



**PROJECT:** Lease Agreement of Photocopying Machines

**CONTRACT NO.:** 2021-AdmS2(004)-BIII-CB-002-001

**LEASE CONTRACT**

**THIS CONTRACT** made and entered into this 21 day of May 2021 by and between the **DEPARTMENT OF EDUCATION**, located at DepEd Complex, Meralco Avenue, Pasig City, Philippines, represented herein by its Assistant Secretary, **ATTY. SALVADOR C. MALANA III**, as per Department Order No. 08, s. 2021 (hereinafter referred to as the "**DepEd**"); and **U-BIX CORPORATION**, represented herein by its Authorized Representative and Senior Assistant Vice President, **MIGUEL B. CANIO JR.**, with office address at 1331 & 1344 Angono St., Makati City, Philippines (hereinafter referred to as the "**U-BIX CORPORATION**").

**DepEd** and **U-BIX CORPORATION** are collectively called "**PARTIES.**"

**WHEREAS**, **DepEd** invited bids for the lease of photocopying machines consisting of one (1) lot; after evaluation, **U-BIX CORPORATION** was declared as having the single calculated bid; **DepEd** post-qualified and declared the bid of **U-BIX CORPORATION** as having the single calculated responsive bid; **DepEd** passed and approved Resolution to Award No. 2021-AdmS2(004)-BIII-CB-002 and therefore accepted the bid of **U-BIX CORPORATION** for the above-captioned project in the sum of **PHILIPPINE PESOS THREE MILLION, EIGHT HUNDRED TWENTY-FIVE THOUSAND AND 00/100 (PHP 3,825,000.00) ONLY**, inclusive of VAT, (hereinafter called the "**CONTRACT PRICE**"), detailed as follows:

Lot No.	Description	Quantity	Amount (in PHP)
1	Lease Agreement of Photocopying Machines	65 units	3,825,000.00

**NOW, THEREFORE, PREMISES CONSIDERED**, the **PARTIES** hereby agree as follows:

1. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to;

U-BIX CORPORATION's Witness

MIGUEL B. CANIO JR.  
U-BIX CORPORATION

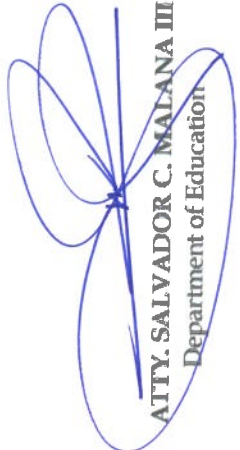
DEPED's Witness

ATTY. SALVADOR C. MALANA III  
Department of Education

  
U-BIX CORPORATION's Witness

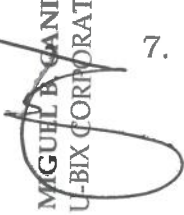
MIGUEL B. CANIO JR.  
U-BIX CORPORATION

  
DEPED's Witness


  
ATTY. SALVADOR C. MALANA III  
Department of Education

2. The following documents shall be deemed to form, be read and construed as part of the Contract:
  - a) Resolution to Award No. 2021-AdmS2(004)-BIII-CB-002 dated 16 March 2021 and all its attachments;
  - b) **DepEd's** Notice of Award;
  - c) The Performance Security;
  - d) The Bid Form and the Price Schedule submitted by **U-BIX CORPORATION**;
  - e) The General and Special Conditions of the Contract;
  - f) The Technical Specifications;
  - g) The Schedule of Requirements; and
  - h) Bid Bulletin No. 1 dated 24 February 2021.
  
3. The complete delivery of the photocopying machines referred to in this Contract shall be made within **30 working days** from the date of receipt of the Notice to Proceed (NTP), or the date provided for such purpose as indicated in the NTP.
  
4. The **U-BIX CORPORATION** shall post a Performance Security within ten (10) calendar days from receipt of the Notice of Award in the form and amount prescribed in the Notice of Award. The performance security shall be posted in favor of **DepEd**, and shall be forfeited in the event it is established that **U-BIX CORPORATION** is in default of any of its obligation under the Contract. The performance security shall be in force and effect until thirty (30) days from issuance by **DepEd** of the Certificate of Final Acceptance and must be co-terminus with the Project. For this purpose, **U-BIX CORPORATION** undertakes to renew its performance security whenever necessary and without need of prior notice or instruction from **DepEd**, to ensure that it is in force and effect for the whole duration of the contract delivery period and until a Certificate of Final Acceptance is duly issued.
  
5. The goods and services supplied under this Contract should conform to and comply with the standards mentioned in Section VI. Schedule of Requirements and Section VII. Technical Specifications of the Bidding Documents, as amended by Bid Bulletin No. 1 dated 24 February 2021, and must be in accordance with the technical specifications of the items as offered in the bid; or in case where samples were submitted and evaluated during the post-qualification stage of the procurement, in accordance with the technical specifications of the approved samples. Any proposal to deliver

  
U-BIX CORPORATION's Witness

  
M. GUILBERTO CANIO JR.  
U-BIX CORPORATION

  
U-BIX CORPORATION's Witness

  
ATTY. SALVADOR C. MALANA III  
Department of Education

items of equivalent, higher or superior technical specifications, in lieu of those of the approved bids or samples shall be discretionary to **DepEd** and is subject to the evaluation and recommendation of the end-user or implementing unit and the approval of the herein authorized representative and signatory.

6. In consideration of the **CONTRACT PRICE** mentioned herein to be paid by **DepEd** to **U-BIX CORPORATION**, **U-BIX CORPORATION** hereby covenants to provide all of the incidental and additional services as specified in Section VII. Technical Specifications, and should be in accordance with the terms and/or specifications indicated therein or otherwise contemplated by the **PARTIES**.
7. **U-BIX CORPORATION** hereby covenants to provide all of the materials, notifications, and information pertaining to spare parts manufactured or distributed by **U-BIX CORPORATION**, such as but not limited to the spare parts as **DepEd** may elect to purchase from **U-BIX CORPORATION**, provided that this election shall not relieve **U-BIX CORPORATION** of any warranty obligations under this Contract.
8. **U-BIX CORPORATION** hereby covenants to provide advance notification to **DepEd** in the event of termination of production of the spare parts, in sufficient time, to permit **DepEd** to procure needed requirements and to furnish, at no cost, to the purchaser, the blueprints, drawings, and specifications of the spare parts, upon request by **DepEd**.
9. Goods delivered with defects or non-compliant with the required specifications shall be rejected by **DepEd** and replaced by **U-BIX CORPORATION**. **DepEd** shall have the option to inspect **U-BIX CORPORATION's** premises covered by the Contract, at any time or stage of contract implementation, to monitor and assess **U-BIX CORPORATION's** capacity to discharge its contractual obligations.
10. **U-BIX CORPORATION** shall deliver the goods to the Project Site – DepEd Central Office, Meralco Avenue, Pasig City. Goods delivered to another project site other than DepEd – Central Office without **DepEd's** authorization and/or approval may be rejected by the latter. Violation of this provision, based on documents, reports submitted and validated by the

  
U-BIX CORPORATION's Witness

authorized receiving personnel may be a possible cause for termination of the Contract.

11. The procured goods or items contemplated under this Contract shall be inspected and/or tested by **DepEd** either prior to delivery, at **U-BIX CORPORATION's** premises, or at the delivery site, or both, in accordance with the provisions of the Special Conditions of Contract, the Schedule of Requirements, the Inspection and Acceptance Protocol or otherwise indicated in other parts of the bidding documents.

12. In case **U-BIX CORPORATION** encounters condition(s) impeding timely delivery of the goods, **U-BIX CORPORATION** shall notify **DepEd** in writing of such condition(s) and any request for work suspension and/or contract delivery period extension shall be promptly done as soon as circumstances providing justification for such requests have become apparent. **U-BIX CORPORATION** must provide sufficient proof to support any request for work suspension and/or contract delivery period extension.

  
MIGUEL B. CANIO JR.  
U-BIX CORPORATION

13. The **CONTRACT PRICE** shall be paid to **U-BIX CORPORATION** in accordance with the following disbursement procedures:

  
DEPED's Witness

13.1. An advance payment not to exceed fifteen percent (15%) of the **CONTRACT PRICE** shall be allowed and paid within sixty (60) calendar days from signing of the Contract. An irrevocable Letter of Credit or Bank Guarantee of an equivalent amount must be submitted, and shall remain valid until the goods are delivered, and accompanied by a claim for advance payment.

13.2. Monthly rental or billing charge is computed by multiplying the actual number of copies reproduced less two percent (2%) spoilage and test copies, by the cost per copy. The cost per copy is **Php 0.85** (VAT inclusive).

As payment is based on the cost of the actual number of copies reproduced, total payment may be slightly lower than the amount of the contract award.

  
ATTY. SALVADOR C. MALANA III  
Department of Education

One percent (1%) of the total monthly billing shall be deducted for every violation committed by **U-BIX CORPORATION** in the terms and conditions of this Contract.

  
U-BIX CORPORATION's Witness

- 13.3. **U-BIX CORPORATION** may submit a request for payment based on Monthly Progress Reports which shall be attached to the progress billing and include the following: (i) cumulative quantities of items delivered based on the schedule of deliveries and other relevant terms and conditions of the Contract; (ii) Inspection and Acceptance Reports (IARs), including certification by **U-BIX CORPORATION**, duly signed and dated by the authorized representative of **DepEd** indicating that the items have been delivered in accordance with the Contract. Other documents in support of a request for payment may be prescribed by **DepEd** pursuant to existing disbursement, accounting and auditing rules and procedures.

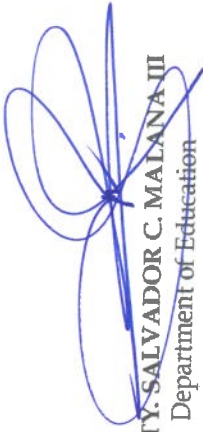
  
MIGUEL B. CANIO JR.  
U-BIX CORPORATION

- 13.4. Final payment shall constitute release of the retention money in case of expiry of the warranty period, or whatever is left of it, after it has been called for use under the warranty provision.

  
DEPED's Witness

14. Payments shall be subject to the "Warranty" provision in the form of either retention money in an amount equivalent to at least three percent (3%) of every progress payment, or a Special Bank Guarantee in the amount equal to at least three percent (3%) of the **CONTRACT PRICE** as required under Section 62 of R.A. 9184 and its revised IRR;

15. **U-BIX CORPORATION** shall be liable for liquidated damages for the delay in its performance in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery, for every day of delay until such goods are finally delivered and accepted by **DepEd**. **DepEd** shall deduct the liquidated damages from any money due or which may become due to **U-BIX CORPORATION**, or collect from any of the securities or warranties posted by **U-BIX CORPORATION**, whichever is convenient to **DepEd**. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the **CONTRACT PRICE**, **DepEd** may, at its option,

  
ATTY. SALVADOR C. MALANA-III  
Department of Education

and taking into account the greater advantage to the government, rescind the Contract, without prejudice to other causes of action and remedies open to **DepEd**.

16. The **PARTIES** shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the **PARTIES** in connection with the implementation of the Contract. Should such dispute not be resolved amicably, it shall be submitted to arbitration in the Philippines according to the provisions of Presidential Decree No. 242 and Executive Order No. 292. Provided, however, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.
17. This Contract shall be effective for twelve (12) months or for a period which covers the consumption of 4.5 million copies, whichever comes first.

**IN WITNESS WHEREOF**, the **PARTIES** hereto have caused this Contract to be executed in accordance with governing laws on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY:

  
**ATTY. SALVADOR C. MALANA III**  
Assistant Secretary  
**DepEd**



  
**MIGUEL B. CANIO JR.**  
Senior Assistant Vice President  
**U-BIX CORPORATION**

SIGNED IN THE PRESENCE OF:

  
\_\_\_\_\_  
DepEd's Witness

  
**Joseglenn Gollaco**  
\_\_\_\_\_  
U-BIX CORPORATION's Witness

  
U-BIX CORPORATION's Witness

APPROVED BY:


  
**ALAIN DEL B. PASCUA**  
Undersecretary for Administration  
Department of Education

CERTIFIED FUNDS AVAILABLE: ₱3,825,000-

  
**MA. RHUNNA L. CATALAN**

Chief Accountant  
*MVG* *MP* *gale*

  
MIGUEL CANIO JR.  
U-BIX CORPORATION

  
DEPED's Witness

  
ATTY. SALVADOR C. MALANA III  
Department of Education

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY, METRO MANILA ) S.S

**ACKNOWLEDGMENT**

**BEFORE ME**, a Notary Public in and for MAKATI CITY,  
Philippines, this \_\_\_\_ day of 21 MAY 2021 2021 personally appeared:

**NAME**

**GOVERNMENT ISSUED ID**  
(Number, Issued On, Issued By)

**ATTY. SALVADOR C. MALANA III**  
Assistant Secretary  
Department of Education

**MIGUEL B. CANIO JR.**  
Senior Assistant Vice President  
U-BIX CORPORATION

*AD8-95-010443, 02/27/2018, Cavite City*

Known to me and to me known to be the same persons who  
executed the foregoing instrument and acknowledge to me that the  
same is the free and voluntary act and deed of the entities which they  
respectively represent.

The foregoing instrument is a LEASE CONTRACT consisting of  
eight (8) pages (exclusive of attachments), including this page on which  
this acknowledgment is written and signed by the parties hereto and  
their instrument witness on the left margin of each and every page  
hereof.

**WITNESS MY HAND AND SEAL** on the date and place first above  
written.

Doc. No. 322  
Page No. 66  
Book No. XXXIV  
Series of 2021.



**NOTARY PUBLIC**  
Atty. Carlos M. Caringal  
Notary Public for Makati City  
1344 Angono St., Poblacion, Makati City  
Appointment No. M-51  
Until December 31, 2021  
Roll of Attorney No. 56587  
PTR No. 8530483; 1-04-2021; Makati City  
IBP Lifetime Member No. 010282; Bataan