

May 25, 2012

MR. ERWIN C. MANARPIIS

President and Chief Executive Officer
Otus Copy System, Inc.
UD 9 David Building 2, No. 567 Shaw Blvd.
Mandaluyong City, Metro Manila

Dear Mr. Manarpiis:

This has reference to the Public Bidding conducted last December 28, 2011 regarding the Procurement of Toner Cartridge for Fuji Xerox with ITB No. PhRO NCR ITB No. 08, S-2011 TCFUJIX which was awarded to your company, Otus Copy Systems, Inc. last January 13, 2012.

We regret to inform you that the said Public Bidding will now be declared a Failure of Bidding due to the non-availability of funds. The funding of the said project supposed to be drawn from the 2011 Corporate Operating Budget (COB) but the project was not completed in 2011. Thus, we requested for the continuing appropriation. Unfortunately, our request for continuing appropriation for several other projects including the aforesaid one was not approved by the PhilHealth Board.

Relative to this, the Procuring Entity hereby invokes Section 41, c.iii of the Revised Implementing Rules and Regulations of RA 9184 otherwise known as the Government Procurement Reform Act which provides that:

“The Head of the Procuring Entity reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations: iii) if the source of funds for the project has been withheld or reduced through no fault of the procuring entity”

Further, the Procuring Entity, also, hereby withdraws and nullifies the Notice of Award dated January 13, 2012 in view of the foregoing.

Since the procurement of the said items was again included in the 2012 Annual Procurement Plan (APP) we would like to invite you to participate in our future procurement undertakings.

Thank you and best regards.

Very truly yours,

SHIRLEY B. DOMINGO, M.D.
Vice-President, PRO NCR and Rizal

Cf: BAC Members
BAC Secretariat

Jim's Copy

Received By of T-2812
Candidate John B. Butler