

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and entered into this _____, by and between:

DEPARTMENT OF FINANCE, a government agency of the Republic of the Philippines, with principal address at the Department of Finance Building and 7th Floor EDC Building, BSP Complex, Pablo Ocampo Sr. St. corner Roxas Blvd., Malate, Manila, represented herein by Secretary **BENJAMIN E. DIOKNO**, and herein referred to as the "**Procuring Entity**."

- and -

LBP RESOURCES AND DEVELOPMENT CORPORATION (LBRDC), a corporation duly organized and existing under Philippine laws with office address located at 24th Floor LBP Plaza, 1598 M.H. Del Pilar cor. Dr. J. Quintos Street, Malate, Manila, duly represented herein by its President & CEO, **MR. RICARDO C. JULIANO, MNSA**, who has been authorized by its Board of Directors under Board Resolution 19-12-05, as evidenced by the Secretary's Certificate attached and marked as "**Annex A**," and herein referred to as the "**Service Provider**."

ANTECEDENTS, That:

Procuring Entity procured through Negotiated Procurement (Agency to Agency) in accordance with Section 53.5 and other provisions of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 (Government Procurement Reform Act) for the One (1) Year provision of Operation and Maintenance Services for the Department of Finance.

The Service Provider has agreed to provide the Procuring Entity's requirements under this Agreement's terms and conditions.

The following documents shall be deemed to form and be read and construed as part of this Agreement:

- a. Schedule of Requirements (Annex B)
- b. Technical Specifications (Annex C)
- c. General and Special Conditions of the Contract (Annex D)
- d. Proposal with Terms and Conditions of LBP Resources and Development Corporation dated December 19, 2023 (Annex E)
- e. Request for Quotation from Procuring Entity dated December 06, 2023 (Annex F)

Accordingly, the parties agree on the following terms and conditions:

ARTICLE I DUTIES AND RESPONSIBILITIES OF THE SERVICE PROVIDER

1. The Service Provider shall deliver to Procuring Entity the provision for operation and maintenance services under an institutional contract of service workers arrangement with the following specifications:
 - a. The contract period shall start from the date of approval of this Agreement until December 31, 2024;
 - b. Provision of operation and maintenance personnel to perform the tasks in accordance with the Technical Specifications;

- c. Provision of operation and maintenance services shall be based on the actual requirement of the Procuring Entity at the beginning of the contract, subject to adjustment during the period covered. The Procuring Entity shall notify the Service Provider at least a month prior to effectivity of the adjustment;
- d. The provision and deployment of required manpower shall be for the standard labor hours; extended hours shall be on a need basis only; and
- e. The Procuring Entity reserves the right for immediate replacement of the assigned service personnel upon proper request/notification to the Service Provider on the following grounds:
 1. Unsatisfactory/poor performance.
 2. Validated complaints due to attitude problem, dishonesty, carelessness and incompetence and other unacceptable traits/behavior.
 3. Blatant violation of the Procuring Entity's rules and regulations.
 4. Offenses against the interest of co-worker.
 5. Other acts and deeds that deemed derogatory and may jeopardize the position of the DOF, its officers, employees, clients and guests.

2. Delivery Schedule

Service Provider shall deliver the services to the Head Office of the Procuring Entity located at Department of Finance Building and 7th Floor EDC Building, BSP Complex, Pablo Ocampo Sr. St. corner Roxas Blvd., Malate, Manila.

3. Service Provider shall directly undertake the delivery of the services covered by this Agreement and cannot engage, subcontract, or assign any other Service Provider to undertake the performance of the services acquired.
4. Workers hired shall remain to be employees of the Service Provider.
5. The discipline of workers shall be the responsibility of the Service Provider. The Procuring Entity may report to the Service Provider any misconduct or wrongdoing of the said worker.
6. The Service Provider shall be responsible for providing the workers with compensation and benefits compliant with existing labor law, including the necessary social security and other benefits mandated by law and the direct compensation payment for their services.

ARTICLE II CONTRACT PRICE AND PAYMENT

7. Procuring Entity shall pay the Service Provider the total contract price in the amount of **TEN MILLION SIX HUNDRED EIGHTY-SIX THOUSAND FOUR HUNDRED TWENTY-ONE PESOS AND 24/100 (Php10,686,421.24)**, inclusive of all applicable taxes, herein called the "**Contract Price.**"
8. Service Provider shall submit the statement or billing within five (5) days from the beginning of each month, and the Procuring Entity shall pay the Service Provider within thirty (30) calendar days from receipt.
9. The billable amount under this contract may be updated or adjusted in consideration of the following:

- a. Government-mandated increase on the assigned personnel's minimum wage, cost of SS, Philhealth, and HDMF (Pag-IBIG) contributions, or similar increases mandated by the appropriate government authority;
- b. Increase in salaries or incurrence of benefits of the assigned personnel under a directive/issuance by the appropriate government authority or passing a new law.

ARTICLE III BREACH OF CONTRACT AND LIQUIDATED DAMAGES

10. In case of breach or delay in the delivery, the Service Provider shall pay the amount of one-tenth (1/10) of one percent (1%) of the cost of the undelivered items per day of delay per delivery schedule as liquidated damages which shall be automatically deducted from any payment due the Service Provider. Procuring Entity shall rescind the contract, without prejudice to the availment of other courses of action and remedies, once the cumulative amount of liquidated damages reaches ten percent (10%) of the total contract amount.

ARTICLE IV DISPUTE RESOLUTION

11. Any dispute arising from this Agreement shall first be settled amicably between the Procuring Entity and the Service Provider. Failure to settle within 30 days from notice of dispute, which may be extended for another period not exceeding 30 days, entitles the aggrieved party to resort to the remedies provided under Presidential Decree No. 242, 1979 (Dispute Procedures Governing between and among the Departments, Bureaus, Offices, Agencies, and Instrumentalities of the National Government).

ARTICLE V CONTRACT DURATION

12. This Agreement shall start from the date of its approval until December 31, 2024, and unless sooner terminated in accordance with the provisions of RA No. 9184. Full delivery of all goods and services required in accordance with the agreed delivery schedule.

ARTICLE VI MISCELLANEOUS PROVISIONS

13. All mandatory provisions of RA No. 9184, its rules and other pertinent laws, rules, and regulations, and all the terms and conditions as outlined in the Price Quotation of the Service Provider shall form an integral part of this contract.
14. Amendment or revision of any provision shall be upon mutual agreement and approval of both the Procuring Entity and the Service Provider.
15. **DATA PRIVACY COMPLIANCE** - The PARTIES shall comply with the provisions of RA No. 10173, otherwise known as the "Data Privacy Act of 2012", its IRR, issuances of the National Privacy Commission (NPC), and other applicable laws on processing of personal information. These shall include compliance with all relevant data protection policies of the Entity and other measures reasonably necessary to prevent any use or disclosure of personal data other than as allowed under this contract.

The PARTIES shall implement security measures aimed at maintaining the availability, integrity, and confidentiality of personal data including the protection

of personal data against any accidental or unlawful destruction, alteration, and disclosure, as well as against any other unlawful processing.

16. CONSENT TO THE PROCESSING OF PERSONNEL INFORMATION - As part of the data privacy compliance, the Supplier hereby grants its consent to the Entity's processing of his/her personal information collected under this contract, which may include the disclosure of such information to third parties, to comply with requirements of law in relation to the implementation of this contract.

ARTICLE VII SEPARABILITY CLAUSE

17. If any paragraph, subparagraph, or part of this contract is declared by a competent court to be contrary to law, public policy, or otherwise declared invalid, such shall not affect the other paragraph, sub-paragraphs, or parts of this contract.

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 this ____ day of _____, 2024 at the City of Manila.

LBP RESOURCES AND
DEVELOPMENT CORPORATION
(Service Provider)

By:


RICARDO C. JULIANO, MNSA
President & CEO

DEPARTMENT OF FINANCE
(Procuring Entity)

By:



BENJAMIN E. DIOKNO
Secretary

JAN 12 2024



SIGNED IN THE PRESENCE OF:


OLIVE PRINCESS S. RAMAL
OIC/Asst. Manager
Property Management & Maintenance
Services Department


RICHARD G. MANZANO
Chief Administrative Officer
General Services Division, Central
Administration Office

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared and presented their government-issued identification cards bearing photograph and signature:

NAME	VALID ID	PLACE/DATE ISSUED
RICARDO C. JULIANO		

Known/identified to be the same persons who executed the foregoing instrument, and they acknowledged to me that the same is their voluntary act and deed and of the corporation/s herein represented.

The above instrument refers to a Contract Agreement, and consists of six (6) pages including this page where the acknowledgment is written, duly signed by the parties and their instrumental witnesses on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 5th day of February 2024 at the City of Manila.

NOTARY PUBLIC

ATTY. BERNADEL S. VILLENA
 NOTARY PUBLIC FOR THE CITY OF MANILA
 COMMISSION NO. 2023-001 UNTIL DECEMBER 31, 2024
 ROLL NO. 79788 | 05/17/22
 UNIT F, 775 METRICA STREET, SAMPALOC, MANILA
 IBP NO. 329204 | 12/18/23 | PANGASINAN
 PTR NO. MLA1519787 | 01/03/2024/MANILA
 bvillena.law@gmail.com | 09956628243

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Series of 2024

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared and presented their government-issued identification cards bearing photograph and signature:

<i>NAME</i>	<i>VALID ID</i>	<i>PLACE/DATE ISSUED</i>
BENJAMIN E. DIOKNO		

Known/identified to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their voluntary act and deed and of the corporation/s herein represented.

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this _____ day of **FEB 06 2024** 2024 at the City of Manila.

NOTARY PUBLIC

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(Signature)
ATTY. MANUEL ABUYO RODRIGUEZ II
Notary Public for City of Manila (until Dec 31 2024)
Notarial Commission No. 2023-065
2nd Floor Midland Plaza Hotel, Alvarado St. Ermita, MIA
I.B.P. No. 329200- Dec. 16, 2023 for year 2024
P.T.R. No. 1535348-Jan. 3, 2024 at Manila
Roll No. 68732/MCLE Compliance No. VI-0005642 4.14.2025