

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made and entered into this 14th day of May 2014 by and between:

The **TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY**, 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 EMMANUEL JOEL J. VILLANUEVA**, and hereinafter referred to as the "**FIRST PARTY**";

- and -

TOYOTA QUEZON AVENUE, INCORPORATED, a private business entity registered under the laws of the Republic of the Philippines with business address at 728 Quezon Avenue, Quezon City, herein represented by its **President, LINCOLN T. LIM**, 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 18 February 2014 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 supply and delivery of TESDA Service Vehicles;

WHEREAS, during the bid opening, only the **SECOND PARTY** submitted its bid and was declared eligible pursuant to Sections 23 and 25 of Rule VIII of the Revised Implementing Rules and Regulations of Republic Act No. 9184 on Eligibility Requirements and Submission of Bids;

WHEREAS, the bid of the **SECOND PARTY** amounting to **Nineteen Million Four Hundred Thirty Nine Thousand Two Hundred Pesos and 00/100 (Php 19,439,200.00)** has satisfactorily passed the legal, financial and technical requirements set forth by Section 34 of Rule X (Post-Qualification) of the Revised Implementing Rules and Regulations of Republic Act No. 9184 and the bidding documents;

WHEREAS, pursuant to Section 36 (a) of the Revised Implementing Rules and Regulations of Republic Act No. 9184, the bid offered by the **SECOND PARTY** has been found to be the Single Calculated and Responsive Bid;

WHEREAS, the recommendation to award the contract in favor of the **SECOND PARTY** through BAC Resolution No. 04-2014 had been elevated by the Director General to the TESDA Board for approval;

WHEREAS, the TESDA Board approved the award of contract to the **SECOND PARTY** in the amount of Nineteen Million Four Hundred Thirty Nine Thousand Two Hundred Pesos and 00/100 (Php 19,439,200.00) through Board Resolution No. 2014-01 issued on 30 April 2014;

NOW, THEREFORE, for and in consideration of the foregoing, this Agreement is entered 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 twenty (20) units of Innova-J diesel with 2.5 liters displacement prescribed in the bidding documents within thirty (30) calendar days from receipt of the notice to proceed;
2. The **FIRST PARTY** shall pay the amount of Nineteen Million Four Hundred Thirty Nine Thousand Two Hundred Pesos and 00/100 (Php 19,439,200.00) after delivery of all the vehicles prescribed in the bidding documents and acceptance by the **FIRST 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 Inspection and Acceptance Team that will be created by the **FIRST PARTY**. At any rate, payment shall be made in accordance with 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;
 - (b) BAC Resolution No. 04-2014 dated 25 March 2014;
 - (c) TESDA Board Resolution No. 2014-01 dated 30 April 2014;
 - (d) Notice of Award;
 - (e) Performance Security; and
 - (f) Notice to Proceed.
4. The vehicles subject of the delivery shall be covered by the provisions of Republic Act No. 9184 and its Revised Implementing Rules and Regulations on warranty.
5. 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.
6. Cost of applicable taxes, deployment and insurance of the vehicles shall be shouldered by the **SECOND PARTY**.
7. The obligations and rights arising from this contract shall not be assigned and transferred by the **SECOND PARTY** to any third party without written consent of the **FIRST PARTY**.
8. The vehicles subject of this procurement shall be replaced by the **SECOND PARTY** if the same are found to be defective within thirty (30) calendar days from delivery. However, the defect must be not attributable to the fault or negligence of the **FIRST PARTY** or any of its agents.
9. Upon delivery, the **SECOND PARTY** shall immediately attend to the maintenance and repair needs of the vehicles once reported to the **SECOND PARTY** and its authorized service centers.



10. The vehicles subject of this procurement are not covered by the recall order from the vehicle manufacturer/assembler, Toyota Motor Philippines Corporation, per duly notarized certification dated 24 April 2014.

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

TOYOTA QUEZON AVENUE,
INCORPORATED



SEC. EMMANUEL JOEL J. VILLANUEVA
Director General



LINCOLN T. LIM
President

SIGNED IN THE PRESENCE OF:



TITO L. BARTOLOME
TESDA



MARLON P. HAYAHAY
TOYOTA

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in the Province /City of CITY OF MANILA this
MAY 15 2014 2014 personally came and appeared:

NAME	VALID ID NO.	ISSUED BY
EMMANUEL JOEL J. VILLANUEVA		
LINCOLN T. LIM		

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 MAY 15 2014 day of _____ 2014 at

CITY OF MANILA

Doc. No. 44
Page No. 13
Book No. 72
Series of 2014

[Signature]
ATTY. RONALD SEGUNDO C. CHING
NOTARY PUBLIC - CITY OF MANILA II
COMM. NO. 2013-104 UNTIL DEC. 31, 2014
RULL. NO. 51-899
IBP NO. 92842012-10-2013 MLA.
PTR 3422758 1-2-2014 MLA.
MCLE 111-0015500 5-12-2013
NO. 94 BENAVIDEZ ST. TONDO MLA
TEL 516-4334

[Handwritten signatures]