

Quotation Ref: CIP/20210123

11 June 2021

MR. NOEL M. CAPULONG

Chief, Quality Management Section

PHILIPPINE NATIONAL POLICE ACADEMY

Camp General Mariano N. Castaneda, Barangay Tartaria, Silang, Cavite

Dear Mr. Capulong,

Reassessment to ISO 9001:2015 – Quotation

We wish to inform you that PHILIPPINE NATIONAL POLICE ACADEMY will undergo the reassessment of their Quality in 2022. To proceed with the reassessment, we would like to also inform you that your contract with Certification International Philippines is subject to renewal for another 3 – year period.

We have conducted a review of your audit program to assess the suitability of the audit man-days. The review was also conducted to comply with the requirements of the accreditation standard, ISO/IEC 17021-1:2015, and the requirements for audit man-days prescribed by International Accreditation Forum (IAF) resource guidelines.

Based on the above requirements, we are sending a quotation covering the revised audit man-days for the Reassessment and the Surveillance audits for the new 3-year cycle of your QMS Certification. If our Quotation is acceptable to you, please complete the enclosed ACCEPTANCE NOTIFICATION form and return to use a copy by fax or email.

Please feel free to contact us, if you have any questions regarding our proposal and our audit procedures. We shall be glad to provide additional information that you require.

Thank you and we look forward to the privilege of meeting your certification requirements. Best regards.

Very truly yours,
CERTIFICATION INTERNATIONAL



JOSELITO C. SOLER
Managing Director

Enclosures: Quotation, Schedule of Payments,
Acceptance Notification Forms, Terms and
Conditions of Engagement

Quotation

Quotation Number	CIP/20210123
Date of Issue	11 June 2021
Organization	Philippine National Police Academy
Site Address	Camp General Mariano N. Castaneda, Barangay Tartaria, Silang, Cavite
Telephone Number	0942-312-2099
Management System	ISO 9001:2015
Number of Employees	553
Proposed Scope	Provision of educational training and services

Fees (Philippine Peso)

Audit Activity	Man-day Allocation	Cost
Certification Audits		
Re-Assessment Audit	6 man-days	P 132,000.00
Certification Fee	-	P 10,000.00
1 st Surveillance Audit	3 man-days	P 66,000.00
2 nd Surveillance Audit	3 man-days	P 66,000.00
	<i>Subtotal</i>	<i>P 274,000.00</i>
	12% VAT	P 32,880.00
	TOTAL	P 306,880.00

Notes:

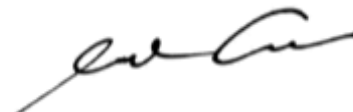
- Man-day allocation is in accordance with International Accreditation Forum (IAF) guidelines.
- The quoted fees are inclusive of 12% VAT, if applicable. Travel expenses, where appropriate, are charged at cost.
- Progressive billings as every audit is completed except for Pre-audit which requires advance settlement of invoice.
- This quotation is valid up to 3 months from the date of issue.
- Number of employees indicated above is based on single shift.

Prepared by:



Director for Business Development

Approved by:



Head of Certification

Quotation

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Date of Issue : 11 June 2021

Schedule of Payments for:

PHILIPPINE NATIONAL POLICE ACADEMY

ACTIVITY	YEAR 1	YEAR 2	YEAR 3
<i>Reassessment</i>	132,000.00		
<i>Certification Fee</i>	10,000.00		
<i>1st Surveillance</i>		66,000.00	
<i>2nd Surveillance</i>			66,000.00

NOTES:

1. Surveillance audit rate is subject to change depending on prevailing inflationary conditions. Changes, however are subject to negotiations with your organization, in accordance with the Terms and Conditions of Engagement with Certification International Philippines, Inc.
2. All fees are subject to 12% VAT, if applicable. They do not include applicable travel and accommodation cost for auditors which, if necessary, are borne by the organization being audited.

The Head of Certification

Certification International Philippines, Inc.
Unit 806 & 807, One Magnificent Mile Building
San Miguel Avenue, Ortigas Center
Pasig City, Metro Manila
Philippines

Acceptance Notification

We accept your Quotation, CIP/20210123, dated 11 June, 2021, to provide ISO 9001:2015 recertification services to our organization.

We require Certification International Philippines, Inc. to certify our Quality Management System under the Terms and Conditions of Engagement. We agree to abide by the Certification Regulations of Certification International.

Signed on behalf of:

PHILIPPINE NATIONAL POLICE ACADEMY

Name:

Signature:

Position:

Date:

Note: Once approved, kindly send the signed acceptance notification back to CIP together with the BIR 2303 for documentation.

Terms and Conditions of Engagement

1. AUDIT ACTIVITIES

The work content, including man-days for each audit, and the corresponding fees proposed by Certification International (CI) in its formal quotation to the Company (applicant organization for certification) are estimates based on the Company's identified needs and other relevant information about its organization and operations described in the Company's application for certification, as submitted to CI. After due evaluation, consistent with ISO rules on certification, and upon finalization of the quotation by CI and the acceptance and confirmation of such quotation by the Company, a contract is reached by both Parties covering the three-year period of audits and certification services. In the event during the three-year period that a material change in the Company's operations and its management system/s occur, warranting adjustments to both audit man-days, either raising or reducing them in accordance with ISO rules on certification, and corresponding fees, a revised proposal shall be submitted by CI to the Company for approval. The revised contract shall be the basis of continuing audits and certification services. Non-approval by the Company of CI's revised proposal shall terminate audit and certification services, as this will prevent CI from conforming to ISO's regulations on audit man-days.

2. FEES

- 2.1 The fees to be invoiced to the Company are based on the actual audit man-days spent by CI auditors on the Company's management system/s at rates indicated in the quotation and agreed with the Company and VAT, where applicable. Such fees cover audit man-days and certification charges. Unless specified to the contrary, fees quoted exclude travel and accommodation and other out-of-pocket expenses incurred and directly related to the audit work. CI will invoice the Company for the reimbursement of the same at no extra charge.
- 2.2 If CI's auditors work for more than one audit man-day on one or more days due to additional, but relevant, audit areas previously unidentified in the documentation of the Company's management system, CI reserves the right to charge for that additional time on a pro-rata basis, after due notice by CI to the Company.
- 2.3 After the first 3 years of the certification period, CI and the Company may review the audit man-day rate periodically and, if justified by prevailing inflationary conditions, CI and the Company shall mutually agree on any changes in the rates after CI's 30-day official notice to the Company.

3. PAYMENT

- 3.1 CI shall submit an invoice to the Company within 2 weeks prior to a scheduled audit. Payment of such monies shall be due and payable in advance of any audit, unless credit terms of 30 days are specified in the invoice. All outstanding invoices shall be settled before CI's release of approved Certificate/s. All fees are non-returnable.
- 3.2 CI reserves the right to charge interest at 2% per month in respect of invoices not paid by the due date.

4. AUDITOR FACILITIES

The Company is requested that CI's auditors are provided with suitable facilities, such as work area, telephone and fax communication, secure storage facilities for confidential data furnished to CI, and secretarial assistance, as and when considered necessary, to permit proper conduct of audits and the preparation of audit reports.

5. REPORTS

CI shall provide the Company with a full report upon completion of audits.

6. CONFIDENTIALITY

CI shall not at any time during or after the audit engagement divulge, or allow to be divulged, to any person any confidential information relating to the business or affairs of the Company. This obligation does not apply to any confidential information to the extent:

- (i) that at the time of disclosure to CI such information is in the public domain
- (ii) that such information subsequently comes into the public domain other than by reason of breach of this obligation
- (iii) that disclosure is required by law or in the course of any legal proceedings, or
- (iv) that prior to such disclosure, such information was lawfully in CI's possession as evidenced by the written records of CI or its representatives.

7. NO INDUCEMENT

Either Party shall not at any time during or after the audit engagement entice or induce, or attempt to entice or induce, away from the other Party, any person who at any time during the continuance of the engagement is employed by the other Party.

8. LIMITATION OF LIABILITY

Whilst every reasonable care is taken by CI to ensure that the audit given to the Company is correct and competent, CI shall not be liable or responsible for any loss, damage or claim of whatsoever nature, including pure economic loss and any consequential loss howsoever arising, occasioned by the implementation of the audit program.

9. VARIATION, POSTPONEMENT OR CANCELLATION

- 9.1 Where the Company intends to postpone or amend agreed audit schedules and provides CI with less than five working days written notice of this intention, CI reserves the right to charge a Variation Fee of 50% of the appropriate audit man-day fee. If this is not rescheduled within the agreed audit program, cancellation will be deemed to have occurred on notification of the original postponement.
- 9.2 In the event that the Company intends to cancel its Certification within its 3-year validity period, a 3-month written notification of this intention must be provided by the Company to CI.

10. TERMINATION

- 10.1 CI shall have the right after giving 3 months prior written notice to the Company to terminate the Certification forthwith in any of the following events:
 - (a) if the Company commits a breach of any of these Terms and Conditions of Engagement or CI Regulations Parts 4 and 5, and fails to remedy the same within 30 days of a written request from CI to do so,
 - (b) if payments referred to in Clause 3 or any part thereof shall remain unpaid beyond the specified credit terms;
 - (c) if the Company enters into liquidation whether compulsorily or voluntarily (otherwise than for the purpose of amalgamation or reconstruction) or compounds with its creditors or has a receiver appointed of all or any part of its assets or takes or suffers any similar action in consequence of debts or, in the case of an individual or a partnership, if the Company or any of its members of the firm becomes insolvent or enters into any arrangement with its creditors or takes or suffers any similar action in consequence of debt; or
 - (d) if the Company is guilty of any conduct, which in the opinion of CI, is prejudicial to CI's interest or by bringing the Company's auditing and certification process into disrepute.

10.2 The Company shall have the right, after giving 3 months prior written notice to CI, to terminate this Engagement if CI's services are deemed unsatisfactory or if CI has breached any of the Terms and Conditions of the Engagement.

11. OWNERSHIP OF REGISTRATION

The Certificate and right to use the Certification Mark/s shall remain the property of CI and their use to which the certified Company is entitled shall be in accordance with CI Regulations Parts 4 and 5.

12. FORCE MAJEURE

Failure of either party to perform its obligations under this Engagement shall not subject such party to any liability to the other if such failure is caused or occasioned by an act of God, fire explosion, flood, drought, war, riot, sabotage, embargo, strikes or other labor unrest, interruption due to the delay in transportation, compliance with any order, regulation or request of any government of competent jurisdiction or any officer, department, agency or committee thereof, or by any other event or circumstance of like or different character to the foregoing beyond the reasonable control of the party so failing to perform.

13. GOVERNING LAW

These Terms and Conditions shall be governed by and construed in accordance with Philippine Law.

14. MISCELLANEOUS

- 14.1 Failure by CI to insist upon strict compliance with any provision thereof shall not be deemed to be a waiver of such provision or any other provision thereof.
- 14.2 The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision.
- 14.3 These Terms and Conditions may not be modified except by an agreement in writing signed by CI and the Company.
- 14.4 Should the Company be dissatisfied with CI's services, a complaint should be made immediately in writing to the Chairman of the Governing Board of CI so that suitable action can be taken. Such complaints will not affect any of the other terms and conditions herein, including 10.2 above.
- 14.5 The Company shall allow, upon request by CI and under mutually agreed arrangements between CI and the Company, the presence of audit observers, such as DTI PAO accreditation auditors, or CI trainee auditors who shall all be bound by CI's confidentiality agreements with the Company under Clause 6 above in writing.