS, ERP and EDI) and data migration	6 months	4-Jan-27	30-Jun-27
	a) The Successful Tenderer shall study detailed system or IT requirements	1 month	4-Jan-27	29-Jan-27
	b) Development, configuration and data migration by CUHKMC, existing 3PL, and the Successful Tenderer	5 months	1-Feb-27	30-Jun-27
	c) The Successful Tenderer shall draft test scenario for System integration test (SIT) and User Acceptance test (UAT) for CUHKMC's review and alignment.	5 months	1-Feb-27	30-Jun-27
8	System integration test (SIT) and User Acceptance test (UAT)	6.5 months	2-Jul-27	14-Jan-28
	a) System integration test mainly performed by IT	2 months	2-Jul-27	31-Aug-27
	b) User Acceptance test mainly performed by users	2 months	1-Sept-27	29-Oct-27
	c) The Successful Tenderer shall perform system fine-tuning, arrange 1st dry run for the outstanding test scenario	1 month	1-Nov-27	30-Nov-27
	d) The Successful Tenderer shall perform system fine-tuning, arrange 2nd dry run for the outstanding test scenario	1 month	1-Dec-27	31-Dec-27
	e) Review and acceptance by CUHKMC will be granted upon successful setup done.	2.5 months	1-Nov-27	14-Jan-28
9	Trial run before go-live	1.5 months	17-Jan-28	29-Feb-28
	a) Receive and store new in-bound or transferred shipment to Dedicated Area	1.5 months	17-Jan-28	29-Feb-28
	b) Trial run for pick, pack and delivery from Dedicated Area to CUHKMC	1.5 months	17-Jan-28	29-Feb-28
	c) Inventory transfer from existing 3PL to the Successful Tenderer's warehouse	0.5 month	1-Feb-28	14-Feb-28
10	Commencement of Logistics Services	3 Years (Initial Term) 2 Years (Renewal Term)	1-Mar-28	Ongoing

Appendix B

Reference Workflows – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix C
Product Category – Pharmaceuticals

Pharmaceutical products including but not limited to IV fluids.

Appendix D
Key Staff – Pharmaceuticals

1. **Project Manager**

The 3PL shall appoint a project manager who the 3PL shall ensure:

- (i) has overall responsibility for management of the relationship with CUHKMC and the delivery of all Services to CUHKMC;
- (ii) has authority to deal with any Disputes; and
- (iii) has authority to sign a Change Control Note.

The Project Manager as at the Effective Date is [●]. (to be completed upon contract award)

2. **Service Manager**

3PL shall appoint a person to be responsible for the day-to-day oversight of the Services and any day-to-day issues relating to the Services provided under this Agreement (the "Service Manager").

The Service Manager as at the Effective Date is [●]. (to be completed upon contract award)

3. **Other Key Staff (to be completed upon contract award)**

Role	Responsibilities	As at the Effective Date, the Key Staff shall be the following individuals.
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

Appendix E

Delivery Destination Matrix – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September** in order to sign a Confidentiality Agreement and receive the documents.

Appendix F

Delivery Arrangement – Pharmaceuticals

1. Regular delivery

Based on operation's needs per designated vehicle between 8:30am – 5:30pm (Monday to Friday), except public holidays and adverse weather conditions.

2. Urgent delivery

Delivery within 2 hours from request being made outside regular delivery schedule.

3. Cut-off Time

The order cut-off time and delivery time schedule may be subject to change based on actual operational needs.

Appendix G

ERP Integration Specifications – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents

Appendix H

CUHKMC's IT Security Requirements – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents

Appendix I

KPIs – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix J

Service Levels – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix K

Incident Management Procedure – Pharmaceuticals

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix L

Project Plan – Medical Consumables

The following indicative timeline is for reference only. A detailed Medical Consumables Project timeline will be developed, together with the successful tenderer and existing 3PL, which will include activities relating to licensing, workflows, interior design and fitting-out of the Dedicated Area, equipment procurement, IT set-up, testing, commissioning, training and other related activities. CUHKMC reserves the right to accept or reject any proposed deviations at its sole discretion.

Item	Activity	Duration	Tentative start	Tentative finish
1	Award to successful tenderer for 3PL Logistics Services Tender	3 months	23-Dec-26	31-Mar-27
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	b) Execute Logistics Services Agreement (sign contract)	3 months	4-Jan-27	31-Mar-27
2	Fitting-out design for Dedicated Area, and reporting design	3 months	4-Jan-27	2-Apr-27
	a) The Successful Tenderer shall liaise with the CUHKMC to gather requirements, conduct an on-site assessment of the hospital environment, and confirm the final equipment specifications to ensure compliance with operational needs.	1 month	4-Jan-27	29-Jan-27
	b) CUHKMC provides material details in Material Store, and all Hospital Stores, to the Successful Tenderer	0.5 month	4-Jan-27	15-Jan-27
	c) The Successful Tenderer shall submit the workflow, report templates, and the finalised installation and fitting-out design for the Dedicated Area for CUHKMC's review and alignment.	2.5 months	4-Jan-27	19-Mar-27
	d) Review and acceptance by CUHKMC will be granted upon agreement of the final design at Dedicated Area and reports development	3 months	4-Jan-27	2-Apr-27
3	Refinement of the existing setup at Materials Store and Hospital Stores	3.5 months	4-Jan-27	12-Mar-27
	a) Equipment, system Installation, and bin setting (if needed)	2 months	4-Jan-27	26-Feb-27
	b) Staff training to the Successful Tenderer's Project Manager & Operations Manager	2 months	4-Jan-27	26-Feb-27
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	a) The Successful Tenderer shall provide CUHKMC with the initial draft of the Standard Operating Procedures (SOPs) for the operation of the Dedicated Area, the Materials Store, the Hospital Stores, and the transportation.	2 months	6-Apr-27	31-May-27
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	c) Review and acceptance by CUHKMC will be granted upon successful form, setup and verification of the operation team, the Dedicated Area and the dedicated vehicle.	3.5 months	6-Apr-27	16-Jul-27
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	a) The Successful Tenderer shall study detailed system or IT requirements	1 month	4-Jan-27	29-Jan-27
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	a) System integration test mainly performed by IT	2 months	2-Jul-27	31-Aug-27
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	e) Review and acceptance by CUHKMC will be granted upon successful setup done.	2.5 months	1-Nov-27	14-Jan-28
9	Trial run before go-live	1.5 months	17-Jan-28	29-Feb-28
	a) Receive and store new in-bound or transferred shipment to Dedicated Area	1.5 months	17-Jan-28	29-Feb-28
	b) Trial run for pick, pack and delivery from Dedicated Area to CUHKMC	1.5 months	17-Jan-28	29-Feb-28
	c) Inventory transfer from existing 3PL to the Successful Tenderer's warehouse	0.5 month	1-Feb-28	14-Feb-28
10	Commencement of Logistics Services	3 Years (Initial Term) + 2 Years (Renewal Term)	1-Mar-28	Ongoing

Appendix M

Reference Workflows – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents

Appendix N

Product Category – Medical Consumables

Medical Consumables including but not limited to Airways, Gastrointestinal Product, Infusion Set, Injection, Orthopaedic Product, PPE, Respiration Product, Specimen Container, Test Strip, Urinary Product, Wound Care, Stoma Product, and Blade Product.

Appendix O

Key Staff – Medical Consumables

1. **Project Manager**

The 3PL shall appoint a project manager who the 3PL shall ensure:

- (iv) has overall responsibility for management of the relationship with CUHKMC and the delivery of all Services to CUHKMC;
- (v) has authority to deal with any Disputes; and
- (vi) has authority to sign a Change Control Note.

The Project Manager as at the Effective Date is [●]. (to be completed upon contract award)

2. **Service Manager**

3PL shall appoint a person to be responsible for the day-to-day oversight of the Services and any day-to-day issues relating to the Services provided under this Agreement (the "Service Manager").

The Service Manager as at the Effective Date is [●]. (to be completed upon contract award)

3. **Other Key Staff (to be completed upon contract award)**

Role	Responsibilities	As at the Effective Date, the Key Staff shall be the following individuals.
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

Appendix P

Delivery Destination Matrix – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix Q

Delivery Arrangement – Medical Consumables

1. Regular delivery

Based on operation's needs per designated vehicle between 8:30am – 5:30pm (Monday to Friday), except public holidays and adverse weather conditions.

2. Urgent delivery

Delivery within 2 hours from request being made outside regular delivery schedule.

3. Cut-off Time

The order cut-off time and delivery time schedule may be subject to change based on actual operational needs.

Appendix R

ERP Integration Specifications – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix S

CUHKMC's IT Security Requirements – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix T

KPIs – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix U

Service Levels – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Appendix V

Incident Management Procedure – Medical Consumables

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

PART IX
ANNEX

Confidential documents and Confidentiality Agreement

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents (Annex A - CUHKMC Supplier IT Security Assessment, Annex B – Fees Proposal).

Content

Annex A	CUHKMC Supplier IT Security Assessment
Annex B	Fees Proposal

Annex A

CUHKMC Supplier IT Security Assessment

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.

Annex B
Fees Proposal

Interested party is required to contact CUHKMC Procurement Team via email at tender@cuhkmc.hk by **01 September 2026** in order to sign a Confidentiality Agreement and receive the documents.