

RENTAL AGREEMENT

THE PUBLIC IS INFORMED:

This Rental Agreement is executed between:

OTUS COPY SYSTEMS, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal office address at UD8-9 David Bldg., 2567 Shaw Boulevard, Mandaluyong City, represented herein by its Chief Executive Officer, **ERWIN C. MANARPIIS**, duly authorized for this purpose as evidenced by the Secretary's Certificate dated June 06, 2018 which is hereto attached as Annex "A", hereinafter referred to as "OTUS",

and

The **BASES CONVERSION AND DEVELOPMENT AUTHORITY**, a government instrumentality vested with corporate powers, created by virtue of Republic Act No. 7227, as amended, with office and postal address at the BCDA Corporate Center, 2/F Bonifacio Technology Center, 31st Street Crescent Park West, Bonifacio Global City, Taguig City, represented by its Executive Vice President, **AILEEN AN. R. ZOSA**, duly authorized for this purpose by the BCDA Board as evidenced by Item 178, Letter G, page 27 of the approved BCDA Manual of Approval dated November 22, 2017 marked herein as Annex "B", hereinafter referred to as "BCDA".

BCDA and OTUS may individually be referred to as Party or collectively as Parties

- ANTECEDENTS -

BCDA is in need of twenty (20) units of color multifunction copy machines for the day to day demand of its printing and photocopying services. However, the purchase of these machines may not be advantageous to the government because of its high cost of maintenance and repair.

The most advisable and cost-efficient way of satisfying this demand for printing and photocopying services is through the rental of these multifunction copy machines.

Pursuant to the provisions of Republic Act 9184 and its Revised Implementing Rules and Regulations, BCDA posted continuously for seven (7) consecutive days its Invitation to Bid in the PHILGEPS website, BCDA website and in a conspicuous place reserved for this purpose in its premises as certified by the head of the BAC Secretariat.

In a bidding held last June 07, 2018, the Lessor met all the eligibility requirements and submitted a responsive bid. *R*

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Tina Rose M. Villa
TINA ROSE M. VILLA
RECORDS MANAGEMENT OFFICER IV
BCDA RECORDS OFFICE

AUG 30 2018

The Bids and Awards Committee for Goods (BAC-G) passed BAC Resolution No. BG-2018-0015 (hereto attached as Annex "C") dated June 09, 2018, declaring the OTUS as the winning bidder and recommending to the BCDA President and Chief Executive Officer the award of the Rental Agreement to the OTUS.

The BCDA Executive Vice President approved the recommendation of the Bids and Awards Committee for Goods on June 09, 2018.

ACCORDINGLY, in view of the foregoing premises and in consideration of the covenants hereinafter set forth, the Parties hereto have agreed as follows:

1. **EQUIPMENT.**

The OTUS hereby leases to the BCDA twenty (20) units of color multifunction copy machines, together with the accessories listed below and herein referred to as "EQUIPMENT.":

<u>MODEL</u>	<u>SERIAL NO.</u>
ApeoSport-IV C5570	167753
	167320
	167740
	167399
	143486
	167479
	156471
	167409
	146913
	156430
	404822
	404836
	159076
	404835
	164391
	164510
	405705
	405707
ApeoSport-IV C5575	207547
	208092

ACCESSORIES:

- a. Automatic Document Feeder
- b. Finisher
- c. Automatic Duplexing Unit

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In the event any of the above described EQUIPMENT is replaced by other units of the same or different model, the replacement shall automatically be

covered by this Agreement as if it was the original subject matter of this Agreement.

2. **RENTAL RATE**

The OTUS shall provide all the supplies, consumables, spare parts (excluding copy paper) and services needed to keep the rented EQUIPMENT in satisfactory working condition without cost to the BCDA.

In return, the BCDA agrees to pay the OTUS the following rental rates:

Monochrome : **Seventy-Five Centavos (Php0.75)** per copy

Color : **Six Pesos and 50/100 Centavos (Php6.50)** per copy

All inclusive of VAT, subject to par. 3 (b) hereof.

3. **COMPUTATION OF CHARGES:**

- a. Rental charges shall be computed from **July 16, 2018 to July 15, 2019.**
- b. At the end of each month, the OTUS and BCDA'S representatives shall take the meter reading of the EQUIPMENT and compute the total number of copies made (less actual spoilage, test copies made by OTUS technician but not to exceed 2% of total copies made).
- c. The total billing is computed by multiplying the total number of net copies made by the rental rate stated in par. 2 hereof.

4. **PAYMENT OF ACCOUNTS:**

All accounts shall be payable every month to the OTUS within thirty (30) working days from the BCDA'S date of receipt of the OTUS billing statement.

All overdue unpaid rentals and/or charges shall bear interest at one and a half percent (1.5%) a month until the same are fully paid.

5. **OWNERSHIP OVER EQUIPMENT/SPARE PARTS AND CONSUMABLES.**

The EQUIPMENT being rented and its unused spare parts and consumables shall remain the property/ies of the OTUS. The BCDA shall not make any alteration on the EQUIPMENT, nor shall the BCDA sell, transfer, mortgage, rent or encumber the said EQUIPMENT, the used or unused spare parts and other consumables of the same that will, in any way, prejudice the rights and interests of the OTUS. The EQUIPMENT shall remain the property of the OTUS regardless of any claim or reason therefor, such as judgements,

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TINA ROSE R. VILLA
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Uncontrolled when printed or emailed

[Signature]

[Signatures]

execution, provisions, attachment and provisional disposition of the EQUIPMENT. In any event, the BCDA shall inform the OTUS immediately of any attachment, levy, execution or similar lien over the EQUIPMENT and the BCDA shall exercise due diligence and exert all efforts to protect the right of the OTUS over the EQUIPMENT.

6. **COMPENSATION IN CASE OF LOSS OR DAMAGE.**

The BCDA shall compensate the OTUS for any loss of, or damage to, the EQUIPMENT caused by or due to any willful act or fault or negligence of the BCDA, its representative, personnel, agent, or any person acting in its behalf, or any loss or damage resulting from or due to violation by the BCDA or its personnel of any term of this Agreement. At the BCDA's option, it may take out an insurance policy to cover loss or damage to said EQUIPMENT.

7. **MAINTENANCE SERVICE AND REPAIR.**

The OTUS or its duly authorized representatives, shall make such inspections on a monthly basis on normal business days and during working hours and make adjustments and repairs whenever required to keep the EQUIPMENT in good working condition. **On-call repair services shall also be provided by the OTUS within the day or not later than the following day the request is made.** In case of relocation, the BCDA should inform the OTUS who shall undertake the relocation. All expenses relating thereto shall be for the account of the BCDA. Whenever necessary and as part of its service package, the OTUS undertakes to train the BCDA's personnel to operate the EQUIPMENT at no cost.

8. **SERVICE/REPLACEMENT UNIT.**

The OTUS shall immediately provide a service unit to the BCDA in case of machine breakdown or delayed repair, at no cost to the BCDA. If in the judgment of the BCDA, the repeated breakdown causes prejudice to its interest or when the damage is determined to be irreparable, the BCDA can demand for the machine's replacement with another unit of equal or superior capacity. In such case, the OTUS shall deliver the replacement unit within three (3) calendar days from the BCDA's demand. Should the OTUS fail to provide the replacement within the specified period, the BCDA shall impose a five percent (5%) penalty on the total bill for the month when OTUS failure occurred. Further, the BCDA shall have the option to terminate this Agreement without incurring any liability for the payment of rental and/or damages arising therefrom.

9. **EFFECTIVITY OF AGREEMENT.**

This Agreement shall take effect on **July 16, 2018** and shall automatically terminate on **July 15, 2019** unless extended in writing by the BCDA.

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TINA ROSE A. VILLA
RECORDS MANAGEMENT OFFICER IV
BCDA RECORDS OFFICE

AUG 30 2018

10. **TERMINATION OR CANCELLATION OF AGREEMENT.**

Notwithstanding Paragraph number 9 hereof, either party may, at any time and with prior 30-day notice to the other, terminate this Agreement under any of the following instances:

- a. Violation of any provision of this Agreement;
- b. Bankruptcy proceedings instituted against, appointment of a receiver for or change in ownership of either party; and,
- c. Any other ground authorized by law.

When the Agreement is terminated due to the fault of the BCDA, any outstanding account shall be due and payable without need of any formal demand by the OTUS. In case the termination is due to the OTUS fault, the OTUS shall be liable for whatever consequential damages incurred by the BCDA without the BCDA's demand.

11. **RETURN OF EQUIPMENT.**

The EQUIPMENT, without any need of prior demand, must be immediately pulled out by OTUS, upon lapse of the mandatory 30-day notice for the termination or cancellation of this Agreement as mentioned in the immediately preceding Section.

In this regard, BCDA shall not be obliged to safe keep the EQUIPMENT, nor shall be liable for any damages to it, should OTUS fail to pull out the same on said date.

12. **SEPARABILITY.**

If any provision of this Agreement is held invalid or declared contrary to law, the validity of the other conditions or provisions shall not be affected.

13. **OTUS RESERVATION.**

The OTUS reserves the right to assign and/or discount with any entity or financing institution, the receivables under this Agreement.

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Tina Rose
TINA ROSE WILLA
RECORDS MANAGEMENT OFFICER IV
BCDA RECORDS OFFICE
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14. **DISPUTE RESOLUTION, COURT ACTION AND VENUE OF SUIT.**

Any dispute or controversy between the parties in connection with or arising from this Contract shall, as far as practicable, be settled by the Parties amicably.

Should BCDA be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the OTUS shall be liable for

attorney's fees in an amount equivalent to twenty percent (20%) of the total sum claimed in the Complaint, exclusive of other damages and the expense of litigation.

Both parties hereby agree that all legal actions arising out of this Agreement shall be instituted in the proper court of Taguig City, to the exclusion of all other courts of equivalent jurisdiction.

15. **CUMULATIVE RIGHTS.**

All rights, remedies, obligations, undertakings, warranties, representations, and covenants contained herein shall be cumulative and none of them shall be in limitation of any other right, remedy, obligation, undertaking, warranty, representation, or covenant of either party.

16. **FURTHER ASSURANCE.**

Each party shall from time to time upon the request of the other party, execute any additional documents and do any other acts or things which may be reasonable be required to achieve the purposes of this Agreement.

17. **NO WAIVERS.**

No failure or delay on the part of a party to exercise any right, power or privilege hereunder, or to enforce at any time or for any period of time any provision hereof, shall be construed to be a waiver of such right, power, privilege or provision or of the right of the party thereafter to exercise such right, power or privilege, or enforce such provision. *h.*

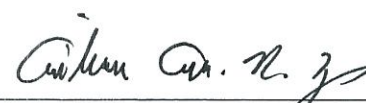
SIGNED by the parties on 24th day of JULY 2018 at Taguig City, Metro Manila.

OTUS COPY SYSTEMS, INC.

BASES CONVERSION AND DEVELOPMENT AUTHORITY



ERWIN C. MANARPIIS
Chief Executive Officer




AILEEN AN. R. ZOSA
Executive Vice President


BCDA Records Management & Office Services Division
Bases Conversion and Development Authority

FX2018 - 0254


SIGNED IN THE PRESENCE OF:



EMELITA V. CASTRO
CERTIFIED TRUE COPY
TINA ROSE R. VILLA
RECORDS MANAGEMENT OFFICER IV
BCDA RECORDS OFFICE
AUG 30 2018



ARISTOTLE E. GUERRERO
Records Management Officer V



ACKNOWLEDGEMENT

Republic of the Philippines)
City of Taguig City) S.S.

BEFORE ME, a Notary Public for and in the City of Taguig City,
this JUL 31 2018, 2018, personally appeared the following:

Name	Government - Issued ID	Expiry Date
1. Aileen An. R. Zosa	Passport # EC1384672	June 10, 2019
2. Erwin C. Manarpiis	Passport # P53533226A	Dec. 14, 2022

Known to me and to me known to be the same persons who executed the foregoing instruments as:

POSITION	COMPANY
1. Executive Vice President	Bases Conversion and Development Authority
2. Chief Executive Officer	Otus Copy Systems, Inc.

And they acknowledge to me that the same are their own free act and deed, as well as the free and voluntary act of the entities they represent.

SIGNED AND SEALED on JUL 31 2018 2018 in
Taguig City.

Doc. No. 180 ;
Page No. 37 ;
Book No. 07 ;
Series of 2018. ✓

MCS
ATTY. MARICEL C. CORONACION-SANTOS
NOTARY PUBLIC FOR AND IN TAGUIG CITY
NOTARIAL COMMISSION UNTIL DECEMBER 31, 2019
ROLL OF ATTORNEYS NO. 63834
IBP NO. 031591 / 1-29-18 / RIZAL
PTR NO. A-3810406 / 1-26-18 / TAGUIG CITY
MCLE COMPLIANCE NO. V-0016874 / 16 MARCH 2016

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BCDA RECORDS OFFICE
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