

**RENTAL AGREEMENT  
RENTAL OF PHOTOCOPYING MACHINE**

**KNOW ALL MEN BY THESE PRESENTS:**

This AGREEMENT made and entered into by and between;

The **BUREAU OF FIRE PROTECTION**, a government agency created by virtue of DILG Act of 1990 with office address at BFP National Headquarters Building, Brgy. Bagong Pag-asa, Agham Road, Quezon City represented herein by its **DIRECTOR LEONARD R BAÑAGO DSC, Chief BFP**, who is authorized to represent and bind said office in this Contract, hereinafter referred to as the **LESSEE**.

-and-

The **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 address at 10/F MG Tower #75 Shaw Blvd., Mandaluyong City represented by **MR JOEY A. FRANCISCO**, hereinafter referred to as the **LESSOR**;

**WITNESSETH, that:**

**WHEREAS**, a Request for Quotation (RFQ) for the Rental of Eighteen (18) Units Photocopying Machines in the amount of **Nine Hundred Seventy Two Thousand Pesos (Php972,000.00)** was published at Philippine Government Electronic Procurement System (PhilGeps) website and other conspicuous place within the BFP premises;

**WHEREAS**, the **SECOND PARTY** is willing to deliver the required services as stated in its quotation form amounting to **Eight Hundred Ninety One Thousand Pesos (Php891,000.00)** and comply with the requirements of the **FIRST PARTY**;

**WHEREAS**, the **FIRST PARTY** approved Alternative Methods of Procurement Committee Resolution No 2018-SVP-028A dated 14<sup>th</sup> day of March 2018, recommending the award for the Rental of Eighteen (18) Units Photocopying Machines under Small Value Procurement to the **SECOND PARTY**;

**NOW THEREFORE**, for and in consideration of the foregoing premises and mutual covenant, the parties hereto have agreed to the following terms and conditions:

**1. EQUIPMENT**

The **LESSOR** hereby leases to **LESSEE** the Eighteen (18) Units Fuji Xerox Machines together with the accessories herein referred to as **EQUIPMENT** and **LESSEE** acknowledges receipt thereof in good state and working condition:

**2. RENTAL RATE**

The **LESSOR** shall provide the supplies/consumables (such as toner but excluding copy paper and staples wires), spare parts and service needed to maintain and keep the **EQUIPMENT** being rented in satisfactory condition without any cost to the **LESSEE** other than the agreed rental for the **EQUIPMENT** and/or cost per copy.

In return to the lease of the **EQUIPMENT**, including usage of the supplies/consumable/spare parts and servicing and maintenance of the **EQUIPMENT**, the **LESSEE** agreed to pay the rental rate.

1 - 180,000 copies	=	P0.55/copy
180,001 - UP copies	=	P0.55/copy
<b>COMBINED MONTHLY MINIMUM BILLING OF</b>		<b>P99,000.00</b>

The rental rate is inclusive of 12% vat



**Note: The number of copies includes number of prints and scans if utilized as printer, fax or scanner.**

### **3. COMPUTATION OF CHARGE**

- 3.1) Rental charges are computed from the date of installation of the equipment as evidenced by the **LESSOR'S** Field Service Report acknowledged by the **LESSEE** or its authorized representative.
- 3.2) At the end of each month or billing date, the **LESSOR's** and the **LESSEE's** authorized representatives shall take the meter reading based on the main total counter of the equipment and compute the total number of copies made less two percent (2%) spoilage including test copies made by the owner's Technician. The counter per pin code account should not be the basis of the billing.
- 3.3) Total billing charge is computed by multiplying the total number of net copies made by the rental rate stated above. If the total amount of monthly rental charge is less than the Monthly Minimum charge stated above, the **LESSEE** shall be invoiced the same amount as of that of the Monthly Minimum Billing.
- 3.4) If the number of copies is more than the minimum copies, the exceeding copies will be charged at the rate stated hereof and shall be added to the monthly minimum charge. **LESSOR** shall pay for any other taxes or charges that maybe imposed by the government or any of its instrumentalities on the excess copies and as stated above.

### **4. PAYMENT OF ACCOUNTS**

- 4.1) The rental charges shall be payable monthly to the **LESSOR** within thirty (30) days from receipt by the **LESSEE** of the billing statement or invoice. Acknowledgment of receipt of the consumables, spare parts and services by the **LESSEE's** authorized representative is sufficient proof to establish **LESSOR's** claim for payment of rental in place of or in the absence of **LESSEE's** Purchase Order.
- 4.2) The **LESSOR** may suspend or withhold in providing supplies, consumables, parts and services to the **EQUIPMENT** if the **LESSEE** has an overdue account of two (2) months.

### **5. OWNERSHIP OVER EQUIPMENT/SPARE PARTS AND CONSUMABLE**

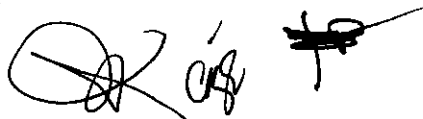
The **EQUIPMENT** being rented, as well as the accessories and the used and unused spare parts and consumables, shall at all times remain the property of the **LESSOR**. Thus, the **LESSEE** shall not make any alteration or change, whatsoever, on the **EQUIPMENT**, nor shall **LESSEE** sell, transfer, mortgage, sub-lease or encumber the **EQUIPMENT**, including the used or unused spare parts and consumable that will in any way prejudice the right and interest of the **LESSOR**. In case of violation by a third party of the property rights of the **LESSOR**, the **EQUIPMENT** shall remain the property of the **LESSOR**, regardless of any claims or reason thereof, such as judgments, executions, provisions, attachment, levy or execution on the **EQUIPMENT** and **LESSEE** shall exercise due diligence and exert all effort to protect the right of the **LESSOR**. **LESSEE** shall be legally and financially liable to ensure that **LESSOR's** property right is protected.

Should the **LESSOR** suspends/terminates or cancels this contract or stop its service and supply of spare parts and consumables for any violation of any term or condition of this contract by the **LESSEE**, the **LESSEE** acknowledges the right and authority of the **LESSOR** to redeem/take possession of said used items including the **EQUIPMENT**, and **LESSEE** is obligated to return said items to **LESSOR** immediately.

### **6. COMPENSATION**

The **LESSEE** shall compensate the **LESSOR** for any loss or damage on the **EQUIPMENT** while within **LESSEE's** custody, except the following reasons:

- a.) When the loss or damage is caused by the acts or omissions of the **LESSOR**, including its employees, technicians, agents and representatives.



- b.) When the loss or damage is due to latent or inherent defect or natural deterioration of the EQUIPMENT.
- c.) When the loss or damage is due to the violation by the LESSOR of any of the provisions of this Agreement.

The owner shall not be responsible for any damage, injury or loss arising out of or in connection with the use of the EQUIPMENT. In no circumstances will LESSOR be responsible for any loss of business or profit or of any consequential loss however arising including delay in or failure of EQUIPMENT.

## 7. MAINTENANCE SERVICE AND REPAIR

- 7.1) The LESSOR or its duly authorized representative/s, shall make such inspections and judgements which it deems necessary to keep the EQUIPMENT in good working condition, or regular business days and working hours. For any service rendered beyond the regular working hours at the request of the LESSEE, the LESSOR may bill the LESSEE for the charges at the established rate.
- 7.2) In case of relocation of the EQUIPMENT, the LESSEE should inform the LESSOR thereof and all expenses relating thereto shall be for the account of the LESSEE.

This agreement excludes maintenance cost (parts/services) of IT connectivity and support (software's, hardware- PC systems, storage devices, servers, etc.)

## 8. EFFECTIVITY OF THE AGREEMENT

This Agreement shall take effect on the date of actual delivery and installation of the EQUIPMENT and shall be for a period of **Nine (09) months from the date thereon**. Should the LESSEE cancels/terminates this Agreement during the term herein mentioned, the LESSEE shall pay the basic monthly rental charges corresponding to the unexpired portion of this Agreement as liquidated damages.

## 9. TERMINATION OR CANCELLATION OF THE AGREEMENT

- 9.1) The LESSOR may, at any time during the term of this Agreement and with fifteen (15) days prior written notice to LESSEE, terminate this Agreement under any of the following instances:
  - a.) When the LESSEE fails or delays payment of any billings presented by the LESSOR;
  - b.) When the EQUIPMENT is/are relocated without the prior written consent of the LESSOR.
  - c.) When the LESSEE fails to perform any of its obligations stated in this Agreement.
  - d.) When the LESSEE violates any provision of this Agreement; and
  - e.) When bankruptcy proceeding are instituted against the LESSEE, or a receiver has been appointed or when there is a change in ownership.

9.2) The LESSEE may likewise, at any time during the term of this Agreement and with fifteen (15) days prior written notice to the LESSOR, terminate this Agreement under any of the following instances:

- a.) When the LESSOR violate any of the terms and conditions of this Agreement.
- b.) When the LESSOR ceases/suspends operations, becomes insolvent, commits or permits any act of bankruptcy or insolvency, is dissolved or in the process of dissolution or upon issuance of writ execution or attachment against the LESSOR. Upon cancellation of this Agreement, any outstanding accounts shall be due and payable in full and the LESSEE shall immediately pay LESSOR all moneys, charges and claims without need of any formal demand by the LESSOR.



## 10. RETURN OF THE EQUIPMENT

- 10.1) Upon cancellation or termination of this Agreement, the LESSOR shall immediately pick-up the EQUIPMENT without need of any notice, demand, or formalities. For this purpose, the LESSEE hereby authorizes the LESSOR or its representatives to enter its premises where the EQUIPMENT installed and take physical possession of the said EQUIPMENT, including any unused supplies, spare parts or accessories supplied by the LESSOR.
- 10.2) In case of delay in the return of the EQUIPMENT due to the fault of the LESSEE, the LESSEE shall be liable to pay the LESSOR the amount equivalent to the Minimum Monthly Billing, as if this Agreement is in effect, until the EQUIVALENT are finally surrender to LESSOR.

## 11. GENERAL PROVISIONS

- 11.1) **Complete Agreement.** This Agreement constitutes the entire understanding and Agreement between the parties with the subject matter referred to herein.
- 11.2) **Amendments.** No modifications, amendments, supplements or alterations to this Agreement shall be binding unless made and agreed by both parties in writing and signed by a proper and duly authorized representative of each of the parties.
- 11.3) **Separability.** If any condition or provision of this Agreement is held invalid or declared contrary to law by any competent court, the validity or legality of the other conditions or provisions shall not be affected hereby.
- 11.4) **Heading.** All subject clauses or heading contained on this Agreement are for clarification and convenience of reference purposes only and or not intended to limit the scope of any of the provisions of this Agreement.

## 12. OWNER'S RESERVATION

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

## 13. COURT SUIT, VENUE

- 13.1) In the event of litigation between the parties herein arising from or in connection with this Agreement, the parties agree to pay an additional twenty-five per centum (25%) of Twenty Thousand (P20,000) Pesos.
- 13.2) Both parties hereby agree that all legal actions arising out of this Agreement shall exclusively be instituted in any of the proper courts of QUEZON CITY.

IN WITNESS WHEREOF, the Parties hereby affix their signatures on this  
MAR 20 2018 at Quezon City, Philippines.


LESSEE

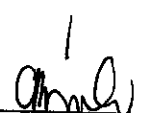
  
LEONARD R BAÑAGO  
FIRE DIRECTOR (DSC)  
Chief, BFP

LESSOR

  
JOEY A FRANCISCO  
OTUS COPY SYSTEMS, INC.

Signed in the presence of:

  
GINA M. GONZALES, CPA  
CHIEF ACCOUNTANT  
ACCTG. P-NHQ

  
Claire B. Joseph  
Customer Service Representative

**ACKNOWLEDGEMENT**

REPUBLIC OF THE PHILIPPINES )  
QUEZON CITY ) ss.  
x-----x

MAR 20 2018

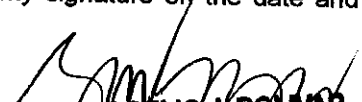
Personally appeared before me this \_\_\_\_\_ at Quezon City, Philippines, the contracting parties:

**DIRECTOR LEONARD R BAÑAGO**      **BFP ID NO 18-B88014**      **Expiry Date: Jan 7, 2020**  
**JOEY A FRANCISCO**      **Passport Number P0316905A**      **Valid until Sept 19, 2021**

Known to me to be the same persons who executed the foregoing and acknowledged to me that the same is their own free and voluntary act and deed as well as those of the entities herein represented.

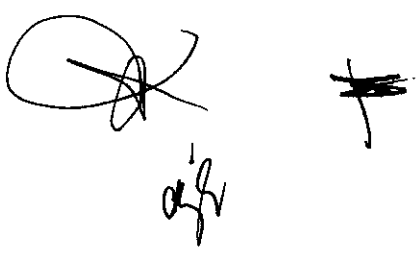
This Contract, consists of five (5) pages including this page, is signed by the parties and their witnesses on each and every page thereof. This refers to the Rental of Eighteen (18) Units Photocopying Machines by BFP NHQ to **OTUS COPY SYSTEMS, INC.**

IN WITNESS WHEREOF, I hereby affixed my signature on the date and place first above written.

  
**ATTY. ROGELIO J. BOLIVAR**  
NOTARY PUBLIC IN QUEZON CITY

AM Adm. Not. Comm. No. NP-060 1-12-17 until 12-31-2018  
IBP O.R No. 1038374 Jan. 2017 up to Dec. 2018  
PTR O.R No. 5522486 C 1-3-18 / Ref. No. 33032 / TIN# 129-871-009  
MCLE No. V-0019296 valid from 04/15/2016 until 04/14/2019/PASIG CITY  
Address: 31-F Harvard St. Cubao, Q.C.

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Series of 2018





Republic of the Philippines  
**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**  
**BUREAU OF FIRE PROTECTION**

Work Order No.  
**LWO-18-04-030**  
 Date Issued:  
**MAR 21 2018**

**TO: OTUS COPY SYSTEMS INC.**  
 Add: 10/F MG Tower #75 Shaw Blvd., Mandaluyong City  
 Tel/Fax (02) 631-954/0922-8101775  
 Tin No 245-110-268-000

Mode of Procurement  
**SVP**

*Completion time from the date this Work Order is received by the*  
 CONTRACTOR: **OTUS COPY SYSTEMS INC.**  
 Place of Delivery: **BFP National Headquarters**

Delivery Terms:  
**Seven (7) Calendar Days upon Receipt of Notice to Proceed**

ITEM NO.	UNIT	QUANTITY	SCOPE OF WORK/WORK TO BE DONE	UNIT PRICE	TOTAL COST
	units	18	<b>RENTAL OF PHOTOCOPYING MACHINES</b>	5,500.00	891,000.0
			Technical Specifications:	per unit/month	
			> Heavy-Duty Machines: Copy/ Print Speed 35 cpm/ppm	x 9 months	
			> Multi-Function Digital Copier, Network Printer & Network Scanner		
			> With Duplex Automatic Document Feeder		
			> with back to back copy/print		
			> with Electronic Sorting & Collating		
			> Machines must be remanufactured by the Original Equipment Manufacturer (OEM)		
			> Certification from the OEM that the machines were remanufactured by them		
			> warm-up Time: 35 seconds or less		
			> Copier Resolution: 600 x 600 dpi		
			> First Copy Out Time: 5 seconds		
			> Paper Size: Up to A3		
			> Reduction/ Enlargement: 25%-400%		
			> Paper Trays: 4 Cassette Trays plus Bypass Tray		
			> Paper capacity: At least 2,000 sheets		
			> Memory: At least 512MB		
			> Hard Disk Drive (HDD): 40GB		
			<b>Rental Package</b>		
			> Priority Account with unlimited service call		
			> Free Spare parts Replacement		
			> Worry Free (maintenance for the duration of the contract)		
			> Free machine consumables such as toner, drum, developer (except copy paper)		
			<b>Rental Rate</b>		
			Eighteen (18) unist digital copier for nine (9) months		
			1-10,000 copies @ 0.55/copy/print		
			Monthly Billing: inclusive of 12% VAT with 2% spoilage		
			-x-x-x-x-x-x-nothing follows-x-x-x-x-x-		

**GRAND TOTAL LABOR AND MATERIALS**

**Php891,000.00**

Received Work Order and held myself binding to the terms and condition specified herein.

Approved:

**LEONARD R. BAÑAGO**  
**FIRE DIRECTOR (DSC)**  
**Chief, BFP**  
 Authorized Official

Conforme:

**JOEY A. FRANCISCO**  
 (Signature over printed name)  
**MARCH 22, 2018**  
 (Date)

Requisitioning Office/Dept.  
  
**SSUPT JERRY D CANDIDO, DSC**  
 Director for Logistics  
 Authorized Official

Funds Available:  
  
**GINA H GONZALES, CPA**  
**CHIEF ACCOUNTANT**  
**CHIEF ACCOUNTANT**

Amount: \_\_\_\_\_  
 OBR No. \_\_\_\_\_



Republic of the Philippines  
 Department of the Interior and Local Government  
**BUREAU OF FIRE PROTECTION**  
**NATIONAL HEADQUARTERS**  
 Agham Road, Barangay BagongPag-asa, Quezon City  
 Telefax Number: (02) 426 - 4399  
 Email: [ofcbfp@gmail.com](mailto:ofcbfp@gmail.com)

STD FORM NO. SF-GOOD-56  
 Rev on 24 May 2004

## NOTICE TO PROCEED

MAR 22 2018

(Date)

**MR. JOEY A FRANCISCO**  
**OTUS COPY SYSTEMS, INC.**  
 10/F MG Tower, #75 Shaw Blvd.,  
 Mandaluyong City

Dear Mr. Francisco:

The attached Contract of Agreement and Work Order Number LWO-18-04-030 having been approved, notice is hereby given to **OTUS COPY SYSTEMS, INC.**, as per Alternative Methods of Procurement Committee Resolution No. 2018-SVP-028A that work may commence on the Rental of Eighteen (18) Units Photocopying Machine, effective upon receipt of this notice.

You are responsible for performing the services under the terms and conditions of the contract and in accordance with the implementation schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the Bureau of Fire Protection, National Headquarters.

Very truly yours,

  
**FIRE DIRECTOR LEONARD R BAÑAGO, DSC**  
 Chief, BFP

I acknowledge receipt of Notice on MARCH 26, 2018  
 Name of Bidder/Representative JOEY A. FRANCISCO  
 Authorized Signature 