Republic of the Philippines PHILIPPINE MERCHANT MARINE ACADEMY San Narciso, Zambales

MESS AND FOOD SUPPLIES

MEMORANDUM OF AGREEMENT

Know All Men By These Presents:

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

PHILIPPINE MERCHANT MARINE ACADEMY, with office and postal address at San Narciso, Zambales, Philippines, represented by its Superintendent, RADM RICHARD URITUAL, hereinafter referred to as the Party of the First Part:

- and -

M. NICOLAS GEN. MDSE, a business establishment organized and duly recognized under the laws of the Republic of the Philippines, with office and postal address at # 16-24TH West Bajac-Bajac, OLONGAPO CITY, engaged in Foodstuff Supplier hereinafter referred to as the Party of the Second Part represented by MR MARIO M NICOLAS;

WITNESSETH, That:

WHEREAS, the Academy is mandated by law to undertake the training and development of merchant marine officers and other professional and skilled manpower in the fields of maritime service;

WHEREAS, the Academy has, among other aspects related to its existence and mandate, prescribed the criterial specification required by the academy insofar as the food supplies for the midshipmen are concerned;

WHEREAS, the Academy manifested the need for such food supplies for the use of the midshipmen;

WHEREAS, after the required bidding conducted by the Academy, the Foodstuff Supplier was determined to be the most qualified vis-à-vis the criteria/specifications required by the Academy;

NOW, THEREFORE,

On the basis of the foregoing premises, both Parties agree to the following terms and conditions, to wit;

1. The subject of this agreement shall be the delivery by the Foodstuff Supplier to the Academy of the following foodstuffs:

Name of Bidder: M. NICOLAS GEN. MDSE. # 16-24th West Bajac-Bajac , Olongapo City

A. LOT B - MEAT PRODUCTS - Contract Price Php 1,946,574.08

| ITEMS | | UNIT PRICE |
|--|---|------------|
| 1. Beef Sirloin (cut as requested), fresh,1k | - | 318.95 |
| 2. Pork Liempo fresh | - | 254.95 |
| 3. Pork Pigue, fresh (cut as requested) | - | 269.95 |
| 4. Pork Liver, fresh | - | 120.95 |
| 5. Porkchop, fresh, 10pcs/k | - | 264.95 |



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B. LOT C - POULTRY PRODUCTS, Contract Price Php 1,020,900.00

| Items | Unit Price | |
|-------------------------------------|------------|--------|
| 1. Chicken legs (less tail), fresh | _ | 134.95 |
| 2. Chicken Breast(less neck), fresh | _ | 134.95 |
| 3. Fresh Eggs(not less than 60g) | - | 4.40 |

For six (6) months covering the period of May 1, 2014 to October 31, 2014 to meet the actual need for the above-mentioned items, food supplies, the specific date of such need to be communicated in writing by the Academy to the Foodstuff Supplier;

- That the Academy shall provide a storage space for the food supplies delivered by the Foodstuff Supplier;
- That the Foodstuff Supplier obligates itself to deliver to the Academy the food supplies subject of the Purchase Order as enumerated/described in paragraph 1 herein above, in the right quantity and quality and at the right time in accordance with the criteria/specification required by the Academy;
- 4. The Academy shall subject all food supplies contained in the contract and delivered by the Foodstuff Supplier, to inspection prior to acceptance thereof, All deliveries must be done during office hours only;
- 5. The Foodstuff Supplier obligates itself to ensure the availability and timely issuance of the herein above enumerated/described food supplies to the midshipmen, in accordance with the specifications-required by the Academy;
- 6. The Foodstuff Supplier obligates itself to post a Performance Bond based on the total amount of estimated contract awarded in accordance with the following schedule:
 - a.) Manager's Check or Cashier's Check; Bond equivalent to five per centum (5%) of the total contract price; or
 - b.) Surety Bond:
 Bond equivalent to thirty per centum (30%) of the total contract price;
- The Academy has/reserves the right to increase or decrease the number/quantity of items/food supplies, etc. it may order depending upon and as necessitated by its and the midshipmen's requirements;
- 8. The Academy has/reserves the right to cause or impose upon the Foodstuff Supplier to reduce its price(s) in the event or upon the discovery that the cost/price of the aforesaid items/food supplies are cheaper/lower in the open market (other shops, dealers, companies, etc.). Any price increase during the contract period shall be properly justified based on the prevailing market and economic situation;
- 9. The Academy has/reserves the right to return to the Foodstuff Supplier any or all items/food supplies delivered by the latter which do not conform to the specifications required by the Academy or which are defective, damaged or of poor quality, to include those items/food supplies delivered beyond the agreed delivery date or in any event of default;
- 10. This Agreement shall be revoked/terminated on the following grounds:
 - Refusal of the Academy to accept delivery of orders/items food supplies with justification thereof;
 - b) Failure of the Foodstuff Supplier to deliver to the Academy, the right quantity and quality of the items/food supplies ordered and described in the contract, or failure to comply with its obligations hereunder.
- 11. The duration of this Agreement shall be from May 1, 2014 to October 31, 2014 unless earlier terminated/revoked on grounds contained in paragraph 10 preceding or elsewhere in this agreement.





- 12. That any and all violation of the condition of this contract shall subject the guilty party to the payment of liquidated damages under RA 9184, aside from cost of suit and attorney's fees.
- 13. The two parties hereby agrees that all legal actions arising out of this agreement shall instituted in the Regional Trial Court (RTC)- Iba, Zambales.
- 14 Instant Memo Agreement/Contract shall take effect on the date Parties affix their manual signatures hereon.

PHILIPPINE MERCHANT MARINE ACADEMY

M. NICOLAS GEN. MDSE

RADM RICHARD U RITUAL PMMA Superintendent

MR. MARIO M NICOLAS

Owner/Representative

,

(FOODSTUFF SUPPLIER)

(ACADEMY)

SIGNED IN THE PRESENCE OF:

Witness

Witness

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) s.s.
IN THE CITY OF LONGAPO CITY - ZAMBALES

Personally appeared before me, a Notary Public for and in the City of

U DNEAPO CITY - ZAMBALES

Valid I.D. No.

Validity Period

RADM RICHARD U RITUAL

PMMA ID No. 1041

until 2016

MR. MARIO M. NICOLAS

A10-91-031733

2014-16-17

both known to me and known to be the persons who executed the foregoing Memorandum of Agreement and they both acknowledged that having been duly authorized to enter into contract for and in behalf of PHILIPPINE MERCHANT MARINE ACADEMY and M.NICOLAS GEN. MDSE. respectively, they executed same freely and as their voluntary act and deed.

WITNESS MY HAND AND SEAL this MAY 3 0200 May 2014 in the Municipality of DNGAPD CITY - ZAME Province of

ALREUEL MRBUNDANG-ORTIZ

Until December 31, 2015 No. 2-23rd St., E.B.B., Olongapo City PTR: 6563841/1-02-14/Olongapo City IBP No. 931672/12-18-13/Zambales

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Republic of the Philippines PHILIPPINE MERCHANT MARINE ACADEMY San Narciso, Zambales

NOTICE TO PROCEED

MR MARIO P NICOLAS JR MNICOLAS GEN. MDSE 16th – 24th WBB, Olongapo City

Dear Mr. Nicolas:

The attached Contract Agreement therefore having been approved, notice is hereby given to MNICOLAS GEN. MDSE. that supply on Meat Products (Lot B) and Poultry Products (Lot C) for Cadets Foodstuffs may commence on May 01, 2014 after the receipt of this notice up to October 31, 2014 (six months contract).

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementing Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to Philippine Merchant Marine Academy.

RADM RICHARD U RITUAL PMMA

| 1 acknowledge receipt of this N | lotice on May 15, 2014 (date of receipt) |
|---------------------------------|--|
| Name of the Representative of | the Bidder: MARUD P. NICOLAS JR. |
| Authorized Signature: | - Warring) |

Republic of the Philippines PHILIPPINE MERCHANT MARINE ACADEMY San Narciso, Zambales

NOTICE OF AWARD

April 30, 2014

MR. MARIO P NICOLAS JR M. NICOLAS GEN. MDSE. 16TH-24TH WBB, Olongapo City

Dear Mr. Nicolas,

We are happy to notify you that your Bid dated April 23, 2014 for the execution of M. NICOLAS GEN. MDSE. for the Contract Prices equivalent to and as corrected and modified in accordance with the Instruction to Bidders is hereby accepted for the following lots:

- a. LOT B- MEAT PRODUCTS
 - Two Million Six Hundred Twenty Five Thousand Two Hundred Fifty Eight Pesos
 - Php 2, 625, 258.00
- b. LOT C POULTRY PRODUCTS
 - One Million Twenty Thousand Nine Hundred Pesos
 - Php 1, 020, 900.00

You are hereby required to provide within ten (10) days the performance security in the form and the amount stipulated in the Instructions to Bidders. Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly your

RADM RICHARD U RITUAL PMMA

Superintendent

CONFORME:

Mr Mario Nicolas Jr

Date: