

SERVICE AGREEMENT FOR THE PROVISION OF PHOTOCOPYING SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and entered into by and between:

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA), a national government agency created under Republic Act No. 7796, with office address at TESDA Administration Building, East Service Road, South Luzon Expressway (SLEX), Fort Bonifacio, Taguig City 1630, Metro Manila, herein represented by its Director General, **SUHARTO T. MANGUDADATU, Ph.D.**, and hereinafter referred to as the "**FIRST PARTY**";

-and-

OTUS COPY SYSTEMS INC., a stock corporation registered with principal office address at 10F MG Tower, No. 75 Shaw Boulevard, Brgy. Daang-Bakal, Mandaluyong City, herein represented by its President, **MR. ERWIN MANARPIIS**, hereinafter referred to as the "**SECOND PARTY**";

WITNESSETH

WHEREAS, the **FIRST PARTY** intends to apply the sum of **Two Million Three Hundred Seventy-Five Thousand Three Hundred Forty-Three Pesos and 19/100 (P2,375,343.19)** being the total Approved Budget for the Contract (ABC) for CY 2024 for the Provision of Photocopying Services for the TESDA Central Office for FY 2024;

WHEREAS, the **FIRST PARTY** advertised the Invitation to Bid for the Provision of Photocopying Services for the TESDA Central Office for FY 2024 in websites of the Philippine Government Electronic Procurement System (PhilGEPS) and TESDA, and posted the same at the bulletin board near TESDA Gate 1 on 14 November 2023, respectively;

WHEREAS, two (2) prospective bidders namely, Otus Copy Systems, Inc., and Ubig Corporation responded to the above-mentioned Invitation to Bid and signified their interest to participate in said bidding process by purchasing bidding documents;

WHEREAS, the submission and opening of bids was held on 4 December 2023 at the Gabriela Silang Room, TESDA Women's Center, Gate 1, TESDA Complex, Building 2, East Service Road, South Luzon Expressway, Fort Bonifacio, Taguig City;

WHEREAS, accordingly, a Technical Working Group (TWG) was created to assist the Bids and Awards Committee (BAC) in evaluating the eligibility, technical and financial requirements submitted by the **SECOND PARTY** during the bid opening;

WHEREAS, the **SECOND PARTY** passed the post-qualification pursuant to Section 34 of Rule X of the 2016 Revised Implementing Rules and Regulations (RIRR) of Republic Act No. 9184;

WHEREAS, in view of the TWG report, the **SECOND PARTY** had been found to be the Lowest Calculated and Responsive Bid pursuant to Section 34.4 of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, the recommendation to award the contract in favor of the **SECOND PARTY** through BAC Resolution No. 87-2023 on 21 December 2023 had been approved by the Secretary/Director General, TESDA;

NOW, THEREFORE, IN VIEW OF THE FOREGOING, the **PARTIES** hereunto agree on the following terms and conditions:

TERMS AND CONDITIONS

1. EQUIPMENT SERVICE

The **SECOND PARTY** obligates and binds itself to provide thirty-one (31) units of Black and White/Monochrome and one (1) unit of Full-Color Copier/Printer within the contract period.

Particulars:

To be distributed to the following various offices per Annex B of the TESDA Bidding Documents

OFFICE	NO. OF MACHINES
Office of the Director General (ODG)	1
Office of the Deputy Director General for Policies and Planning (ODDG-PP)	1
Office of the Deputy Director General for TESD Operations (ODDG-TESDO)	1
Office of the Deputy Director General for Special Concerns (ODDG-SC)	1
Office of the Deputy Director General for Administration and Finance (ODDG-AF)	1
Office of the Deputy Director General for Legal and Legislative Affairs, Partnerships and Linkages Office (ODDG-LLAPL)	1
TESDA Board Secretariat (TBS)	1
Legal Division, ODG	1
Internal Audit Division (IAD)	1
Interim Information and Communication Technology Office (ICTO)	1
National TVET Trainers Academy (NTTA) - Marikina Address: Mayor Chayungco, Sta. Elena, Marikina, Metro Manila	1
Regional Operations Management Office (ROMO)	1
Public Information Division (PID)	1
National Language Skills Institute (NLSI)	1
Human Resource Development Center (HRDC)	1
Planning Office (PO)	1
National Institute for Technical Education and Skills Development (NITESD)	1
Office of the Executive Director (OED)	1
eTESDA-NITESD and Asian Technical Vocational Education Resource Center (ATVERC) - Library	1
Certification Office (CO)	1
Partnerships and Linkages Office (PLO)	1
Qualifications and Standards Office (QSO)	1
Administrative Service (AS)	1
Procurement Division / Bids and Awards Committee (BAC) Secretariat	1
Human Resource Management Division (HRMD)	1
TESDA Development Institute (TDI)/Foreign Scholarship Training Program (FSTP)	1
Financial and Management Service (FMS)	1
TESDA Women Center (TWC)	1

Commission on Audit (COA) Central Office Team		1
Project Management Unit (PMU) - Supporting Innovation in the Philippine Technical and Vocational Education and Training System (SIPTVETS)		1
Records Section, GSD-AS	2 Units Black and White Monochrome	2
	1 Unit Color Machine	1
TOTAL		32

Unit Specifications:

(1) Black & White/Monochrome - 31 units Copier

MODEL	NO. OF UNIT
Fuji Xerox ApeosPort IV/VI C5575/C5571	31

(2) Full Color - 1 unit Copier

MODEL	NO. OF UNIT
Fuji Xerox ApeosPort IV/VI C5575/C5571	1

GRAND TOTAL

32

2. SERVICE CHARGES

The **FIRST PARTY** shall pay the **SECOND PARTY** rental service charges as follows:

- a. Black & White / ₱0.65 per copy
Monochrome copier
- b. Color copier ₱8.02 per copy

3. DEPOSIT AND DELIVERY OF MACHINE

The **SECOND PARTY** shall waive the deposit amount and installation fee for the machines to be installed.

4. CALCULATION OF CHARGES

- Rental Service Charges are computed from the date of installation of the **SECOND PARTY**'s machines as evidenced by the Delivery Receipt signed by the **FIRST PARTY** for installation;
- The representatives of the **FIRST PARTY** and the **SECOND PARTY** 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 thereunto; and
- Unit copy charge is based on the number of net copies reported monthly on the meter reading card.

5. PAYMENT OF ACCOUNTS

- The **FIRST PARTY** shall be billed monthly by the **SECOND PARTY** for black and white photocopy with no minimum copy volume at **Sixty-Five Centavos (₱0.65)** per copy and for colored photocopy with no minimum copy volume at **Eight Pesos and 02/100 (₱8.02)** per copy. Further, the **SECOND PARTY** shall be paid based on the unit copy charge and on the number of net copies reported monthly on the meter reading card but not to exceed the Approved Budget for the Contract (ABC)

amounting to **Two Million Three Hundred Seventy-Five Thousand Three Hundred Forty-Three Pesos and 19/100 (₱2,375,343.19)**.

- All accounts shall be payable monthly to the **SECOND PARTY** within fifteen (15) working days from receipt of the billing statements, provided there are no errors or discrepancies noted by the authorized representative of the **FIRST PARTY**. In case of errors or discrepancies in the billing statements, the authorized representative of the **FIRST PARTY** shall notify the representative of the **SECOND PARTY** within five (5) days from receipt of the billing statements. The accounts shall be payable to the **SECOND PARTY** within fifteen (15) days from receipt of the correct billing statements.

The **FIRST PARTY** shall not be held liable for any delay in the payment under reasonable and acceptable circumstances.

6. The **SECOND PARTY**'s machines including all their accessories shall remain the property of the **SECOND PARTY** and the **FIRST PARTY** undertakes not to claim ownership or title thereof. The **FIRST PARTY** shall not make any alterations on the machines nor sell, dispose, transfer, rent, pledge or mortgage them.
7. The **FIRST PARTY** shall pay the **SECOND PARTY** for any loss or damage on the **SECOND PARTY**'s machines and their consumables and spare parts caused by the **FIRST PARTY**'s willful act, fault or negligence except damage due to ordinary wear and tear caused by everyday use and factors beyond the control of the **FIRST PARTY**.

8. SERVICES

- The **SECOND PARTY** will make regular inspection and adjustment at least once every two (2) weeks to keep the **SECOND PARTY**'s machine in good working condition.
- The **SECOND PARTY** shall provide at least one (1) on-call technician to repair defective machines. Response time shall be within four (4) hours from verbal or written notification.
- In case the repair exceeds for six hours, the **SECOND PARTY** shall provide a standby machine while the assigned machine is under repair, in case the repair exceeds six (6) hours.
- Replacement of parts of the **SECOND PARTY**'s machines shall be supplied by and repair of deficient machines shall be effected by the **SECOND PARTY** without any charge against the **FIRST PARTY** within five (5) calendar days from receipt of proper notice made by the **FIRST PARTY**.
- Provided that the machine is still functioning, replacement of defective parts shall be made within forty-eight (48) hours from response time except for justifiable cause.
- Machines that cannot be repaired within forty-eight (48) hours shall be replaced with a new unit.
- Servicing shall be done during regular working hours only.

9. The **FIRST PARTY** shall use the consumables provided by the **SECOND PARTY**. Any damage caused on the machines as a result of, due to, in connection with, or because of the use of unauthorized consumables not supplied by **SECOND PARTY** shall be for the account of the **FIRST PARTY**.

10. The **FIRST PARTY** shall be allowed maximum copy spoilage of two percent (2%) of gross copies per month or actual spoiled copies, whichever is lesser, upon presentation of spoilage to the **SECOND PARTY**'s authorized representative.

11. The **SECOND PARTY** shall assign two (2) key operators who shall report to the **FIRST PARTY** and work (8) eight hours from Mondays to Fridays and to work overtime, when necessary, at no cost to TESDA. It is understood that the two (2) key operators shall be the representatives of the **SECOND PARTY**. In addition, the **SECOND PARTY** shall provide a reliever in the absence of an operator/technician knowledgeable in machine operation/handling whom the **FIRST PARTY** will assign to operate, provide maintenance and basic repair of the **SECOND PARTY**'s machines free of charge.
12. The **SECOND PARTY**'s machines shall be installed at a place approved by the **SECOND PARTY** and the **FIRST PARTY**, and when relocating the machines, the **FIRST PARTY** shall communicate beforehand with the **SECOND PARTY** that shall carry out the relocation and all expenses for such relocation shall be borne out and paid by the **FIRST PARTY**. Should the **FIRST PARTY** opt to transport the machines themselves, it is understood that the **FIRST PARTY** shall be liable for any damage or loss of the machines including parts, consumables and accessories therein.
13. This Agreement shall commence upon installation of the thirty-two (32) machines at the locations set forth by the **FIRST PARTY** and shall be from **1 February 2024 to 31 December 2024**.
14. This Agreement may be terminated any time, in case either **PARTY** violates any of the provisions of this Agreement subject to prior notice to the other **PARTY**. Notice of termination shall be made in writing within fifteen (15) calendar days prior to the intended date of termination.
15. The **FIRST PARTY** shall take care of the **SECOND PARTY**'s machines with the diligence of a good father of a family and shall not allow any unauthorized persons to operate them. Any damage to the machines due to improper operation by unauthorized persons shall be charged to and paid for by the **FIRST PARTY**.
16. Upon cancellation or termination of this Agreement as herein provided, the **FIRST PARTY** shall return the **SECOND PARTY**'s machines and their accessories to the **SECOND PARTY** upon formal demand.
17. Upon termination of this Agreement, all unpaid obligations of the **FIRST PARTY** to the **SECOND PARTY** shall thereupon become immediately due and demandable. It is expressly agreed herein that all actions arising out of this Agreement may be brought in and submitted to the jurisdiction of the proper court.
18. If any conditions or provisions of this Agreement is held invalid or declared to be contrary to law, the validity of the other conditions or provisions shall not be affected thereby.

19. EXTENSION/TERMINATION OF SERVICES

- Both Parties may, subject to mutual agreement, extend this contract for a period as may be deemed appropriate in writing. However, such extension shall be subject to Republic Act No. 9184 and pertinent rules and regulations issued by the Government Procurement Policy Board (GPPB) on extension of contracts.

20. CONTRACT MODIFICATION

- Any modification in the terms and conditions of this Contract shall be binding only when agreed upon in writing by both parties

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement this _____ day of _____, 2024, in Taguig City, Metro Manila, Philippines.

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

By:

SUHARTO T. MANGUDADATU, Ph.D.
Secretary/Director General

OTUS COPY SYSTEMS INC.

By:

ERWIN MANARPIIS
President

SIGNED IN THE PRESENCE OF:

JULIET O. OROZCO
Director IV
Administrative Service

JOSEPH CLAIRE BALAGUER
Authorized Representative

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) S.S.
City of QUEZON CITY)

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared the following:

NAME	ID Number	ISSUED AT/DATE
SUHARTO T. MANGUDADATU, Ph.D.		
ERWIN MANARPIIS	PHIL. PASSPORT PC945	DPA MANILA / JULY 15, 2022

Known to me and known to be the same persons who executed the foregoing Memorandum of Agreement which they acknowledge before me as their free and voluntary act and deed and that of the entities they represent.

This instrument consists of six (6) pages including this page wherein this Acknowledgement is written, and is signed by the parties and their instrumental witness on each and every page hereof.

JAN 26 2024

WITNESS MY HAND AND SEAL this _____ day of _____ 2024 at

QUEZON CITY

Doc. No. : _____
Page : _____
Book No. : _____
Series of : 2024

ATTY. CONCEPCION P. VILLAREÑA
Until December 31, 2025
Adm. Matter No. NP-021(2024-2025)
Roll No. 30457
IBP No. 399899 - 1/04/2024, Quezon City
PTR No. 5585783 - 1/03/2024, Quezon City
MCLE No. VII-0006994
ASH Letraro Inc., Matalino corner
Malakas Street, Barangay Central
District IV, Quezon City