

BID FORM-02

MINISTRY OF FOREIGN AFFAIRS
AND INTERNATIONAL COOPERATION
EMBASSY OF ITALY IN MANILA
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INSTRUCTIONS TO BIDDERS

[for the Auction Sale of office condominium units
owned by the Italian Government
located in the Philippines]
(August 11, 2022)

A) GENERAL TERMS AND CONDITIONS**1. Applicable Laws**

This auction sale is governed by and held in accordance with relevant and existing Italian laws on the matter and in compliance with Philippine laws.

The deed for the transfer of the property and other relevant documents, once the sale is finalized, shall be governed by Philippine laws.

The Embassy of Italy in Manila reserves the right to proceed with the sale in case of a single bid, provided that the said bid is deemed valid, eligible, and compliant with the procedure set out in this Instructions to Bidders. The Embassy of Italy in Manila also reserves the right to annul, suspend or invalidate the auction, at any phase thereof, in accordance with relevant and existing laws.

The procedure of the auction sale, including the requirements for joining the auction sale, are governed by this Instructions To Bidders, as well as by the pertinent Bid Forms attached hereto. Interested bidders are required and expected to be fully informed about all matters contained in this Instructions To Bidders before submitting their bids.

2. Description of the Real Estate Property:

a) Identification data:



City: Makati City

Barangay: San Lorenzo

Building name: Zeta II Condominium

Address: 191 Salcedo Street, Legaspi Village, Makati City

Floor: 6th floor

Office Condominium Units Nos.: 61, 62, 63, and 6A

Parking Spaces Nos. 1,2, 3, 16, 17, 18, 38, 39, 44, and 45

Condominium Certificates of Title Nos. S-563, 27594, 47132, and 47133

Aggregate Area of Units: 809 sqm

Occupation status: not occupied

State of maintenance: Good and tenantable

Lien: None

Encumbrance: None

b) Ocular inspection

Any interested bidder, or his/her/its duly appointed representative, may conduct an ocular inspection of the subject units and parking spaces provided that an appointment is set with the Person-in-Charge as defined in Clause D.1.

Additional and more detailed information concerning the subject units may be requested from the Person-in-Charge of the sale procedure at the Embassy of Italy in Manila via e-mail, through the following email address: contabile.manila@esteri.it

3. Base Price of the Auction

For purposes of this auction sale, the base price of the Subject Property calculated on the basis of an appraised market value is set at Philippine Pesos 80,000,000.00.

In addition to the bid price, the winning bidder buyer will shoulder all the costs in relation to the sale and transfer of the Subject Property, including, but not limited to, capital gains tax or expanded withholding tax whichever is applicable, if any, value-added tax, documentary stamp tax, local transfer tax, Registry of Deeds registration fees, notarial fees, publication costs and other expenses incident thereto.

4. Procedure for the Auction Sale

a) The auction will be carried out through the submission of sealed bids equal to or above the base price.



b) Bids must be drawn up in accordance with BID FORM-03, a copy of which is available on the website of the Embassy of Italy in Manila:

https://ambmanila.esteri.it/ambasciata_manila/it/informazioni_e_servizi/trasparenza_e_merito/bandi-di-gara-e-contratti.html

c) All bidders who are not compliant with the procedure set forth in this Instructions To Bidders will be automatically disqualified from the auction sale.

d) Bidders may be natural or juridical persons but only those that can prove that they have the legal capacity and authority to enter a contract with and perform all the obligations required from them by the Italian Public Administration as stated in Bid form 04 will be allowed to join the auction sale. Furthermore, all bidders must provide proof that they are qualified to own or hold real properties under Philippine laws.

e) The auction sale, without prejudice to the provisions of the General Terms and Conditions set forth in Invitations To Bidders will be declared void in the event that no valid bid is submitted, at the sole option of the Embassy of Italy in Manila.

B) PROCEDURES FOR PARTICIPATING

1. Deadline for Submission of Bids

In order to join the auction sale, interested parties must submit their economic bid pursuant to this Instructions To Bidders, together with the required documents, to the Embassy of Italy in Manila, located on the 5th floor, Tower B, One Campus Place, McKinley Hill, Taguig City, Metro Manila, Philippines, under penalty of exclusion.

The bids may be hand-delivered to the Embassy of Italy in Manila during office hours from Monday to Friday, up to the deadline set for the submission (October 14, 2022, 12:00 noon), or delivered, at the exclusive risk of the bidder, by registered mail or courier (proof of submission will be provided through the issuance of an acknowledgment receipt). In any case, the stamp bearing the date and time of receipt affixed by the Embassy of Italy in Manila will be considered valid and binding, for purposes of determining the timely submission of the bids. The date indicated in the postmark on the registered mail or delivery receipt will have no bearing at all.

The Embassy of Italy in Manila holds itself free and harmless from any liability in relation to the non-delivery and/or delayed delivery or hand delivery of the bids, whatever the cause may be.

2. Required Documents



Interested bidders must submit, under penalty of disqualification, all of the following documents:

- a) **duly filled out Substitutive Declaration of Certification**, a copy of which is attached herewith as BID FORM- 04 together with a photocopy of a valid government-issued ID of the bidder or his/its authorized representative, declaring to wit:
- that the bidder is fully aware of and accepts unconditionally all the instructions set forth in this Instructions To Bidders;
 - details concerning the bidder's domicile for notification purposes;
 - the person who will sign the contract and the mode of full payment of the accepted auction bid.

Furthermore,

- in the event that **a bidder is a natural person**: a declaration stating he/she has no pending criminal charges nor has been convicted for crimes resulting in the loss or the suspension of the legal capacity to contract with private and public entities;
- should **the bidder be** a single proprietorship or partnership or corporation: a statement of the legal representative certifying there are no pending bankruptcy or liquidation proceedings against the entity and there are no pending criminal charges or convictions for crimes resulting in the loss of or the suspension of the legal capacity to contract with private and public entities against the legal representative himself;
- should **the bidder be a public entity or private juridical person**: a statement of the legal representative certifying there are no pending administrative proceedings against the entity similar to rehabilitation, bankruptcy, and liquidation.
- a single proprietorship shall submit a copy of the valid Business Name Registration issued by the Department of Trade and Industry.
- a partnership shall submit a copy of the valid Certificates of Registration issued by the Securities & Exchange Commission.
- A corporation shall submit a copy of the valid Certificate of Registration issued by the Securities & Exchange Commission (SEC), Articles of Incorporation, By-Laws and the 2022 General Information Sheet duly filed with the SEC.

b) **Auction Bid**, copy of which is attached herewith as BID FORM-03. The bid must be valid for one hundred twenty (120) days from the date of submission. The bid price must be paid in full. No installment payment is allowed.

Prior to the execution of a Deed of Absolute Sale, the Embassy of Italy in Manila reserves the right to request for additional supporting documents, including, but not limited to, the contents



of the Substitutive Declaration of Certification (BID FORM-04) issued by the competent bodies, also availing of the cooperation of the pertinent authorities for entities established in countries other than Italy.

3. Inadmissibility of Bids by Proxy

No bids by proxy are allowed, except for legal representatives of public and private legal persons and of companies engaged in entrepreneurial activity.

4. Bid Security

Each bidder, in order to be admitted to the auction sale, must submit bid security of not less than ten percent (10%) of the base price, in the form of a cashier's or manager's check payable to the Embassy of Italy or a bank draft/guarantee issued by a universal or commercial bank, provided that it shall be confirmed or authenticated by the universal bank or commercial bank, if issued by a foreign bank, the amount of which is equal to 10% of the base price of the property stated in this Instructions To Bidders. Failure on the winning bidder to pay in full the accepted bid price shall result in the forfeiture of the bid security as liquidated damages.

The bank draft/guarantee must explicitly provide for the waiver of the benefit of prior enforcement of the principal debtor, the waiver of the exception pursuant to Article 1957, Paragraph 2, Italian Civil Code, and of any other restrictions in accordance with the Civil Code of the Philippines, as well as the effectiveness of said guarantee within fifteen (15) days, by simple request in writing from the Embassy of Italy in Manila.

Government entities may opt to certify the availability of the funds in an amount equal to or above the base price (local currency) within their financial budget in a similar document.

The original copy of the bank guarantee letter or the original copy of the bank acknowledgment receipt for the amount deposited into the account of the Embassy of Italy in Manila must be included in the bid envelope containing all other required documents.

The amount paid as a security deposit by the winning bidder will be deducted from and considered as a down-payment against the final price upon execution of the Contract to Sell and Deed of Absolute Sale.

Within thirty (30) days from the auction sale, unsuccessful bidders and those who have not been admitted to the auction will be granted legal clearances to allow them to redeem the security deposits made as guarantees for their bids.



5. Submission of the Documents Comprising the Bid

The bid must be received within the deadline indicated in the Invitation to Bid (October 14, 2022) inside the main envelope, at the following address:

Embassy of Italy in Manila, 5th floor, Tower B, One Campus Place, McKinley Hill, Taguig City, Metro Manila, Philippines.

The main envelope must include the personal data and the address of the bidder and the heading: Auction Sale dated..... for the Purchase of Real Estate Property located in Zeta II Condominium Building, 191 Salcedo Street, Legaspi Village, Makati City.

In order to ensure its integrity, the main envelope must be sealed and countersigned on the closing flaps.

Envelopes for documents and bids. Inside the dispatch, under penalty of disqualification, two sealed envelopes must be included, countersigned on the closing flaps, bearing the same heading of the dispatch itself with the following wording, respectively:

A "DOCUMENTS",

B "BID".

Envelope A – DOCUMENTS:

Inside envelope A "DOCUMENTS", under penalty of disqualification, the following three (3) documents must be included in this envelope:

- 1) Original copy of the Substitutive Declaration of Certification referred to as BID FORM-04 duly filled out;
- 2) Original copy of the bank guarantee letter or the original copy of the bank acknowledgment receipt for the amount deposited into the current account pursuant to this Instructions To Bidders.
- 3) Photocopy of a valid government-issued ID of the bidder or, in case the bidder is a juridical person, a copy of its legal representative's ID and the following documents:
 - a) copy of Business Name Registration issued by the Department of Trade and Industry if the bidder is a single proprietorship.
 - b) copy of the Certificate of Registration issued by the Securities & Exchange Commission if the bidder is a partnership.
 - c) copy of the Certificate of Registration issued by the Securities & Exchange Commission (SEC) and 2022 General Information Sheet duly filed with the SEC.



Envelope B – BID

Envelope B “BID” must contain the Auction Bid referred to as BID FORM-03 duly filled out.

It should be noted that documents received that do not comply with the above-mentioned instructions will cause the nullity or rejection of the bid.

C) PROCEDURE FOR THE AUCTION

1. Public session for opening of bids

The Evaluation Committee appointed for the purpose upon the expiration of the deadline for submitting bids, on October 20, 2022 at 10:00 a.m. in a public session open to bidders, as well as to authorized representatives of the bidders, proceeds to open the envelopes and examines the documents enclosed.

The amount of the bid must be equal to or higher than the base price. No bids lower than the base price will be accepted.

No bids will be accepted that are conditional or indefinitely formulated or simply referring to another bid by the same bidder or to someone else's bid. Bids must be formulated in numbers and words. In case of a discrepancy, the most profitable amount for the Italian Government shall prevail.

The award of the property, without prejudice to the provisions set forth in the general terms and conditions, shall be awarded to the bidder who submitted the highest bid in reference to the base price.

The auction will be awarded also in case of a single bid, provided that it is considered suitable and congruous.

The Embassy of Italy in Manila, at its sole discretion, reserves the right not to award or to suspend or to definitely interrupt the procedure, without any option for participants to file complaints or claim for compensation or indemnity for any reason.

2. Parity of Bids Received and Raising Bids



In the event that two (2) or more bidders shall submit the same bid, these bidders shall be invited, by way of a sealed offer, to submit a new bid during the same session, provided the relevant bidders agree on this method.

In the event that the subject bidders are not present during the session, or they do not agree to the afore-mentioned method for the immediate submission of new bids, these bidders shall be invited to submit a new bid within two (2) days from the session, in accordance with the same conditions and requirements for the original bid.

Once the envelopes have been submitted, opened, and examined by the Evaluation Committee, the Subject Property will be awarded to the highest bidder. In the event that the bidders submitting the same bid do not agree on raising their bids, or in the event that the new bids are again for the same amount, the winning bidder will be chosen by drawing lots.

3. Right of First Refusal

This auction sale is executed without prejudice to the right of first refusal reserved to any authorized person.

4. Effects of the Awarding Report

The awarding report shall not serve for any intent and purpose as a deed of sale.

5. Conditions for the Sale

The Subject Property is sold in the state of fact and law it is found at present, including any active and passive burden/s, continuous and discontinuous bondages, apparent and non-apparent.

The Subject Property will be made available to the winning bidder after the signing of the Deed of Absolute Sale, subject to the approval of the contract by the competent authority, and full payment of the accepted bid price.

6. Obligations of the Winning Bidder and of the Administration

The winning bidder will be deemed committed and liable for all legal intents and purposes upon the issuance of the Notice of Award, but the obligations of the Italian Public Administration are subject to the approval of the Deed of Absolute Sale by competent authority.

7. Waiver of the Winning Bidder



In the event of the withdrawal of the winning bidder or failure to appear to sign the Deed of Absolute Sale within the period agreed upon in this Auction Notice, all the rights of the winning bidder shall be void and the security deposit, or the enforcement of the given bank guarantee, will be subject to forfeiture in favor of the Embassy of Italy in Manila. In this case, the Embassy of Italy in Manila reserves the right to evaluate the awarding of the property to the second-highest bidder or to start a new procedure.

D) FINAL INFORMATION

1. Person-in-Charge

The Person-in-Charge of this auction sale and all matters in relation to it is Mr. Eugeniu Rotaru, e-mail: contabile.manila@esteri.it.

2. Deadline for the Finalization of the Process

The entire process for this auction sale up to the awarding report will end within one hundred twenty (120) days from the date of the publication of the Invitation To Bid at the Embassy's website.

3. Processing and Retention of Personal Data

Processing personal data received, which must be considered as a condition to participating in the auction sale, will be only for the purposes referred to in this Instructions To Bidders and pursuant to Regulation (EU) 679/2016 as well as other regulatory provisions in force.

It should be noted that processing personal data will be based on lawfulness and correctness with full protection of the rights of the bidders and of their confidentiality. The same data will be stored in the records of the Embassy of Italy in Manila and of the central Administration for administrative and accounting checking purposes and in any case for a period not exceeding the time needed for the purposes for which they were collected and processed.

4. Disruptions

Whoever shall, by means of violence or threats or with gifts, promises, collusion or through other fraudulent means, prevent or disturb the auction sale, or unreasonably turn away bidders, or prevent others from bidding in exchange for money or other benefits promised to him/her/it or to others will be legally prosecuted pursuant to the respective Criminal Codes.

5. Jurisdiction



In the event of disputes, the competent court is under the jurisdiction of the Philippines where the property, subject of the dispute, is located.

Manila, 11 August 2022

Marco CLEMENTE
The Ambassador

