



PMO 02 - 2015
Lease of Multi-Function Machines
(Copier and Scanner)

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Definition of Terms

ABC	Approved Budget for Contract
BAC	Bids and Awards Committee
BIR	Bureau of Internal Revenue
Contract	The Service Contract to be executed between the PMO and the Participating Service Provider submitting the LCRPQ, which shall be in substantially the form attached as Annex “D” of RFQ PMO 02-2015
DTI	Department of Trade and Industry
GPPB	Government Procurement Policy Board
LCRPQ	Lowest Calculated Responsive Price Quotation
Omnibus Sworn Statement	The document in substantially the form attached as Annex “B” of RFQ PMO 02-2015
Participating Provider	An independent service provider submitting a price quotation to the PMO under RFQ PMO 02-2015
PhilGEPS	Philippine Government Electronic Procurement System
PMO	Privatization and Management Office
Policy	Conflict of Interests Policy issued by the PMO
Quotation Form	The document in substantially the form attached as Annex “C” of RFQ PMO 02-2015
RA	Republic Act
RFQ	Request for Quotation
RIRR	Revised Implementing Rules and Regulations
SEC	Securities and Exchange Commission
Terms of Reference or TOR	The document attached as Annex “A” of RFQ PMO 02-2015

REQUEST FOR QUOTATION (RFQ)
Lease of Three (3) Units Multi-Function Machines
(Copier and Scanner)
PMO 02-2015

1. **The Privatization and Management Office (PMO), through its Bids and Awards Committee (BAC),** intends to apply the sum of **Three Hundred Fifty Thousand Pesos (Php350,000.00)** being the Approved Budget for the Contract (ABC) to payments under the contract for Lease of Three (3) Units Multi-Function Machines (Copier and Scanner) PMO 02-2015. Quotations received in excess of the ABC shall be automatically rejected at the opening of price quotations.
2. The PMO-BAC now requests quotations for Lease of Three (3) Units Multi-Function Machines (Copier and Scanner) for the year 2015 to Privatization and Management Office, with office address at 104 Gamboa St., Legaspi Village, Makati City.

Service providers should (a) be in compliance with all on-going government and private contracts and (b) have satisfactorily completed, within the last two (2) years from the date of submission and receipt of quotations, at least one (1) contract/purchase order similar to the lease of multi-function machines (copier and scanner) described herein.

3. The procurement of Lease of Three (3) Units Multi-Function Machines (Copier and Scanner) PMO 02-2015 will be conducted through Negotiated Procurement under Section 53 of the Revised Implementing Rules and Regulation (RIRR) of Republic Act (RA) 9184, specifically Subsection 53.9, otherwise known as Small Value Procurement.

The selection of service providers is restricted to Filipino citizens/sole proprietorship, partnership, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines.

4. Interested service providers may obtain further information from **PMO-BAC Secretariat at 3rd Floor, Privatization and Management Office, 104 Gamboa Street, Legaspi Village, Makati City**, from Monday to Friday, 9:00 a.m. to 4:00 p.m. starting 9 March 2015 or at telephone number 818-8305.

The RFQ may be purchased starting 9 March 2015 from Monday to Friday, 9:00 a.m. to 4:00 p.m., from the **PMO-BAC Secretariat, 3rd Floor, Privatization and Management Office, 104 Gamboa Street, Legaspi Village, Makati City** and upon payment of a non-refundable fee for the RFQ in the amount of **Five Hundred Pesos (Php 500.00)** to the PMO Cashier located at 6th Floor, Privatization and Management Office, 104 Gamboa Street, Legaspi Village, Makati City.

The RFQ may also be downloaded from the websites of the Philippine Government Electronic Procurement System (PhilGEPS) and PMO, provided that the service provider shall pay the non-refundable fee of **Five Hundred Pesos (Php 500.00)** for the RFQ not later than the submission of its price quotation.

5. The price quotation must be delivered on or before **5:00 p.m., 16 March 2015**, to the **PMO-BAC Secretariat, 3rd Floor, Privatization and Management Office, 104 Gamboa Street, Legaspi Village, Makati City**. Please submit your lowest and most responsive quotation together with the RFQ in a sealed envelope marked as follows:

**The Chairperson
PMO-BAC Request for Quotation (RFQ)
Lease of Three (3) Units Multi-Function Machines (Copier and Scanner)
PMO 02-2015
Privatization and Management Office
104 Gamboa Street, Legaspi Village, Makati City**

Please note that price quotations submitted after the abovementioned deadline shall not be accepted.

6. The contract will be awarded to the Participating Service Provider whose price quotation is the most advantageous and responsive to the requirements of PMO, in accordance with PMO's judgment and discretion. PMO shall not be bound to accept the lowest or any price quotation, which, in its judgment is, in the ultimate analysis, not advantageous to the government.

The PMO-BAC shall not compensate or indemnify any person for any expenses incurred in the preparation of the price quotations.

7. Moreover, PMO-BAC reserves the right to accept or reject any price quotation, waive any formality in the RFQ , annul the procurement process, reject any or all price quotations at any time prior to contract award, declare the procurement process a failure, without incurring any liability to the affected Participating Service Provider or any person.
8. For further information, please refer to:

***THE SECRETARIAT
PRIVATIZATION AND MANAGEMENT OFFICE
BIDS AND AWARDS COMMITTEE (PMO-BAC) for Procurement
104 Gamboa Street, Legaspi Village, Makati City
Tel. no. 818-8305 Fax No. 894-2205
PMO Website: www.pmo.gov.ph***

Approved for Publication:

ELLEN H. RONDAEL
Deputy Privatization Officer
Chairperson, PMO-BAC

CONFLICT OF INTERESTS POLICY

1. In all transactions, the Participating Service Providers, its directors, officers, contractors, consultants and employees, shall not have any interest adverse to those of the PMO or the National Government.
2. The following situations constitute a conflict of interests:
 - (a) Where a director, officer, contractor, consultant or employee of the Participating Service Provider or any party having interest therein, is employed by PMO, and by virtue of which there is an opportunity for preferential treatment to be given in favor of the Participating Service Provider, *except* if (i) with the knowledge and consent of PMO's top management, or (ii) where such interest in the Participating Service Provider comprises securities in widely-held corporations, which are quoted and sold in the open market or in private corporations where the interest is not material.
 - (b) When a director, officer, contractor, consultant or employee of the Participating Service Provider, without proper authority, gives or releases to anyone not employed by the PMO any data or information of a confidential nature concerning PMO, such as those relating to plans, prices/valuation, earnings, financial/business forecast, or competitive bids, or to use such information to the advantage of the Participating Service Provider or any of its directors, officers, contractors, consultants or employees, and not in the best interest of PMO, or in violation of the confidentiality provision in the Contract.
 - (c) Where a director, officer, contractor, consultant or employee of the Participating Service Provider offers to any officer or employee of the PMO any amount of money (e.g, commissions, share in the profits, gifts in cash, loans/advances), gift certificates, material services, excessive or extravagant entertainment or travel, gifts of merchandise of more than normal value, for the purpose of obtaining preferential treatment.
 - (d) All other analogous situation disadvantageous to PMO's interest.
3. The Participating Service Provider shall execute and submit a compliance statement attesting that the company, its directors, officers, contractors, consultants and employees, fully understand the stipulations contained in the Policy. Failure to submit the compliance statement shall constitute a violation of the Policy.
4. Failure by the Participating Service Provider, its directors, officers and employee to faithfully comply with the terms and conditions of the Policy shall be cause for PMO to revoke the award of the project without prejudice to any other civil or criminal liability the Participating Service Provider, its directors, officers, contractors, consultants or employees may incur as a result of such breach.

DOCUMENTS COMPRISING THE PRICE QUOTATION ELIGIBILITY AND TECHNICAL COMPONENTS

The sealed envelope shall contain the following eligibility and technical documents.

1. Eligibility Documents –

- a. Copy of registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives.
- b. Copy of Mayor's Permit issued by the city or municipality where the principal place of business of the Participating Service Provider is located.
- c. Statement of all ongoing and completed government and private contracts within the last two (2) years, including contracts awarded but not yet started, if any. The statement shall include, for each contract the following:
 - (d.1) name of the contract;
 - (d.2) date of the contract;
 - (d.3) amount of contract and value of outstanding contracts;
 - (d.4) date of delivery; and
 - (d.5) end user's acceptance or official receipt(s) issued for the contract, if completed.
- d. Copies of audited financial statements, stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions for the last two (2) years from submission of the price quotation.

2. Technical Documents –

- a. Conformity with the Terms of Reference (TOR), as provided in Annex "A" and which will form part of the RFQ.
- b. Omnibus Sworn Statement using the form presented, which is attached as Annex "B" of the RFQ.

FINANCIAL COMPONENT

1. The financial component of the price quotation shall contain the Quotation Form in accordance with the Request for Quotation (RFQ).
2. All price quotations that exceed the ABC shall not be accepted.
3. Prices quoted by the Participating Service Provider shall be fixed during the service provider's performance of the contract and not subject to variation or price escalation on any account. A price quotation submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected.
4. Price quotations shall be quoted in Philippine Pesos.
5. The price quotation shall remain valid for one hundred twenty (120) calendar days from the date of submission and/or opening of price quotations.

OPENING OF PRICE QUOTATIONS

1. The PMO-BAC shall open the price quotations immediately after the deadline for the submission and receipt of price quotations.
2. In accordance with the GPPB Guidelines for Shopping and Small Value Procurement, information relating to the examination, evaluation and comparison of price quotations are to be kept confidential and shall not be disclosed to any other party except to those officially concerned.
3. The PMO-BAC adopts a procedure for ensuring the integrity, security, and confidentiality of all submitted price quotations.

POST-QUALIFICATION

1. The Lowest Calculated Responsive Price Quotation shall undergo post-qualification in order to determine whether the Participating Service Provider concerned complies with, and is responsive to, all the requirements and conditions specified in the RFQ .
2. The Successful Service Provider shall be notified in writing that it has submitted the Lowest Calculated Responsive Price Quotation (LCRPQ) and will be required to submit the following documentary requirements to PMO-BAC:
 - (a) Tax Clearance;
 - (b) Latest income and business tax returns;
 - (c) Certificate of PhilGEPS Registration; and
 - (d) Other appropriate licenses and permits as may be required by law.
3. Failure to submit the above requirements on time or a finding against the veracity of such shall be ground to disqualify the successful Service Provider for award.

AWARD OF CONTRACT

1. The PMO shall award the contract to the Service Provider whose price quotation has been determined to be the LCRPQ.
2. The successful Service Provider shall be notified in writing that its price quotation has been accepted, through a Notice of Award served personally, or sent by registered mail or electronically.
3. At the same time as the PMO notifies the successful Service Provider that its quotation has been accepted, the PMO shall send the Contract to the Service Provider, incorporating therein all agreements made.
4. The PMO shall enter into contract with the successful Service Provider within ten (10) calendar days, provided that all the documentary requirements are complied with.
5. Within three (3) calendar days from the date of approval or signing of the Contract, the PMO shall issue the Notice to Proceed.
6. The Contract effectivity date shall be provided in the Notice to Proceed by the PMO, which date shall not be later than seven (7) calendar days from issuance of Notice to Proceed.

TERMS OF REFERENCE (TOR)

A. Scope of Services

The Participating Service Provider undertakes and commits that it will promptly and fully perform/deliver to PMO the lease of three (3) units multi-function machines (copier and scanner) in accordance with the requirements and specifications of PMO.

B. Performance Period and Terms

1. The Participating Service Provider undertakes to perform/deliver the lease of three (3) units of multi-function machines (copier and scanner) from Monday to Friday, rendering eight (8) hours a day, for a period of one (1) year. The schedule of requirement is listed below:
 - 1.1 Digital Photocopying machines with at least two (2) front – loading paper trays per machines.
 - a. 1 unit - 42 copies per minute, to be installed at 6th floor of PMO building
 - b. 1 unit - 35 copies per minute, to be installed at 6th floor of PMO building
 - c. 1 unit - 25 copies per minute, to be installed at 2nd floor of PMO building
 - 1.2 Provision of at least one (1) resident technician/operator.
 - 1.3 Plan/schedule for the supply of required consumables and spare parts.
 - 1.3 Replacement of unit is required if the defective unit cannot be repaired within two (2) days.
2. A penalty of **PESOS: ONE HUNDRED (P100.00)** per calendar day of delay shall be charged in the event of delay in the delivery of requirements.

C. Technical Specifications

The Participating Service Provider shall state its compliance with the technical specifications enumerated hereunder:

1. Plain Paper Copier and Scanner (lease)
2. Digital type with minimum 50 set finisher documents feeder and back to back feature
3. Model: with LCD display, user friendly and to deliver high quality copies
4. Design: Digital/Console
5. Maximum Original Size: A3
6. Copy System: Indirect electrostatic transfer
7. Paper: A4, 8 ½" x 11", 8 ½" x 14", 11" x 17"
8. Copy paper quality: Plain paper 60 – 120 gsm

9. Continuous copying: 1 – 999 copies (M750)
10. Reduction/Enlargement
11. Fixing: Heated roller fixing
12. Density Control: Automatic and manual
13. Acceptable Original: Single sheets, books, 3 dimensional objects
14. Locking mechanism i.e. Manual key lock, coding, pin lock, etc.
15. At least two (2) front – loading paper trays

D. Other Terms and Conditions

1. Provide the procuring entity at least three (3) multi-function machines (copier and scanner) together with its accessories (the "Machine") to be installed at a place or places designated and to provide additional unit/s when deemed necessary.
2. Regularly, and as often as necessary, make inspections, examinations, adjustments and cleaning to keep all units in good working order and condition.
3. Supply, free of charge, with necessary replacement parts for any and all units of machine provided and effect the necessary or appropriate repairs thereto free of charge.
4. The Service Provider and PMO's representative shall in each month on the date of closing shown on the meter reading card, enter the meter reading for the month in the card and certify thereto.
5. The unit copy charge is based on the net copies reported monthly on the meter reading card using a straight rate on a per copy basis inclusive of tax.
6. That PMO be allowed for the maximum copy spoilage of 2% of gross or total number of pages copied per month or actual number of spoiled copies, whichever is lesser, upon presentation of proof of the spoilage to Service Provider's authorized representative. The spoiled copies shall not be included in the computation of the Rental Service Charge for the month.
7. Upon termination of the Rental Service Agreement, all unpaid obligation of PMO to the Service Provider shall thereupon become immediately due and demandable.
8. That the machine/s including its accessories shall remain the property of the Service Provider and PMO undertakes not to claim ownership thereof of the title thereto and shall not make any alterations on the machine/s, nor sell, dispose, transfer, rent, pledge or mortgage, execute or otherwise deal with the machine in any way which may be prejudicial to the rights of the Service Provider. PMO shall pay the Service Provider any loss or damage on the machine/s and its consumables and spare parts caused by willful act, fault or negligence of PMO.
9. The Service Provider acknowledges and agrees that it will enter into an agreement as independent contractor. No employee-employer relationship shall exist. Likewise shall in no way be responsible for any claims for wages and other employment benefits of the Service Provider's personnel.

10. Neither the Service Provider, nor its affiliates, agents, personnel, employees, sub-contractors, or representatives, shall use or disclose to any person or entity any confidential information (whether in written, oral, electronic or other form), which is obtained from PMO or disclosed by or on behalf or otherwise prepared or discovered either in the performance of the agreement or while on the premises of PMO.

CONFORME:

(Authorized Signature)

(Name and Title of Signatory)

(Name of Firm)

Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. **Select one, delete the other:**

If a sole proprietorship: I am the sole proprietor of *[Name of Participating Service Provider]* with office address at *[address of Participating Service Provider]*;

If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of *[Name of Participating Service Provider]* with office address at *[address of Participating Service Provider]*;

2. **Select one, delete the other:**

If a sole proprietorship: As the owner and sole proprietor of *[Name of Participating Service Provider]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the procurement of *[Name of the Project]* of the *[Name of the Procuring Entity]*;

If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Participating Service Provider]* in the procurement process as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary’s Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Participating Service Provider]* is not blacklisted or barred from participating in the procurement process by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the requirements under the Request for Quotation is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. *[Name of Participating Service Provider]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

If a sole proprietorship: I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, or the BAC Secretariat, the head of the Project Management Office or the end-user unit, or the project consultants, by consanguinity or affinity up to the third civil degree;

If a partnership or cooperative: None of the officers and members of *[Name of Participating Service Provider]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, or the BAC Secretariat, the head of the Project Management Office or the end-user unit, or the project consultants, by consanguinity or affinity up to the third civil degree;

If a corporation or joint venture: None of the officers, directors, and controlling stockholders of *[Name of Participating Service Provider]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, or the BAC Secretariat, the head of the Project Management Office or the end-user unit, or the project consultants, by consanguinity or affinity up to the third civil degree;

7. *[Name of Participating Service Provider]* has been complying with the existing labor laws and standards and has not been found guilty of any violation for the last two (2) years; and

8. *[Name of Participating Service Provider]* is aware of and has undertaken the following responsibilities as a Participating Service Provider:

- a) Carefully examine the Request for Quotation;
- b) Acknowledge all conditions, local or otherwise, affecting the implementation of the lease of multi-function machines (copier and scanner) described in the Contract;
- c) Make an estimate of the facilities available and needed for the implementation and completion of the multi-function machines (copier and scanner) described in the Contract, if any; and
- d) Inquire or secure Supplemental Bulletin(s) issued for the *[Name of the Project]*.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 2015 at _____, Philippines.

Participating Service Provider’s Representative/Authorized Signatory

Annex "B"

SUBSCRIBED AND SWORN TO before me this _____, day of _____, 2015 at _____, affiant exhibiting to me his/her valid identification document issued by _____ at _____, Philippines.

(Notary Public)

Until _____
PTR No. _____
Date _____
Place _____
TIN _____

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 2015.

Quotation Form

Date : _____

RFQ: **PMO 02-2015**

ELLEN H. RONDAEL

Chairperson

Privatization and Management Office

Bids and Awards Committee

104 Gamboa Street, Legaspi Village,

Makati City

Dear Ms. Rondael:

Having examined the Request for Quotation PMO 02-2015, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to *[supply/deliver/perform] [description of the project]* in conformity with the said Request for Quotation for the sum of **[total of Price Quotation in words and figures]**, inclusive of all taxes.

We undertake, if our price quotation is accepted, to perform/deliver the services in accordance with the delivery schedule specified in the Terms of Reference.

Until a formal contract is prepared and executed, this price quotation, together with your Notice of Award, shall be binding upon us.

We understand that the PMO is not bound to accept the lowest or any price quotation it may have received.

We certify/confirm that we comply with the eligibility requirements of the Request for Quotation PMO 02-2015.

Date this _____ day of _____ 2015.

[Authorized Signature]

[in the capacity of]

Duly authorized to sign Quotation for and on behalf of _____

RENTAL AND SERVICE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Rental and Service Agreement ("Agreement") executed and entered into this ____ day of _____ 2015, Makati City, Philippines, by and between:

The **PRIVATIZATION AND MANAGEMENT OFFICE**, an agency of the Government of the Republic of the Philippines established under Executive Order No. 323 dated 06 December 2000, with business address at 104 Gamboa St., Legaspi Village, Makati City, represented herein by its Officer-in-Charge, TONI ANGELI V. COO (hereinafter referred to as the "PMO");

-and-

(Name of Service Provider), a company organized and existing under Philippine Law with business address at _____ herein represented by its Senior Manager, _____, (hereinafter referred to as the "CORPORATION").

-WITNESSETH: That –

WHEREAS, the CORPORATION formally participated in the Request for Quotation for Lease Multi-function Machines (Copier and Scanner) for one year period, conducted by the PMO Bids and Awards Committee (PMO-BAC) on _____, 2015 in accordance with Republic Act 9184 and its Revised Implementing Rules and Regulations (RIRR) and was declared to have submitted the Lowest Calculated Responsive Price Quotation, hence was awarded the contract under PMO BAC Resolution No. _____; subject to the terms and conditions stated herein;

NOW, THEREFORE, for and in consideration of the foregoing premises and of mutual covenants hereinafter set forth, the parties have agreed and bound themselves as follows:

1. The CORPORATION shall have the following obligations:
 - a) Provide PMO with at least three (3) multi-function machines (copier and scanner) together with its accessories (the "Machine), to be installed at a place or places designated by PMO ("Installation Site"), provided that, PMO may request the CORPORATION to provide and the CORPORATION shall provide additional unit(s) of the Machine as PMO deems necessary, which shall be installed in areas or places designated by PMO.
 - b) Regularly, and as often as necessary, make inspections, examinations, adjustments and cleaning to keep all units of the Machine provided to PMO in good working order and condition.
 - c) Supply PMO, free of charge, with necessary replacement parts for any and all units of Machine provided to PMO and effect the necessary or appropriate repairs thereto free of charge.

Annex "D"

- d) Provide service and maintenance check of all units of Machines provided to PMO, which shall be done during regular working hours.
- e) Assign/appoint at its own expense one (a) In-House Key Operator to operate all units of Machines provided to PMO, from Monday to Friday, at regular eight (8) working hours per day.

(The obligation enumerated above shall be collectively referred to as the "Services").

2. Unless sooner terminated by PMO under condition no. 10 hereof, the CORPORATION is hereby engaged by PMO for a period of _____, and/or from the date of installation of the first three (3) units of Machine at the Installation Site, provided in Section 1(a) above, as evidenced by the Delivery Receipt Form signed by PMO, whichever is later. Upon expiration of the one-year period provided under this section without PMO providing notice of termination to the CORPORATION at least 30 days prior to the expiration date, this Agreement shall be deemed automatically renewed on a month-to-month basis unless PMO serves notice of termination to the CORPORATION, provided that said month-to-month automatic renewal shall in no case exceed a period of six (6) months in the aggregate.
3. As rental fee for the Services, PMO shall pay the CORPORATION a Straight Rate of (rate per copy), inclusive of tax ("Rental Services Charges"). All accounts shall be payable monthly to the CORPORATION, within fifteen (15) days from receipt by PMO of the CORPORATION's billing statement. Acknowledgement of receipt of consumables by PMO is sufficient to establish CORPORATION's claim for Rental Service Charges, and shall serve the same purpose as a Purchase Order.
4. The Rental Services Charges shall commence to be computed from the date of installation of the relevant units of the Machine. PMO reserves the right to request removal or withdrawal of any or all additional units that may have been requested by PMO under Section 1(a) above, at any time that PMO deems said units unnecessary.
5. The PMO and the CORPORATION shall, on a closing date to be agreed by the parties for each month, appoint its respective representatives who shall jointly verify the meter reading for the month as shown in the meter reading card. The representatives of PMO and the CORPORATION shall enter the meter reading for the month in the meter card and certify the correctness and accuracy of the meter reading.
6. The Unit Copy Charge is based on the net copies reported monthly on the meter reading card.
7. The PMO shall be allowed maximum copy spoilage of two percent (2%) of the gross or total number of pages copied per month, or actual number of spoiled copies, whichever is lesser, upon presentation of proof of the spoilage to the CORPORATION's authorized representatives. The spoiled copies shall not be included in the computation of the Rental Service Charge for the month.
8. The CORPORATION acknowledges and agrees that it has entered into this Agreement as an independent contractor. No employee-employer relationship shall exist between the CORPORATION and its personnel and PMO. PMO shall in no way be responsible for any claims for wages and other employment benefits of the CORPORATION's personnel.

Annex "D"

PMO shall in no manner be liable for any accident or injury which may occur to any personnel of the CORPORATION during the performance of the Services. The CORPORATION shall indemnify the PMO and hold PMO free and harmless, from any damage to or loss of property or from any injury to any third person in the course of its performance of the Services.

9. The CORPORATION agrees to indemnify PMO for any claim, loss, damage, or destruction to PMO property and for any loss, damage or injury that may be incurred by PMO, its officers, employees and representatives, which is attributable to (a) the failure by the CORPORATION or any of its employees, personnel, agents or representatives to perform in full or in part the Services required under this Agreement, (b) the fault, negligence, unlawful act, or misconduct of the CORPORATION, its employees, personnel, agents or representatives in relation to the performance of the Services or any of its obligations under this Agreement, or (c) arising directly or indirectly from the breach by the CORPORATION of any applicable law.
10. Notwithstanding the fixed duration stated in condition no. 2 above, PMO may at any time terminate this Agreement earlier than the agreed period for any reason, provided that at least thirty (30) days written notice is served by PMO to the CORPORATION prior to the effective date of termination.
11. Upon termination of this Agreement, all unpaid obligation of PMO to the CORPORATION shall thereupon become immediately due and demandable. Likewise, PMO shall return all units of the Machine to the CORPORATION immediately without need of demand from the CORPORATION.
12. Any and all units of the Machine shall remain the property of the CORPORATION. PMO shall take care of all units of the Machine installed in its premises with the diligence of a good father of a family. PMO shall not make any alterations thereto, nor sell, dispose, transfer, rent, pledge or mortgage, execute or otherwise deal with the same in any way which may be prejudicial to the rights of the CORPORATION.
13. Neither the CORPORATION, nor its affiliates, agents, personnel, employees, subcontractors, or representatives, shall use or disclose to any person or entity any confidential information (whether in written, oral, electronic or other form), which is obtained from PMO or disclosed by or on behalf of PMO or otherwise prepared or discovered either in the performance of this Agreement, or while on PMO's premises.
14. The CORPORATION represents and warrants that it has full capacity and authority to enter into and perform its obligations under this Contract, and to grant the rights and perform and undertake the obligations hereunder with all due skill, care and diligence.
15. The CORPORATION shall not, directly or indirectly, in whole or in part, neither by operation of law or otherwise, assign, transfer this Agreement or delegate or subcontract any of its obligations under this Agreement without PMO's prior written consent, which consent shall not be unreasonably withheld. Any attempted assignment, transfer, delegation, or subcontracting without such prior written consent shall be void and unenforceable.

- 16. This Agreement shall be covered by the laws of the Philippines. Should any provision of this Agreement be declared or become invalid or unenforceable under any applicable law or violate any applicable law, all the other provision shall not be affected thereby and shall remain valid and binding.

- 17. Failure by PMO to enforce any provision of this Agreement shall not constitute a waiver of affect its right to require the future performances thereof, nor shall its waiver of any breach of any provisions of this Agreement constitute a waiver of any subsequent breach or nullify the effectiveness of any provisions. No waiver shall be binding unless made in writing and signed by PMO.

IN WITNESS WHEREOF, both parties hereunto set their hands this ____ day of _____ 2015 at Makati City.

**PRIVATIZATION AND
MANAGEMENT OFFICE**

(Name of Service Provider)

By: **TONI ANGELI V. COO**
Officer-In-Charge

BY: _____

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

BEFORE ME, a Notary Public personally appeared:

<u>Name</u>	<u>Valid Identification Document</u>	<u>Date/Place Issued</u>
TONI ANGELI V. COO <i>(in her capacity as Officer-In-Charge of the Privatization and Management Office)</i>	Passport EB 95442027	November 8, 2013 Manila
<u>(Name of Service Provider)</u> <i>(in her capacity as (designation) of Corporation)</i>		

Both known to me and known to be the same persons who executed the foregoing agreement and they acknowledge to me that the same is their own free and voluntary act and deed and of the principals they represent.

I further certify that this instrument refers to Rental and Service Agreement consisting of five (5) pages, including this page bearing the acknowledgement, duly signed by the parties, and their witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL at the place on the date aforementioned.

Doc No. _____
Page No. _____
Book No. _____
Series of 2015.