TERMS OF REFERENCE
LEASE OF DIGITAL MULTIFUNCTION COPIERS (MONOCHROME) FOR CY 2027

I. DESCRIPTION OF REQUIREMENT

The Office of the Solicitor General (OSG) obligates and binds itself to pay the **OWNER** for the use and rental of **fifty (50) units of digital multifunction copiers (monochrome)**, consisting of **forty-six (46) high-end**, and **four (4) super high-end copiers**, with network printing and scanning capacity, and automatic finisher/separator. The fifty (50) units of digital multifunction copiers must be delivered within thirty (30) days from receipt of the Notice to Proceed.

II. APPROVED BUDGET

The Approved Budget for the Contract (ABC) is **Six Million 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	50	5,416,666	6,500,000.00

III. QUALIFICATIONS OF THE OWNER

1. The **OWNER** must be duly registered with the Securities and Exchange Commission (SEC) or Department of Trade and Industry (DTI).

2. The **OWNER** must provide at least one (1) similar contract completed within two (2) years prior to the deadline for the submission and receipt of bids. For this purpose, a contract shall be considered similar to the service to be bid if it involves digital multifunction copier services with a contract price equivalent to, or at least, fifty percent (50%) of the approved budget of the proposed service for bidding.

3. The **OWNER** must be based in or around Metro Manila.

4. The **OWNER** must have at least two (2) years experience in the business from the date of the Invitation to Bid.

IV. BILLING AND PAYMENT SCHEDULE

a. 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.**

b. 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.**

c. 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.

d. Unit copy charge is based on the number of net copies reported monthly on the meter reading ticket.

e. 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 **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.

f. Acknowledgement of the receipt of the consumables by the **OSG**'s authorized representative is sufficient to establish the **OWNER**'s claim of delivered consumables.

V. LIABILITY AND GUARANTEES

a. 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.

b. 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.

VI. OBLIGATIONS OF THE PARTIES

a. The **OWNER** shall provide training to **OSG** personnel assigned to operate the machines, free of charge.

b. The machines shall be installed at a place approved by both the **OWNER** and the **OSG**. Should the **OSG** require the relocation of the machines to a site other than that approved by the parties, it shall notify the **OWNER**. The **OWNER** shall undertake and supervise the relocation and transfer of the machines. All relocation expenses, exclusive of installation and reinstallation charges, shall be borne and paid by the **OSG**, subject to government accounting and auditing rules and regulations. Notwithstanding the foregoing, any loss, liability, or claim arising from or incidental to the relocation or transfer of the machines shall be borne solely by the **OWNER**. Should any machine sustain damage during transportation, relocation, or transfer, the **OWNER** shall replace the damages unit without additional cost to the **OSG**.

c. The **OWNER** shall make such inspections, adjustments and maintenance as may be required to keep the machines in good working condition and as maybe 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.

d. 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.

e. 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 representation of spoilage to the **OWNER**'s authorized representative.

f. At or before the end of the contract, the **OSG** shall conduct a performance evaluation and assessment on the service rendered by the **OWNER** (both on the machines and personnel/technicians) to determine compliance and service satisfaction.

g. Should the **OSG** determine that it requires an additional unit/s in the exigencies of the service or based on the actual need, the **OWNER** should be able to supply the digital multifunction copiers with network printer and scanner under the same unit price and other terms and conditions provided in the existing contract.

VII. CONTRACT TERM AND EXTENSION

a. The contract between the **OSG** and the **OWNER** shall be for a term of one **(1) year** from the date of the actual utilization of the machines, subject to a probationary period, to be reckoned from the first three (3) months of the contract. During said period, the **OSG** shall observe the performance of the digital multifunction copiers. On or before the end of the probationary period, the **OSG** shall decide whether to continue with the contract. If the performance of the copiers is satisfactory, the **OSG** will continue with the contact. If the performance is unsatisfactory, the **OSG** has the right, power and authority to terminate the same.

b. Upon expiration of the contract or full consumption of the total number of the copies stated under the contract, whichever comes earlier, the parties may extend the existing contract on a month-to-month basis under the same provisions, terms, and conditions stipulated in the Contract or Terms of Reference, in the exigencies of the service or based on the actual need.

VIII. CONTRACT TERMINATION

Subject to the procedure prescribed by the law, the **OSG** may terminate the contract under any of the following conditions:

a. Outside of *force majeure*, the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract. The **OSG** may rescind or terminate the contract and impose appropriate sanctions over and above the liquidated damages to be paid. The same is without prejudice to other courses of action and remedies available to the OSG under the circumstances.

b. As a result of *force majeure*, the **OWNER** is unable to perform any of its obligations under the contract, amounting to at least ten percent (10%) of the contract price, after sixty (60) calendar days from receipt of notice from the **OSG** stating that the circumstance of *force majeure* is deemed to have ceased.

c. The **OWNER** fails to satisfactorily perform any of its obligation under the contract.

d. The Solicitor General has determined the existence of conditions that make contract implementation no longer economically and financially viable or technically impractical or unnecessary, such as, but not limited to, fortuitous events and changes in law and national government policies.

e. It is determined *prima facie* that the **OWNER** has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation.

IX. LIQUIDATED DAMAGES

If the **OWNER** fails to satisfactorily perform any of its obligations under the contract within the specified period or on the date and time agreed upon by both parties, the **OWNER** shall pay the **OSG** liquidated damages in an amount equal to one-tenth of one percent (0.1%) of the cost of the unperformed portion of the contract for every day of delay. The liquidated damages shall be imposed until the **OWNER** satisfactorily complies with its contractual obligations. The **OSG** need not prove that it has incurred actual damages to be entitled to liquidated damages.

X. CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

All digital information printed, copied, and scanned shall not be saved or stored in the hard disk. However, the user may opt for the use of the storage feature. In the event that such storage feature is selected by the user, an automatic data erasure or disk wiping measure must be enabled by the **OWNER.** Said measure shall automatically erase and overwrite all saved data every quarter or upon a period agreed upon by the parties.

During the period of the lease, the **OSG** shall not allow the removal of any hard disk similar device that may contain data from the **OSG**'s facilities by the **OWNER** or any of its representatives unless the purpose of such removal is for repair or upgrade. In case of repair or upgrade, the **OWNER** must first secure the written consent of the authorized representative of the **OSG** for the removal of the hard disk or any similar device.

Upon termination or expiration of the contract, the **OWNER** shall delete the contents of the hard disk of each digital multifunction copier in the presence of an authorized representative of the **OSG.** In case the contract is extended on a month-to-month basis pursuant to item 17, the deletion of the contents of the hard disks shall only be done on the last month of extension. The **OWNER** shall issue a Certification the oath stating that all contents or stored data have been deleted from the hard disks of all copies and no back-ups or copies of the same exist. The **OSG** shall also issue a certification confirming the deletion of the contents of the hard disk of each multifunction copier. Upon issuance of such **OSG** Certification, the **OSG** shall return the copiers and accessories to the **OWNER** by allowing the latter, on a date and time agreed upon by both parties, to enter the **OSG** premises for the purposes of retrieving said copiers and accessories.

XI. OTHER PROVISIONS

Any and all disputes arising from the implementation of the contract which cannot be resolved and settled amicably by mutual consultation or agreement shall be subject for due process pursuant to Rule XVII of the Implementing Rules and Regulations of R.A. No. 12009 (Settlement of Disputes).

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

The **OWNER**'s bid price shall be considered as a fixed price and therefore not subject to the price adjustment and escalation during contract implementation, except under extraordinary circumstances as determined by the National Economic and Development Authority (NEDA), upon recommendation of the OSG, and upon prior approval of the Government Procurement Policy Board (GPPB). A contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis if the cost of the contract is affected by any applicable new laws, ordinances, regulations, or any acts of the Government of the Philippines, promulgated after the bid opening.

Technical Specifications for the
Annual Lease of Digital Multifunction Copiers (Monochrome)
For CY 2027

Item	OSG Technical Specifications
Brand	-
Type	Heavy-duty Digital Multifunction Copier (Monochrome) - excluding table -top machines and the like
No. of Machines	High-end: 46 units
	Super High-end: 4 units
Platen Glass	Up to A3 size
Speed	High-end units: at least 45 ppm, A4
	Super High-end units: at least 60ppm or higher, A4
Memory	High-end copiers: At least 1GB RAM Super High-end copiers: At least 5GB RAM
Hard Drive/SSD	Super High-end copiers: At least 256GB
Connectivity	High-End Copiers: 1,000 Base-T / 100Base-TX / 10Base- T, Wireless LAN (IEEE 802.11 b/g/n) Wi-Fi Connection, USB 2.0 (Host) x 2, USB 2.0 (Device) x 1 Super High-End Copiers: 1,000Base-T / 100Base-TX / 10-Base-T, Wireless LAN (IEEE 802.11 b/g/n), USB 2.0 (Host) x1, USB 3.0 (Host) x1, USB 2.0 (Device) x1
Paper Supply Capacity	High-end: Minimum of 2 paper cassettes per machine (500 sheets per cassette) Super High-end: Minimum of 4 paper cassettes per machine (500 sheets per cassette)
Output Tray Capacity	High-end copiers: At least 150 sheets, A4 and long bond paper Super High-end Copiers: At least 250 sheets, A4 and long bond paper
Throughput Capacity	Can accommodate A3, A4 and long bond paper

Duplex	Single-pass duplex scanning for high-end and super high-end machines
Method of Printing	Multifunctional Laserjet
Feeder	2- sided automatic reversing feeder
Print Resolution	600 x 600 dpi (minimum) for high-end copiers; 1200 x 1200 dpi for super high-end copiers
Machine Condition	Brand new or certified Original Equipment Manufacturer (OEM) – remanufactured/refurbished with manufacturing date of at least 2025, as evidenced by Manufacturer's Certificate (with indicated serial number), with zero meter-reading for brand new units. For OEM-remanufactured machines: Meter Reading for High-end units: not more than 300,000 copies per machine Meter Reading for Super High-end units: not more than 600,000 copies per machine
Output Sorter	With automatic/electronic sorter/separator/finisher
Other Specs	With reduction and enlargement function. With network printing and scanning capability. With free monthly maintenance service, parts, and consumables.
	With at least one (1) back-up toner cartridge for each photocopying machine (excluding the ones installed in the machine) to be delivered within 30 days from receipt of the Notice to proceed and regularly replenished within 15 days from use.

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