

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made and entered into this 10th day of February 2017 by and between:

The **TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA)**, a national government agency created and existing under and by virtue of Republic Act No. 7796, with principal address at TESDA Complex, East Service Road, South Luzon Expressway, Taguig City, Metro Manila, Philippines, represented herein by its **Director General/Secretary, GUILING A. MAMONDIONG**, and hereinafter referred to as the "**FIRST PARTY**";

- and -

NSB ENGINEERING DESIGN AND FABRICATION, a private business entity, registered under the laws of the Republic of the Philippines with business address at No. 309 M. L. Quezon Street, Lower Bicutan, Taguig City, herein represented by its Proprietor, **MR. NOEL S. BARCELONA**, and hereinafter referred to as the "**SECOND PARTY**".

- WITNESSETH -

WHEREAS, the **FIRST PARTY** through its Bids and Awards Committee (BAC) issued and posted an Invitation to Apply for Eligibility and to Bid (IAEB) in the Philippine Star, the Philippine Daily Inquirer and in the Philippine Government Electronic Procurement System (PhilGEPS) on 13 October 2016 in compliance with Section 21 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, otherwise known as the Government Procurement Reform Act, for the Procurement of CMU Boxes, Tools and Equipment and Mock-ups for the Mobile Training Laboratories (MTLs) – Rebidding of Lots 1 to 8;

WHEREAS, during the bid opening, the **SECOND PARTY** was the only bidder which was declared to be eligible to bid since it was able to comply with the eligibility requirements as prescribed by Sections 23 and 25 of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, the bids of the **SECOND PARTY** for the following lots/qualifications have satisfactorily passed the legal, financial and technical requirements set forth by Republic Act No. 9184 and the bidding documents:

LOT NO.	QUALIFICATION	AMOUNT OF BID
1	Common Box for Multimedia Equipment & Accessories and Mock-up	PHP 2,810,280.00
2	Appliance Repair NC II with Toolbox	PHP 369,000.00
3	Bread and Pastry NC II	PHP 598,680.00
4	Cookery NC II with Plastic Box	PHP 574,320.00

LOT NO.	QUALIFICATION	AMOUNT OF BID
5	Electrical Installation and Maintenance NC II with Toolbox	PHP 332,100.00
6	Food Processing NC II with Plastic Box	PHP 427,140.00
7	Plumbing NC II	PHP 257,280.00
8	Small Engine Repair (Motorcycle/Small Engine Servicing NC II) with Toolbox	PHP 743,150.00

WHEREAS, after post-qualification prescribed by Section 34 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, the bids offered by the **SECOND PARTY** on the abovementioned lots/qualifications had been found to be the responsive bids;

WHEREAS, pursuant to Section 34.4 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, the recommendation to award the contract in favor of the **SECOND PARTY** pertaining to the abovementioned lots/qualifications through BAC Resolution No. 28-2016 issued on 07 December 2016 had been elevated by the Director General to the TESDA Board for approval;

WHEREAS, the TESDA Board approved the award of contract to NSB Engineering Design and Fabrication in the total amount of **Six Million One Hundred Eleven Thousand Nine Hundred Fifty Pesos (Php6,111,950.00)** through Board Resolution No. 2017-01 dated 27 January 2017 for the following lots/qualifications:

LOT NO.	QUALIFICATION	AMOUNT OF BID
1	Common Box for Multimedia Equipment & Accessories and Mock-up	PHP 2,810,280.00
2	Appliance Repair NC II with Toolbox	PHP 369,000.00
3	Bread and Pastry NC II	PHP 598,680.00
4	Cookery NC II with Plastic Box	PHP 574,320.00
5	Electrical Installation and Maintenance NC II with Toolbox	PHP 332,100.00
6	Food Processing NC II with Plastic Box	PHP 427,140.00
7	Plumbing NC II	PHP 257,280.00
8	Small Engine Repair (Motorcycle/Small Engine Servicing NC II) with Toolbox	PHP 743,150.00
TOTAL		PHP 6,111,950.00

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NOW, THEREFORE, for and in consideration of the foregoing, this Agreement is entered into by and between the **FIRST PARTY** and the **SECOND PARTY** with the following covenants, to wit:

GENERAL PROVISIONS:

1. The **SECOND PARTY** shall supply and deliver the items prescribed in the bidding documents and verified through actual inspection by the Technical Evaluation Group (TEG) within ninety (90) calendar days from receipt by the **SECOND PARTY** of the Notice to Proceed;
2. The **FIRST PARTY** shall pay by lot/qualification as the public bidding was done by lot/qualification. However, payment shall only be made after delivery of all the items prescribed in the bidding documents per lot/qualification and acceptance by the **FIRST PARTY** are completed. Since the goods will be initially delivered to TESDA Central Office, a team shall be created by the **FIRST PARTY** to look into the delivery of goods by the **SECOND PARTY**. After the initial inspection was made at the TESDA Central Office, the **SECOND PARTY** shall deliver the goods to the different delivery sites as prescribed in the bidding documents. Another inspection shall be made at the delivery site to be handled by the TESDA regional office concerned. A Certificate of Acceptance as to the completeness of the delivery and compliance with the requirements prescribed by the **FIRST PARTY** shall be issued by the team and must be duly approved by the Regional Director concerned of TESDA before any payment is made in favor of the **SECOND PARTY**. At any rate, payment shall be made in accordance with the government accounting and auditing rules and regulations;
3. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - (a) Bidding Documents of the **SECOND PARTY**;
 - (b) BAC Resolution No. 24-2016 dated 11 November 2016;
 - (c) BAC Resolution No. 28-2016 dated 07 December 2016;
 - (d) TESDA Board Resolution No. 2017-01 dated 03 February 2017;
 - (e) Notice of Award;
 - (f) Performance Security;
 - (g) Notice to Proceed; and
 - (h) Bid Bulletin No. 01 dated 21 October 2016.
4. To guarantee the faithful performance by the **SECOND PARTY** of its obligations, a performance security should have been posted prior to the signing of the contract pursuant to Section 39 of the Revised Implementing Rules and Regulations of Republic Act No. 9184. The performance security shall remain valid until the issuance by the **FIRST PARTY** of the Certificate of Acceptance. The performance security should be posted in favor of the **FIRST PARTY** and shall be forfeited in the event it is established that the **SECOND PARTY** is in default in any of its obligations under the contract.
5. The goods subject of the delivery shall be covered by the provisions of Section 62 of the Revised Implementing Rules and Regulations of Republic Act No. 9184 on warranty. The **SECOND PARTY** hereby warrants that the

goods subject of this Agreement are free from material defects or faulty workmanship under normal use and operation for a period covered by the law. Warranty shall be for one (1) year after acceptance by the procuring entity of the non-expendable goods. In case of expendable goods, the warranty shall be valid for three (3) months after acceptance by the procuring entity of the expendable goods.

The obligation for the warranty shall be covered by either retention money or a special bank guarantee equivalent to at least one percent (1%) of the total contract price.

Any goods found to be defective which is not due to the normal wear and tear or improper use of the **FIRST PARTY** during warranty period shall be repaired or replaced immediately for free by the **SECOND PARTY**.

6. Any delay in the delivery of goods shall be governed by Section 68 (Liquidated Damages) of the Revised Implementing Rules and Regulations of Republic Act No. 9184. For the procurement of goods, the amount of the liquidated damages shall be at least equal to one-tenth of the one percent (0.1%) of the cost of the unperformed portion of every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.
7. Cost of applicable taxes, deployment and insurance of goods shall be shouldered by the **SECOND PARTY**.
8. The obligations and rights arising from this Agreement shall not be assigned and transferred by the **SECOND PARTY** to any third party without the written consent of the **FIRST PARTY**.
9. The **SECOND PARTY** shall comply with the provisions of the law on working conditions and labor standards.
10. If any dispute or difference of any kind whatsoever shall arise between the Parties in connection with the implementation of this contract, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any and all disputes arising from the implementation of this contract shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law" and Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004". Any cost arising from the arbitration shall be charged against the **SECOND PARTY**.

IN WITNESS whereof, the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year indicated above.

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY


NSB ENGINEERING DESIGN AND FABRICATION


GUILIG "GENE" A. MAMONDIONG
Director General/Secretary 7


NOEL S. BARCELONA
President

SIGNED IN THE PRESENCE OF:


ELMER K. TALAVERA
Executive Director
NITESD


RACHELLE ANNE A. MARTINEZ
Marketing Representative

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
MANILA) S.S.

BEFORE ME, a Notary Public for and in the Province/City of MANILA this FEB 16 2017 2017 personally came and appeared:

NAME	VALID ID NO.	ISSUED BY
GUILIG A. MAMONDIONG		
NOEL S. BARCELONA		

Known to me and to known to be the same persons who executed the foregoing instrument which they acknowledge before me as their free and voluntary act and deed.

WITNESS MY HAND AND SEAL this FEB 16 2017 day of _____ 2017 at MANILA.

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Book No. XXVIII
Series of 2017

ATTY. JOSELYN BONNIE V. VALEROS
NOTARY PUBLIC, ROLL NO. 54515
PTR No. 5921026 Issued on: Dec. 27, 2016 Until Dec. 31, 2017
IBP Life No. 723963 Issued on: Aug. 21, 2007
Commission No. 2016-059 Issued on: April 06, 2016, Until Dec. 31, 2017
MCLE No. V-0022298 Issued on June 14, 2016 Valid until April 14, 2018
Office Add: Imperial Bayfront Tower, 1642 A. Mabini, Manila
TIN No. 215-945-713-000



TESDA
Technical Education and
Skills Development
Authority



GUILING A. MAMONDIONG
Director General / Secretary

1998-9850

111998 complete list of Technical Skills
Requirements, 1998-1999

Home Address

G12 - Camia St., Cor. Ilang-ilang St., Gregoria
Heights Subd., Taytay Rizal

Mobile No. (0999) 564-3480

Blood Type : O

Birth Date : 05/13/1948

Tax Identification No. 182-819-331

In case of Emergency, Please contact.

Ruby Mamondiong

G12 - Camia St., Cor. Ilang-ilang St.,
Gregoria Heights Subd., Taytay Rizal

(0916) 275-4309

Pilar G. de Leon
PILAR G. DE LEON

Director IV, Chief of Services for Administration



• This card bears your permanent Taxpayer Identification Number (TIN). Always indicate your TIN on all returns documents filed with the BIR.

• Report immediately to your Revenue District Officer the loss of this card and change of name or address.

• Any person who secures and / or uses more than one TIN shall be criminally liable and shall be punishable by fine and imprisonment.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

BARCELONA, NOEL SANTIAGO

TIN: 165-226-163-000

#576 RIZAL ST. SANTA BARBARA

BALIUAG, BULACAN

BIRTH DATE 01-20-1972

REG. DATE: 10-11-2000



10-31-2012

Date Issued

SIGNATURE