

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into this 28 th day of DEC 2022 by and between:

PHILIPPINE GUARANTEE CORPORATION (PHILGUARANTEE), a government corporate entity duly organized under E.O. No. 58, s 2018, with business address at 17th Floor, BDO Towers Valero, 8741 Paseo de Roxas St., Makati City, represented by **President & CEO, Alberto E. Pascual**, hereinafter referred to as the "PHILGUARANTEE";

-and-

LBP RESOURCES AND DEVELOPMENT CORPORATION, a corporation established and existing under and by virtue of the Republic of the Philippines laws, has principal office and address at 24th Floor Land Bank Plaza, 1598 M. H. del Pilar cor. Dr. J, Quintos St, Malate, Manila, Metro Manila, represented by its **President & CEO, Ricardo C. Juliano**, who has been authorized by its Board of Directors to act for and on behalf in this instance, hereinafter referred to as the "LBRDC";

WITNESSETH: THAT:

WHEREAS, PHILGUARANTEE seeks to contract the services of the LBRDC for the appraisal of its land, buildings, and other improvements, for the PHILGUARANTEE's acquired properties described and listed in "Annex A", and hereinafter referred to as the "Properties"

WHEREAS, as a general rule, all procurement shall be done through competitive bidding. However, whenever justified by the conditions provided in Republic Act No. (RA) 9184 and its Revised Implementing Rules and Regulations (RIRR), PHILGUARANTEE may, in order to promote economy and efficiency, resort to any alternative methods of procurement provided in Rule XVI of the IRR of RA 9184;

WHEREAS, Sec. 53 of RA 9184 provides that PHILGUARANTEE may use alternative methods of procurement, specifically Negotiated Procurement via Agency-to-Agency in accordance with section 53.5 and other provisions of the 2016 Revised IRR of RA 9184 (Government Procurement Reform Act), particularly Annex "H", Item Number 5. b thereof, under the following conditions:

- I. PHILGUARANTEE shall justify that entering into an Agency-to-Agency Agreement with the LBRDC is more efficient and economical to the government;
- II. LBRDC has the mandate to deliver the services required to be produced by PHILGUARANTEE;
- III. LBRDC has the absorptive capacity to undertake the project;
- IV. LBRDC owns or has access to the necessary tools and equipment required for the projects; and
- V. Sub-contracting is not allowed unless otherwise, permitted by the PHILGUARANTEE.



WHEREAS, PHILGUARANTEE has determined that entering into an Agency-to-Agency Procurement under Section 53 of RA 9184, and its 2016 RIRR is more efficient and economical;

WHEREAS, Section 6.2 of the 2016 Revised Implementing Rules and Regulations (RIRR) of RA 9184 requires the mandatory use of the Government Procurement Policy Board (GPPB) standard contract, herein adopted by the parties, which shall serve as the main document establishing the engagement of the LBRDC for subsequent work orders (Project Agreements);

NOW, THEREFORE, for and in consideration of the foregoing premises and by virtue of the obligations and undertakings herein stated, the parties have agreed as follows:

ARTICLE I. PROPERTY TO BE APPRAISED

- 1.1 A description of the real property to be appraised, including identification of any interests in the real property to be specifically excluded from appraisal, will be provided in sequential task orders issued by PHILGUARANTEE to the LBRDC ("Task Orders").
- 1.2 A separate appraisal is to be furnished for each "parcel" identified in a Task Order. The term "parcel" means any tract or contiguous tracts of land in the same ownership, whether any such tract consists of one or more platted lots or a fractional part of a lot. An easement or other separately held interest in two or more parcels shall be considered a separate parcel for appraisal purposes and an exception to the title to the encumbered parcels. An easement in a parcel that is appurtenant to another parcel to be acquired by PHILGUARANTEE shall be considered to be part of such other parcel and an exception to the title of the parcel encumbered.
- 1.3 Each parcel shall be considered to include all rights, title, and interests of the owner in or to any adjacent or abutting streets, alleys, or other public rights of way.

ARTICLE II. PURPOSE AND BASIS OF VALUATIONS

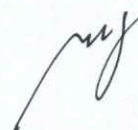
- 2.1 The objective is to ensure that the location and description of the properties stated in the submitted documentation are accurate and, equally important, to determine the market value, prompt sale value, rental rate, and prevailing zonal value of the properties in order to make an informed decision on the disposal or possible lease of properties described and listed in "Annex A".

ARTICLE III. DUTIES AND RESPONSIBILITIES OF PHILGUARANTEE

PHILGUARANTEE agrees to furnish LBRDC with the following:

- 3.1 One or more Task Orders sufficiently identifying the parcel or parcels of property to be appraised based on information made available to LBRDC.
- 3.2 Also, PHILGUARANTEE agrees to provide LBRDC with the documents mentioned under no. 1 of items C, and J of the TOR, namely:
 - 3.2.1 The appraisal service shall be provided on an "on-demand" basis and shall cover the land, buildings and other improvements, if any, for the PHILGUARANTEE-acquired properties listed in "Annex A".
 - 3.2.2 Notice to Proceed, including the letter of authority to inspect the properties.

90



- 3.3 A data report for each parcel subject of the appraisal service. That report will show all interests in the parcel as shown on record and consequently shall not be assumed to accurately define the interests to be appraised.

ARTICLE IV. DUTIES AND RESPONSIBILITIES OF THE LBRDC

The LBRDC through its appraiser/s agrees to perform the following services:

- 4.1 LBRDC shall adopt and perform the obligations set forth in the Terms of Reference (TOR) hereto attached as "**Annex B**".
- 4.2 LBRDC shall perform the tasks as indicated in this Agreement within the specified number of days as provided in "**Annex C**" from receipt of the Notice to Proceed and the requested available vital documents therein.
- 4.3 LBRDC commits its resources, technical skills, expertise, undivided attention, and best ability in the performance of its obligations and shall observe the duration of work and procedure for submission of reports as prescribed herein and in the TOR.
- 4.4 Qualifications. LBRDC warrants that the appraiser/s to be assigned is/are qualified to perform the services to be performed pursuant to this Agreement and is permitted to do the work to be performed.

ARTICLE V. SERVICE COST AND MANNER OF PAYMENT

- 5.1 For and in consideration of the services provided by LBRDC under this Agreement, PHILGUARANTEE agrees to pay a total amount of **TWO MILLION SIX HUNDRED EIGHTY-FOUR THOUSAND THREE HUNDRED PESOS (PHP 2,684,300.00)** to the LBRDC, as indicated in the Notice of Engagement referred hereinto as "**Annex D**", and upon submission, to the PHILGUARANTEE of properly certified invoices for the following appraisal-related expenses:
- 5.1.1 For appraisal reports accepted by the PHILGUARANTEE, and for all other services furnished in accordance with Article IV and Annex "B" of this Agreement.
- 5.1.2 The service fee shall be inclusive of the 12% Value Added Tax (VAT) and all out-of-pocket expenses incidental to the ocular inspection and appraisal services rendered by LBRDC. Payment of service fee is subject to PHILGUARANTEE's auditing and accounting requirements.
- 5.1.3 The PHILGUARANTEE shall pay 100% of the service fee upon completion and full submission of the appraisal report/s on the properties covered under this Agreement.
- 5.1.4 Payment will be processed upon the submission of the Final/Last Appraisal Report/s and Statement of Account to PHILGUARANTEE within (30) calendar days.

ARTICLE VI. CONFIDENTIALITY

- 6.1 Services are to be confidential. All services, including reports, opinions, and information, to be furnished under this Agreement are confidential and shall not be divulged, in whole or in part, to any person, other than to duly authorized representatives of the PHILGUARANTEE, without the prior written approval of the PHILGUARANTEE, except by testimony under oath in a judicial proceeding

or as otherwise required by law. LBRDC shall take all necessary steps to ensure that no member of the Appraiser's staff or LBRDC divulges any such information except as may be required by law.

ARTICLE VII. NON-ASSIGNMENT

- 7.1 LBRDC's rights, obligations, and duties under this Agreement shall not be assigned in whole or in part, but this shall not prohibit the assignment of the proceeds due under this Agreement to a bank or financial institution.

ARTICLE VIII. AMENDMENT

- 8.1 PHILGUARANTEE, by written notice to the LBRDC, may modify the scope of the number of services to be furnished under this Agreement. If such changes cause a substantial increase or decrease in the number of services to be provided by LBRDC or in the time required for their performance so as to amount to a cardinal change in this Agreement, an equitable adjustment may be made in the provisions of this Agreement for payments to the LBRDC or for the time for performance of the services or for both by LBRDC, and this Agreement shall be modified by agreement of the parties accordingly.

ARTICLE IX. LIQUIDATED DAMAGES

- 9.1 Should LBRDC fails to complete the tasks required to be performed as indicated in this Agreement and its Annexes, corresponding liquidated damages shall be imposed by PHILGUARANTEE in accordance with the requirements of Republic Act No. 9184 and its revised implementing rules and regulations.

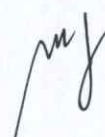
ARTICLE X. TERMINATION OF AGREEMENT

- 10.1 PHILGUARANTEE reserves the right to terminate this Agreement at any time for justifiable cause. Notice of Termination shall be communicated in writing to the LBRDC. Upon receipt of the Notice of Termination, LBRDC shall submit to PHILGUARANTEE a list of pending items within fifteen (15) days.
- 10.2 Any completed reports prepared by the LBRDC under this Agreement shall, at the option of the PHILGUARANTEE, become its property and LBRDC shall be entitled to receive equitable compensation for any work completed to the satisfaction of the PHILGUARANTEE.
- 10.3 LBRDC may not be held liable for damages under this Article for reasons of delay, *provided* that such delay is due to causes beyond its control and without fault or negligence on its part.

ARTICLE XI. TERM OF AGREEMENT

- 11.1 The award of this project shall result in an agreement within the specified number of days as provided in "Annex C" from receipt of the Notice to Proceed and the requested available vital documents therein.
- 11.2 This Agreement may be extended for a period as may be approved by PHIGUARANTEE upon written request of LBRDC to be reflected in a separate written document signed by both parties. Such contract extension shall be subject to the requirements of RA 9184 and relevant and applicable issuances from the Government Procurement and Policy Board (GPPB).
- 11.3 LBRDC shall honor the fee schedule submitted with a proposal for the entire term of the agreement and any subsequent addenda.

98




ARTICLE XII. SETTLEMENT OF DISPUTES

- 12.1** If any dispute or difference of any kind whatsoever shall arise between the PHILGUARANTEE and the LBRDC in connection with or arising out of this Contract, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation. Resolution of any dispute arising from this Agreement shall be guided by the requirements and issuances of the GPPB insofar as the engagement of the LBRDC was done through Agency-to-Agency Rules of RA 9184 and its IRR.
- 12.2** If after thirty (30) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either the PHILGUARANTEE or the LBRDC may give notice to the other party of its intention to commence an arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 12.3** Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Article shall be settled by arbitration before the Office of the Government Corporate Counsel (OGCC). The arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 12.4** Arbitration proceedings shall be conducted in accordance with Rule 11-13 of the Rules and Regulation of the OGCC and Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004" shall apply in suppletory manner.
- 12.5** Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless otherwise agreed by the Parties.

IN WITNESS WHEREOF, the parties have hereunto signed this MOA this 28 DEC 2022
day _____, 2022 in City of Manila.

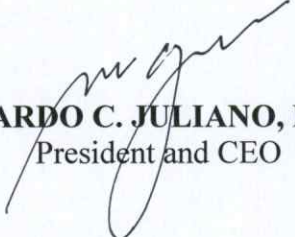
**PHILIPPINE GUARANTEE
CORPORATION
(PHILGUARANTEE)**

By:

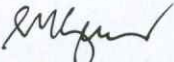

ALBERTO E. PASCUAL
President and CEO

**LBP RESOURCES AND
DEVELOPMENT CORPORATION
(LBRDC)**

By:


RICARDO C. JULIANO, MNSA
President and CEO

SIGNED IN THE PRESENCE OF:


MARICHU A. LAZARO


PHILIP GENE B. PILDOLA

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA *28 DEC 2022*) s.s.

BEFORE ME, this ____ day of _____ 2022 personally appeared:

Name	Competent Evidence of Identity	Place of Issue	Date of Issue
<i>PHILIPPINE GUARANTEE CORPORATION</i>			
By: ALBERTO E. PASCUAL	<i>Driver's License No. N06-F3-009938</i>	<i>LTO Office</i>	<i>08/22/2018</i>

known to me and to me known or through competent evidence of identity to be the same person who executed the foregoing instrument and they acknowledged to me that the same is his free act and voluntary deed, as well as of the entity they respectively represent.

This instrument consisting of seven (7) pages, including this page wherein the Acknowledgment is written, refers to a MEMORANDUM OF AGREEMENT and is signed by them and their witnesses on each and every page hereof.

IN WITNESS HEREOF, I HAVE HEREUNTO AFFIXED MY HAND AND NOTARIAL SEAL.

Doc. No. 493 ;
Page No. 99 ;
Book No. VII ;
Series of 2022.

NOTARY PUBLIC
Adasa
ATTY. HENRY D. ADASA
NOTARY PUBLIC, CITY OF MANILA
NOTARIAL COMMISSION JRD0-07-11/31/2022 Manila
ID No. 17888 - 01/01/2022, PASIG
P/E No. 580182 - 01/01/2022, MANILA
R21 No. 29879, 101:170-540-010
RACLE COMPL. NO. VII-000165 5/25/2019 Valid April 14, 2025
THESEY DORAS MANILA; 2-2; UNIT 205, TOWER, MSA.

[Handwritten signatures]

ACKNOWLEDGMENT

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

BEFORE ME, this 28 day of DEC 2022 personally appeared:

Name	Competent Evidence of Identity	Place of Issue	Date of Issue
LBP RESOURCES AND DEVELOPMENT CORPORATION			
By: RICARDO C. JULIANO	Philippine Passport No. P1395000B	DFA General Santos	04/06/2019

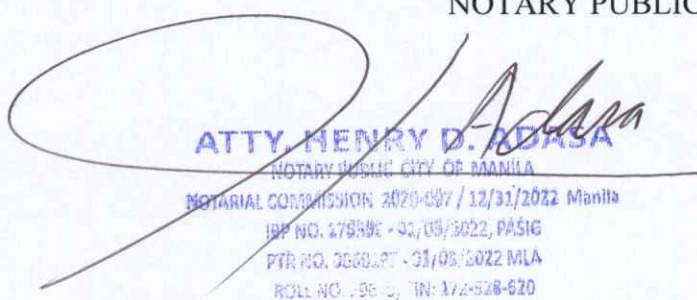
known to me and to me known or through competent evidence of identity to be the same person who executed the foregoing instrument and they acknowledged to me that the same is his free act and voluntary deed, as well as of the entity they respectively represent.

This instrument consisting of seven (7) pages, including this page wherein the Acknowledgment is written, refers to a MEMORANDUM OF AGREEMENT and is signed by them and their witnesses on each and every page hereof.

IN WITNESS HEREOF, I HAVE HEREUNTO AFFIXED MY HAND AND NOTARIAL SEAL.

NOTARY PUBLIC

Doc. No. 493 ;
Page No. 99 ;
Book No. VII ;
Series of 2022.


ATTY. HENRY D. ADASA
NOTARY PUBLIC CITY OF MANILA
NOTARIAL COMMISSION 2020-687 / 12/31/2022 Manila
IBP NO. 47889E - 02/08/2022 PASIG
PTR NO. 006048T - 01/08/2022 MLA
ROLL NO. 196 D, TIN: 172-528-620
MCLE COMPL. NO. VII-000168 07/01/2020 Valid April 14, 2025
URBAN DECA HOMES MANILA, B-2, UNIT 355, TONDOK, Manila