**MEMORANDUM OF AGREEMENT**

**KNOWN ALL MEN BY THESE PRESENTS:**

This **Memorandum of Agreement** entered into this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_ 2017 at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ by and between:

**ARMED FORCES AND POLICE SAVINGS AND LOAN ASSOCIATION, INC.**, hereinafter referred to as “**AFPSLAI**”, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the **AFPSLAI** Building, Capinpin Avenue, Camp General Emilio Aguinaldo, EDSA corner Bonny Serrano Road, Quezon City, represented by its President and Chief Executive Officer, **LT.GEN. VIRGILIO O. DOMINGO AFP (RET);**

and

**ALLCARD PLASTICS PHILIPPINES INC,** hereinafter referred to as “**ALLCARD**” a private corporation with office address at Lot 3 Block 17 E. Rodriguez Jr. Avenue corner Titan Street, Acropolis Subdivision, Bagumbayan, Quezon City, represented herein by its President and COO, **MR. ROY C. EBORA**.

(Hereinafter collectively referred to as the **PARTIES**)

WITNESSETH:

WHEREAS, **AFPSLAI** is in need of a contractor/ service provider for the computerized/ technology based **AFPSLAI** Digitalized ID System;

WHEREAS, the **AFPSLAI** Digitalized ID System will realize the following benefits:

1. More efficient and faster processing of AFPSLAI ID.
2. Facilitates capturing and recording of member data.
3. Proper registration and profiling of AFPSLAI members.
4. Enhanced design and facial image of AFPSLAI members.
5. Better quality of materials to help prevent ID card counterfeiting and fraud;
6. May be used for other future technology based project plans such as reward program/ point system, kiosks facility for member record inquiries and announcement of advertisements, ATMS, etc.

Whereas, **ALLCARD**  an experienced manufacturer and provider of magnetic stripe and chip cards and associated personalization services and solutions including computerized/technology-based Digitalized ID System;

WHEREAS, **ALLCARD** has presented itself to be capable and competent to meet the Digitalized ID requirement of **AFPSLAI**.

WHEREFORE the **PARTIES** agreed to enter into this Memorandum of Agreement subject to the following terms and conditions:

1. **ALLCARD** will provide all requirements needed for the Digitalized ID System of **AFPSLAI** which include the following **DELIVERABLES** at the following agreed amounts**:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Qty |  | Unit Price | Total Price |
| **Hardware**  1. Laptop  2. Webcam  3. Fingerprint Scanner  4. Signature Pad  5. Card Printer  6. Other Capture  Peripherals\* | 23  23  23  23  23  23 | Dell Computer  Logitech c922  Secugen  Evolis Sigpad  EvolisPrimacy  Duplex  Backdrop, Portable Frame, Capture Table etc. | 25,248.00  3,980.00  5,800.00  8,168.00  85,000.00  12,000.00 | 580,704.00  91,540.00  133,400.00  187,864.00  1,955,000.00  276,000.00 |
| **Software**  System Software and Licenses (with 2 copies of user manual) | 23 | Customized (based on the requirements of the client) | 18,000.00 | 414,000.00 |
| ID Card with Magnetic stripe and Contactless Chip (with 3 years warranty) | 22,500 |  | 25.00 | 562,500.00 |
| Consumable Items  Ribbon  UV Invisible Ink  Micro Text  Re-Transfer Film (Clear) | 113 | YMCK Full Color  For Evolis Printer  Already included in the card  -do-  N/A | 2,100.00 | 237,300.00 |
| Maintenance Cost (1 year) |  |  | Free |  |
| Cost of Training (1 day Manila, 2 days Cebu) | 3 days |  | 7,500.00 | 22.500 |
| **Total** |  |  |  | **4,460,808.00** |

The technical descriptions of the above hardwares and software are attached hereto and contained in Annex “A” hereof.

ALLCARD, with prior AFPSLAI consent, reserves the right to replace or change any specified item due to upgrades or end-of-life of the above-mentioned deliverables.

1. The Digitalized ID Card System shall Include the Data Encoding / Capturing, (Personalization), ID Card Printing, Data Extraction, and Report Generation as well as Audit Trail. On Site ID Card Processing shall be done on all AFPSLAI branches nationwide.

ID CARD SPECIFICATIONS:

The front of the ID Card should contain the AFPSLAI Name and Logo, Picture of the member, Full Name and Signature of the Member as well as the latter’s CIF/ Member number. The back portion should contain the member’s complete address, contact number, contact person in case of emergency, date of issue, ID Number, branch office, and signature of the President and CEO. The magnetic stripe and contactless chip shall include the CIF/ Member number, full name, thumbprint and birthdate. The security features shall include the UV Invisible Ink of the AFPSLAI logo, micro text (around the picture or table details) –Armed Forces and Police Savings and Loans Association Inc. All other details/ inclusion in the deliverables in the bid documents and bid requirements shall automatically form part hereof.

1. **PRICE and PAYMENT TERMS.** The above stated amount of P **4,460,808.00** is inclusive of payment of **VAT and all applicable taxes and fees**. Payment by **AFPSLAI** shall be as follows:

50% downpayment upon posting of Performance Bond and 50% upon completion and acceptance

1. **WARRANTY.** All Hardware and software components will have a 1 year warranty except for the Card Printer which will have 3 years warranty.

For purposes of warranty. all spare parts to be used for the hardware components supplied by ALLCARD for the AFPSLAI Digitized ID System Project must be provided by ALLCARD or approved by ALLCARD.

1. **DELIVERY.** All hardware and software will be delivered at the AFPSLAI head office. All Software licenses will be installed by ALLCARD with supervision of an AFPSLAI in the AFPSLAI head office..

1. Any items beyond the quantity stated in this contract shall be billed to AFPSLAI and settled additionally.
2. The **TIMETABLE**  for the above requirements is contained in the Project Implementation Plan Calendar which is attached as Annex “B” hereof.

1. **ALLCARD** shall not be held liable for any delays or non – compliance on the given timeline caused by force majeure or unforeseen causes, or things beyond its control. If due to its fault or negligence and or continuous non-performance despite the time given by AFPSLAI to rectify its non-delivery, ALLCARD will be liable for any delay due to non-delivery/ non-performance of its obligation, based on the above timetable, in an amount equivalent to 1/10th of one percent of the total amount of this Agreement per day of delay without further notice or demand.
2. **ALLCARD** shall post and submit a performance bond (valid for one (1) year) equivalent to the total cost of the agreement issued by a reputable surety or insurance company acceptable to **AFPSLAI** or a letter of credit or bank guarantee callable upon demand taken from a reputable banking institution acceptable to **AFPSLAI** to guarantee the observance and faithful compliance by **ALLCARD** of its obligations and responsibilities herein stated, and to answer for any liability that **ALLCARD** may have under this agreement.
3. **AFPSLAI** has the right to request **ALLCARD** to replace any consultant/ representative at its (**AFPSLAI**) option. **ALLCARD** may not assign any of its rights and obligations under this agreement without the previous written permission of **AFPSLAI**.
4. The parties understand and agree that there is no employment relationship between the parties and member, agent or representative of either party and nothing in this MOA shall be construed as establishing such employment relationship.
5. In the event **ALLCARD** is not able to comply with any deliverable in this agreement for unjustified causes and despite given the chance to rectify the errors or non-delivery, **AFPSLAI** may take appropriate action, including entering into an agreement with a third party to accomplish such undertaking, with the corresponding costs and damages to be charged against **ALLCARD.** This is without prejudice to whatever other actions may further be taken by **AFPSLAI** under the circumstances.
6. Any amendment to this Agreement shall be valid and binding on the **PARTIES,** provided that such amendment is reduced in writing and signed by the said  **PARTIES;**
7. In the event any provisions of this Agreement is declared with finality as null and void by competent authorities, all other provisions hereof not adversely affected nor impaired thereby shall remain in full force and effect;
8. Each Party may terminate the Agreement, upon thirty (30) days notice for any violation of any of the terms hereof, should a defaulting Party commit a material breach of its obligations under this Agreement, and, in the case of a breach capable of being remedied, does not remedy the breach within seven (7) calendar days after receipt of notice in writing from the non-defaulting Party requiring it to do so.
9. **CONFIDENTIALITY.** Each Party (the “Receiving Party”) undertakes, on behalf of itself, its Associated Companies, and their respective employees and agents, that it shall keep confidential and shall not, without the prior written consent of the other Party (the “Disclosing Party”), disclose to any third party any information of a confidential nature relating to the Disclosing Party or its Associated Companies (including, without limitation, any trade secrets, confidential or proprietary technical information, trading and financial details and any other information of commercial value) which may become known to that Party under or in connection with this Agreement. This clause shall not apply to any such information which the Receiving Party can show, is public knowledge or was already known to it at the time of disclosure or subsequently becomes public knowledge other than by breach of this Agreement or subsequently comes lawfully into its possession from a third party who was not restricted from disclosing it or is required to be disclosed by the Receiving Party by applicable law or court order; provided that the Receiving Party gives the Disclosing Party prompt written notice of such requirement prior to disclosure and cooperates with the Disclosing Party’s efforts to contest or limit the scope of such disclosure. The Receiving Party shall return to the Disclosing Party (or upon the Disclosing Party’s request, destroy) all confidential information of the Disclosing Party in written or tangible form or any other media on the termination of this Agreement. Except as otherwise expressly stipulated in the present Agreement, no license is granted to the Receiving Party regarding such information of a confidential nature relating to Disclosing Party. The terms of this provision shall survive the expiry or earlier termination of this Agreement.
10. The **PARTIES** shall exert utmost effort to amicably settle any dispute or conflict that may arise out of and in relation to this Agreement. Any suit arising out of this Agreement shall be instituted in the proper court in Quezon City to the exclusion of all other courts or fora.

**IN WITNESS WHEREOF,** the **PARTIES** have caused their duly authorized representatives to sign this Agreement on the date and place first above written.

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| **ARMED FORCES AND POLICE SAVINGS AND LOAN ASSOCIATION, INC  (AFPSLAI)** |  | **ALLCARD PLASTICS   PHILIPPINES INC.**  **(ALLCARD)** |
| BY: |  | BY: |
| **LT.GEN. VIRGILIO O DOMINGO AFP (RET)**  President and CEO |  | **MR. ROY C. EBORA**  President and COO |
|  |  |  |

**Witnesses**

**MR. GILBERTO T. ACUESTA MR. CARLO ENRICO J. JARLEGO**

**ACKNOWLEDGMENT**

**REPUBLIC OF THE PHILIPPINES)  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )s.s**

Before me, a Notary Public for and in \_\_\_\_\_\_\_\_\_\_\_\_\_, this \_\_\_\_\_\_\_\_\_\_ personally came and appeared.

Competent Evidence of Identity

**AFPSLAI** represented by: AFP (RET) ID R15-0-19918

**LTGEN VIRGILIO O DOMINGO AFP (RET)**  Issued on April 16, 2015

**ALLCARD** represented by:

**MR. ROY C. EBORA**  PHIL. PASSPORT EC0516058

Until March 7, 2019

Known to me and to me known to be the same persons who executed the foregoing Memorandum of Agreement and they acknowledged to me that the same is their free and voluntary act deed and of the entity / institution they represent.

Doc. No.: \_\_\_\_  
Page No.: \_\_\_\_  
Book No.: \_\_\_\_  
Series of 2017