

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made and entered into this 30th day of June 2015 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, SEC. EMMANUEL JOEL J. VILLANUEVA**, and hereinafter referred to as the **"FIRST PARTY"**;

- and -

WELCOME EXPORT, INCORPORATED, a private business entity, registered under the laws of the Republic of the Philippines with business address at Dimayuga Compound, Cabrera Street, Barangay Dolores, Taytay, Rizal, herein represented by its President, **MR. DEVIDASS P. SAHIJWANI**, 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 and in the Philippine Government Electronic Procurement System (PhilGEPS) on 09 February 2015 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 starter toolkits for the Special Training for Employment Program (STEP) – Phase II;

WHEREAS, during the bid opening, the **SECOND PARTY** was one of the four (4) bidders that was declared eligible 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
IV	Prepare and Cook Hot Meals (Leading to Cookery NC II)	Php5,429,760.00
V	Prepare Cold Meals (Leading to Cookery NC II)	Php2,195,660.00
VI	Process Food by Salting, Curing and Smoking (Leading to Food Processing NC II)	Php4,450,230.00
VII	Process Foods by Fermentation and Pickling (Leading to Food Processing NC II)	Php943,800.00
XXII	Raise Small Ruminants (Leading to Animal Production NC II)	Php350,455.00
XXV	Hilot Wellness Massage NC II	Php3,508,831.32
XXX	Perform Body Massage (Leading to Beauty Care NC II)	Php1,177,240.83

LOT NO.	QUALIFICATION	AMOUNT OF BID
XXXI	Perform Body Scrub (Leading to Beauty Care NC II)	Php239,624.28
XL	Perform Underchassis Preventive Maintenance (Leading to Automotive Servicing NC II)	Php442,045.00
XLIII	Perform Preventive Maintenance on Motorcycle and Electrical Systems (Leading to Motorcycle / Small Engine Servicing NC II)	Php2,386,230.00
XLIV	Service Small Engine System And Components (Leading To Motorcycle/Small Engine Servicing NC II)	Php787,710.00
XLVIII	Service and Maintain Transport Airconditioning Unit (Leading to Transport RAC Servicing NC II)	Php186,400.00

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** had been found to be 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** with a responsive bid through BAC Resolution No. 06-2015 on 14 May 2015 had been elevated by the Director General to the TESDA Board for approval;

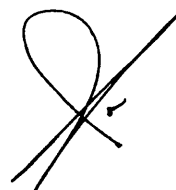
WHEREAS, the TESDA Board approved the award of contract to Welcome Export, Incorporated in the total amount of **Twenty Two Million Ninety Seven Thousand Nine Hundred Eighty Six Pesos and 43/100 (Php22,097,986.43)** through Board Resolution No. 2015-01 dated 16 June 2015 for the following lots/qualifications, as follows:

LOT NO.	QUALIFICATION	AMOUNT OF BID
IV	Prepare and Cook Hot Meals (Leading to Cookery NC II)	Php5,429,760.00
V	Prepare Cold Meals (Leading to Cookery NC II)	Php2,195,660.00
VI	Process Food by Salting, Curing and Smoking (Leading to Food Processing NC II)	Php4,450,230.00
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XLIV	Service Small Engine System And Components (Leading To Motorcycle/Small Engine Servicing NC II)	Php787,710.00
XLVIII	Service and Maintain Transport Airconditioning Unit (Leading to Transport RAC Servicing NC II)	Php186,400.00

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 delivered to TESDA Regional Offices prescribed in the bidding documents, a team shall be created by the **FIRST PARTY** to look into the delivery of goods by the **SECOND PARTY**. 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. 06-2015 dated 14 May 2015;
 - (c) TESDA Board Resolution No. 2015-01 dated 16 June 2015;
 - (d) Notice of Award dated 17 June 2015;
 - (e) Performance Security;
 - (f) Notice to Proceed;
 - (g) Bid Bulletin No. 01 dated 23 February 2015; and
 - (h) Bid Bulletin No. 02 dated 27 February 2015.
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 tools and equipment 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 nonexpendable goods. In case of expendable



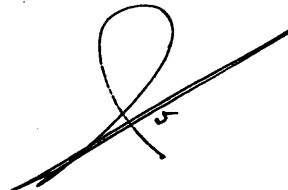
goods, the warranty shall be valid for three (3) months after acceptance by the procuring entity of the expendable goods.

The obligation for the warranty shall be covered by either retention money or a special bank guarantee equivalent to at least ten percent (10%) 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 of 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. 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**

**WELCOME EXPORT,
INCORPORATED**



SEC. EMMANUEL JOEL J. VILLANUEVA
Director General



DEVIDASS P. SAHIJWANI
President

SIGNED IN THE PRESENCE OF:



MARISSA G. LEGASPI
Executive Director
TWSP-PMO



EVANGELINE S. NARAG
Product Specialist

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

MANILA) S.S.

BEFORE ME, a Notary Public for and in the Province /City of
MANILA this JUL 02 2015 2015 personally came and appeared:


NAME	VALID ID NO.	ISSUED BY
EMMANUEL JOEL J. VILLANUEVA	1998-2454	TESDA
DEVIDASS P. SAHIJWANI	EB9051071	DPA MANILA

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 JUL 02 2015 2015 at
MANILA

Doc. No. 87
Page No. 18
Book No. XVII
Series of 2015


ATTY. JOSELYN BONNIE V. VALEROS
NOTARY PUBLIC, ROLL NO. 54515
PTR No. 3827659 Until 12-31-15 Manila
IBP LIFE No. 65925, Commission No. 2914-922 Until 12-31-15
Office Add: Imperial Bayfront Tower, 1642 A. Mabini, Manila
MCLE NO. 11-0017420 ISSUED ON APR 14, 2013



TESDA
 TECHNICAL EDUCATION AND SKILLS
 DEVELOPMENT AUTHORITY

[Signature]
 SIGNATURE

EMMANUEL JOEL J. VILLANUEVA

1998-2454

TESDA Office - East Service Road, South Capitol City
 Taguig City

Home Address:
 101 Mc Arthur Highway, Bunlo, Bocaue,
 Bulacan

Residence Tel. No. (044)692-1939
Mobile No. (0918)803-0721
Blood Type: O
Birth Date: 08/02/1975
Tax Identification No. 201-607-742
GSIS Policy No. 542772

In case of Emergency, Please contact:
Gladys C. Villanueva
 101 Mc Arthur Highway, Bunlo, Bocaue,
 Bulacan

[Signature]
EMMANUEL JOEL J. VILLANUEVA
 DIRECTOR-GENERAL

