

**TERMS OF REFERENCE FOR THE LEASE OF DIGITAL
MULTIFUNCTION COPIERS (MONOCHROME)**

1. The Office of the Solicitor General (**OSG**) obligates and binds itself to pay the **OWNER** for the use and rental of forty-seven (47) units of digital multifunction copiers (monochrome), consisting of forty-four (44) high-end and three (3) super high-end copiers, with network printer, scanner, and finisher/separator. The forty-seven (47) units of digital multifunction copiers must be delivered within thirty (30) days from receipt of the Notice to Proceed.
2. The Approved Budget for the Contract (ABC) is **Six Million and Five Hundred Thousand Pesos (PhP6,500,000.00)**, inclusive of all government taxes, charges, and other standard fees.

Item	QTY	Total No. of Copies (based on the maximum ceiling rate)	TOTAL
Digital Multifunction Copiers	47	5,417,000	6,500,000.00

3. In computing the rental, the same must be within the ceiling/maximum rate of PhP1.20/copy, 12% VAT inclusive, no minimum copy volume requirement, and inclusive of two (2) regular full-time operators/technicians reporting to the **OSG** Monday to Friday, from eight o'clock in the morning to five o'clock in the afternoon, without any cost or payment on the part of the **OSG**.
4. Rental Service Charges shall be computed from the date of installation of the machines as evidenced by the delivery receipt form signed by the authorized representative of the **OSG**.
5. The representatives of the **OSG** and the **OWNER** 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 the truthfulness and accuracy of said meter reading.
6. Unit copy charge is based on the number of net copies reported monthly on the meter reading ticket.
7. All accounts shall be payable monthly to the **OWNER** within fifteen (15) days from receipt of the billing statements, provided there are no errors or discrepancies noted by the authorized representative of the **OSG**. In case of errors or discrepancies in the billing statements, the authorized representative of the **OSG** shall notify the representative of

the **OWNER** within three (3) days from receipt of the billing statements. The accounts shall be payable to the **OWNER** within fifteen (15) days from receipt of the correct billing statements.

8. Acknowledgment of the receipt of consumables by the **OSG's** authorized representative is sufficient to establish the **OWNER's** claim of delivered consumables.
9. In case of any violation by a third party of the property rights of the **OWNER**, regardless of any reason, including, but not limited to, execution, provisional attachment and disposition of any kind of the digital multifunction copiers, the **OSG** shall immediately inform the **OWNER**, and the **OSG** shall be free from any liability not being privy to the third party's claim against the **OWNER**. The contract between the **OSG** and the **OWNER** shall, however, remain in full force and effect. The **OWNER** shall continue performing its obligations under the contract and shall immediately replace the machines, as the case may be. A period of two (2) days from notice is deemed sufficient in order for the **OWNER** to replace the machines.
10. The **OWNER** shall guarantee that the machines are in good working condition upon delivery and have no defect arising from design, materials or workmanship or from any act or omission of the **OWNER** that may develop under normal use.
11. The **OWNER** shall make such inspections, adjustments and maintenance as may be required to keep the machines in good working condition and as may be required by the **OSG**. Such inspections, adjustments and maintenance shall be free of charge. Replacement parts for the machines shall be supplied by the **OWNER** free of charge. Repairs shall likewise be effected by the **OWNER** without any charge.
12. Servicing shall be done during regular working hours only and must be within two (2) hours from the time a request is made to the **OWNER's** full-time operator/technician in the **OSG**. Repairs with replacement of parts must be performed within twenty-four (24) hours from the time the full-time operators/technicians of the **OWNER** determined the need for such replacement of parts. In a situation where repairs are no longer sufficient in order for the machine to function in good working condition, the **OWNER** shall automatically provide a service unit in good working condition as replacement within two (2) days from the time the full-time operator/technician of the **OWNER** determined the need for replacement of the unit.
13. The **OSG** will be allowed a maximum copy spoilage of two percent (2%) of the gross copies per month with the resulting value rounded off to the next higher whole number, or the actual number of spoiled copies, whichever is higher, upon presentation of spoilage to the **OWNER's** authorized representative.