



Republic of the Philippines
Department of Finance
PRIVATIZATION AND MANAGEMENT OFFICE

PMO Bids and Awards Committee

Provision of Security Services for PMO Assets for CY2022

PMO-02-2022 (Lot A)

PMO-03-2022 (Lot B)

Approved Budget for the Contract (ABC)

Lot A = Php 16,860,565.00

Lot B = Php 11,559,185.00

Supplemental/Bid Bulletin No. 1

This Supplemental/Bid Bulletin No. 1 is being issued to amend, modify, and/or clarify the provisions in the Bidding Documents, as follows:

A. CLARIFICATIONS

SUBJECT	CLARIFICATION
1. On the Manner of Submission of Bids	<p>Bidders shall submit in a sealed envelope the following:</p> <p>a) Hard copy - One (1) copy marked as "Original Copy" and two (2) certified copies marked as "1st Copy" and "2nd Copy", respectively;</p> <p style="text-align: center;"><u>AND</u></p> <p>b) Soft Copy - USB <u>OR</u> password-protected cloud storage link of scanned copy of the Technical and Financial Component of its Bid. If bidders opt to submit a password-protected cloud storage link, please refer to the attached Guidelines on the Submission of Password-Protected Cloud Storage Link.</p>
2. Can bidders submit bid for one (1) Lot only?	<p>Bidders can submit bid on the following:</p> <p>a) Lot A only b) Lot B only c) Both Lots A and B</p> <p>If the bidder opts to submit bid for both Lots A and B, the bidder shall submit one (1) Technical Component Envelope, one (1) Financial Component Envelope for Lot A, and one (1) Financial Component Envelope for Lot B.</p>

<p>3. On the Payment of Bidding Documents Fee</p>	<p>If the bidder is bidding for 1 Lot only, he shall pay Php10,000.00 as bidding documents fee.</p> <p>If the bidder is bidding for both Lots, he shall pay Php20,000.00 as bidding documents fee.</p>
<p>4. On the Bidding Forms to be used</p>	<p>Bidders are highly encouraged to use the form templates provided under Section X Bidding Forms (pages 53 to 62) of the Bidding Documents to minimize errors and omissions in the forms submitted. Editable files can be downloaded from the PMO website at www.pmo.gov.ph/bids-and-awards/38-pmo-02-2022-and-pmo-03-2022</p>
<p>5. On the Preparation of Financial Computations</p>	<p>Bidders are highly encouraged to use the Excel file of Form 7 from the PMO website provided in Item No. 4 above. The accomplished excel file shall be included in the USB or in the password-protected cloud storage link.</p> <p>Agency Fees shall be at 20% minimum and 24% maximum. Bidders are not allowed to go below the minimum and above the maximum rates provided.</p>
<p>6. On the Deadline for Submission and Receipt of Bids</p>	<p>Bids shall be submitted not later than 10:00 A.M. on November 22, 2021 (Monday). Late bids will not be accepted.</p> <p>Time at the PMO Lobby clock is the official time. Time of receipt is upon acknowledgement of receipt by the BAC Secretariat and not the time of arrival of the bidder or its representative at the PMO Lobby.</p> <p>Bidders are highly encouraged to submit their bid at least one (1) hour before the deadline or earlier.</p>
<p>7. On the Opening of Bids</p>	<p>Opening of bids will be at 10:00A.M. on November 22, 2021 (Monday) through Zoom. Zoom link will be provided to bidders upon receipt of their bid.</p> <p>Representative(s), other than those authorized in the Omnibus Sworn Statement, who will be attending the bid</p>

	opening should be duly authorized by the Principal. The authorization letter duly signed by the Principal, together with a copy of identification cards of the representative and the Principal, should be submitted to the BAC Secretariat at BAC@pmo.gov.ph
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B. AMENDMENT TO THE BIDDING DOCUMENTS

PORTION OF THE BIDDING DOCUMENTS	AMENDMENT
Section VI. Schedule of Requirements	<p>The following items shall be deleted:</p> <p>Lot A and B:</p> <ul style="list-style-type: none"> - Handheld metal detectors (brand new) - Pole and easy fold stretcher (heavy duty) - Wheelchair (standard size) - Under chassis mirrors <p>Attached, as Annex "A" is the revised Section VI. Schedule of Requirements</p>
Section VII. Technical Specifications	<p>Separate Technical Specifications were provided for each Lot. Attached are the Technical Specifications for Lot A (Annex "B") and Technical Specifications for Lot B (Annex "C").</p> <p>Bidder shall submit and state conformity with the Technical Specifications depending on the Lot they opt to submit their bid.</p>

This Supplemental/Bid Bulletin shall form part of the Bidding Documents. Any provisions in the Bidding Documents inconsistent herewith is hereby amended, modified and superseded accordingly.

For information and guidance of all concerned.

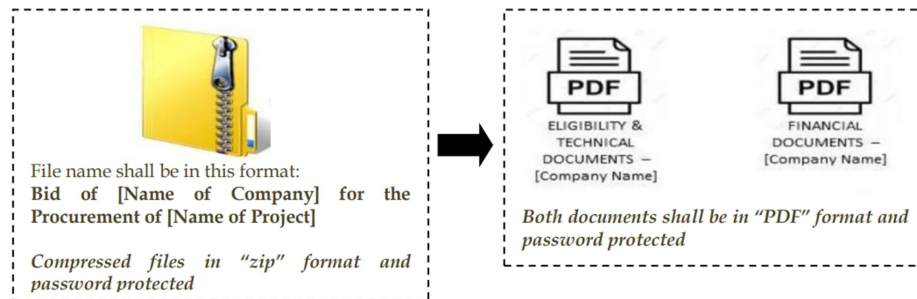
Issued this 15th day of November 2021.


CESAR LUIS M. PARGAS
 PMO-BAC Chairperson

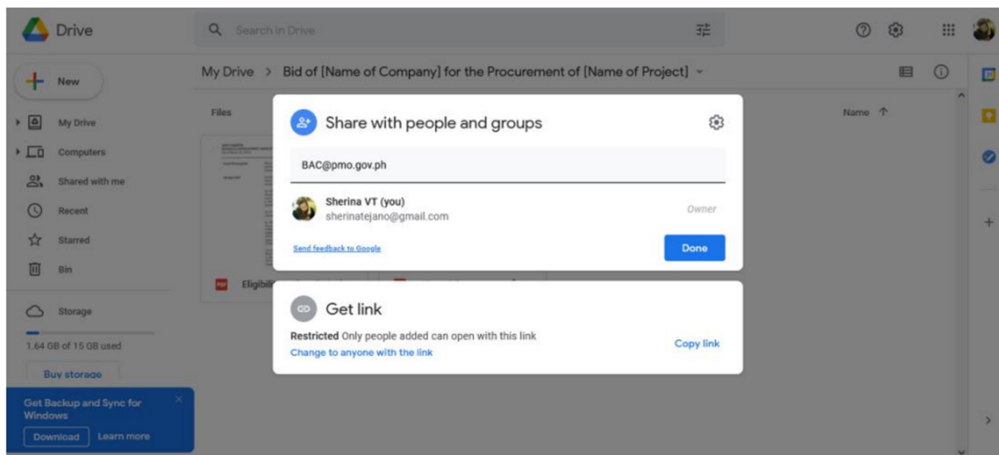
GUIDELINES FOR THE SUBMISSION OF PASSWORD-PROTECTED CLOUD STORAGE LINK

1. The Bidders are required to scan the original copies of the Technical and Financial Components of their bid in PDF format.
2. To ensure the integrity, security, and confidentiality of their bids, the Bidders shall submit password-protected compressed file in “zip” format labeled as **“Bid of [Name of Company] for the Procurement of [Procurement Project Title] with Procurement Reference No. [PMO-__-__] to be opened on [Date of Bid Opening]”** containing two (2) password-protected documents, as follows:
 - a) The first document shall contain the Technical Component of the Bid labeled as **“Technical Component Envelope of [Name of Company]”**; and,
 - b) The second document shall contain the Financial Component of the Bid labeled as **“Financial Component Envelope of [Name of Company]”**.

See figure below for the format in compressing and saving files.



3. The Bidders shall share the Google drive folder to the PMO-BAC’s official email address at BAC@pmo.gov.ph. See figure below on how to share the Google drive folder.



4. Bidders may modify or withdraw their electronic bids at any time before the deadline of submission and receipt of bids, subject to the rules under Section 26 of the 2016 revised IRR of RA 9184. Bidders shall share the Google drive folder containing their modified electronic bids equally secured and labeled as **“Modified Bid of [Name of Company] for the Procurement of [Procurement Project Title] with Procurement Reference No. [PMO-__-____]”** to the BAC’s official email address.

5. The Bidders’ authorized representatives shall be required to participate in the virtual opening of bids and it is only during said bid opening shall the authorized representative disclose the password for accessing their electronic bids.

Section VI. Schedule of Requirements

The delivery schedule expressed as weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Item Number	Description	Quantity	Delivered, Weeks/ Months
Lot A	<p>For deployment to various locations (NCR, Luzon, Visayas, and Mindanao)</p> <ul style="list-style-type: none"> a. Security guards with complete uniforms b. Licensed Pistols c. Licensed Shotguns a. Smartphones with at least 12-megapixel camera d. Licensed 2-way radios e. Bicycles f. Motorcycles g. Four-wheeled vehicle <p>Other ancillary or incidental equipment, devices and other implements necessary or appropriate for the performance of the security services as indicated in Section VII. Technical Specifications/TOR.</p>	<ul style="list-style-type: none"> 57 10 16 11 19 2 5 1 	Upon deployment
Lot B	<p>For deployment to PDAF-MLC (Makati City)</p> <ul style="list-style-type: none"> a. Security guards with complete uniforms b. Licensed Pistols c. Smartphones with at least 12-megapixel camera d. Licensed 2-way radios e. Motorcycle <p>Other ancillary or incidental equipment, devices and other implements necessary or appropriate for the performance of the security services as indicated in Section VII. Technical Specifications/TOR.</p>	<ul style="list-style-type: none"> 22 11 1 11 1 	Upon deployment

Technical Specifications

Lot A: Various Locations (NCR/Luzon/Visayas/Mindanao)

Bidders must state compliance to the provisions herein by signing on the conforme on all the pages provided on each page of Section VII. Technical Specifications.

1. Personnel Requirements

- 1.1. The SERVICE PROVIDER shall provide the PMO with the required number of security guards for PMO assets/properties to sufficiently secure and safeguard the PMO PROPERTIES and personnel.

Item	Project Site/Area of Responsibility	No. of Guards
Lot A	Various Locations (NCR/Luzon/Visayas/Mindanao)	57

The SERVICE PROVIDER shall deploy the guards according to the deployment specified in Annex “A”.

The total number of guards is subject to increase or decrease as a result of sale/turnover/transfer of properties, continued evaluation of security requirements by PMO or other circumstances requiring the same. The SERVICE PROVIDER hereby undertakes (a) to post additional guards or effect pull-out of guards within seventy-two (72) hours after receipt of a written request to do so from PMO, subject to the provisions of Section 4.5 hereof; and (b) to seek the support and/or assistance of instrumentalities from the Philippine National Police (“PNP”) and/or other government agencies tasked to enforce the law, whenever necessary to sufficiently secure PMO PROPERTIES and personnel.

Any decrease or increase in the number of guards and/or reshuffling of the guard/s shall be with the prior written approval of PMO. Removal or replacement of originally posted security guards shall likewise be with prior written approval of PMO. Absence of such prior written approval shall be cause for termination of the contract by PMO.

The SERVICE PROVIDER is/are required to provide one (1) reserve guard for every six (6) posts in each area of responsibility.

A Security Plan for each PMO asset/property is required from the SERVICE PROVIDER, for submission fifteen (15) calendar days after receipt of the Notice of Proceed (NtP), subject for approval of PMO. The Security Plan shall have, but not

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limited to, the following major components: i) protection against internal and external threats; ii) access control procedures.

- 1.2. When the needs arise, the SERVICE PROVIDER shall provide the PMO PROPERTIES with a twenty-four (24)-hour security service daily including Sundays and holidays. Except as may otherwise be provided by PMO in writing, the security guards assigned to PMO PROPERTIES shall work in three (3) shifts of eight (8) hours each or two (2) shifts of twelve (12) hours each in identified areas. The duty shifts and the number of guards comprising each shift shall be determined or approved by the PMO, to be observed and implemented by the SERVICE PROVIDER, upon due written notice by PMO.
- 1.3. The SERVICE PROVIDER and its security personnel assigned to PMO PROPERTIES shall diligently and faithfully serve the best interest of PMO and the PMO PROPERTIES in rendering their services and shall not, during the period of this Contract or at any time thereafter, use or disclose or make available to any unauthorized person, firm or entity any information, derogatory or otherwise, concerning the affairs of PMO, its personnel and the PMO PROPERTIES, which the SERVICE PROVIDER or the members of its security force may have acquired by reason of this Contract.
- 1.4. The SERVICE PROVIDER shall ensure that it has adequate and immediate supervision of its security personnel and that the PMO PROPERTIES are not deprived of direct and immediate attention or action from the SERVICE PROVIDER.

2. Qualifications of Security Guards and Security Officers

- 2.1. Each of the security guards and security officers to be assigned by the SERVICE PROVIDER to the PMO PROPERTIES must meet the following minimum qualifications:
 - a) A Filipino citizen;
 - b) At least a high school graduate (security officers must be a holder of a baccalaureate degree).
 - c) Physically and mentally fit, based on medical and neuro-psychiatric certifications;
 - d) Not less than eighteen (18) years old or more than fifty (50) years old (for new applicants and security guards in non-supervisory positions);
 - e) At least five feet and four inches (5'4") in height;
 - f) Of good moral character and has obtained clearances from the Philippine National Police (PNP), the National Bureau of Investigation (NBI), the barangay the guard resides in, as well as the Prosecutor's Office, the Regional Trial Court, the Metropolitan Trial Court or other first-level court, and the police department, of the city or municipality where the guard resides, that he has not been convicted of any criminal offense, and that no criminal case is pending against him;
 - g) Possesses the proper license to act as a security guard or security officer (License for the Detachment Commander/Head Guard and Shift-in-Charge) and to bear the necessary firearms; is a holder of a valid License to Exercise

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Profession issued by the PNP/Supervisory Office for Security and Investigation SERVICE PROVIDER (PNP/SOSIA);

- h) Has been tested negative for use of any prohibited drug, based on results of drug test/s;
 - i) Has received proper and sufficient training as a security guard or security officer, based on certificates of trainings attended;
 - j) Is of proven competence, efficiency and reliability;
 - k) Does not possess any of the disqualifications enumerated in Rule V of the Implementing Rules & Regulations of Republic Act (RA) No. 5487, as amended; and
 - l) Such other qualifications as PMO may deem necessary in the course of the implementation of the contract with the SERVICE PROVIDER.
- 2.2. The SERVICE PROVIDER shall take primary responsibility in the examination and screening of security guards prior to posting to the PMO PROPERTIES to determine whether or not they possess all the required qualifications and none of the disqualifications. This shall not preclude the PMO's prerogative to approve/disapprove and to review such examination and screening to ensure that prior to the posting of guards, the latter have already been examined and possess the qualifications enumerated herein. For such purpose, PMO may require the SERVICE PROVIDER to present such documents or information relating to the screening or qualifications of the security guards to be posted at the PMO PROPERTIES.
- 2.3. The SERVICE PROVIDER shall provide no less than five (5) days refresher training to the security guards to be assigned to the PMO prior to their assumption of duty with costs to be shouldered by the SERVICE PROVIDER.
- 2.4. The SERVICE PROVIDER shall assign to the PMO PROPERTIES security guards who are holders of valid Licenses to Exercise Profession issued by the PNP/SOSIA. The originals of said licenses should be presented to the PMO prior to the assumption of duty by the security guards concerned.
- 2.5. The SERVICE PROVIDER shall accomplish and submit to PMO, prior to posting of each security guard, the Certification attesting to the qualifications of the guard under Sections 2.1 and 2.4 hereof and to his refresher-training under Section 2.3 hereof.
- 2.6. Whenever necessary and as requested by the PMO or its duly authorized representative, the SERVICE PROVIDER hereby consents and agrees to have available for examination by the PMO, or its duly authorized representative, its financial statements, PNP/SOSIA permit to operate, detachment logbooks, time records and such other papers as may be deemed necessary or appropriate by the PMO.

3. Duties of Security Personnel

- 3.1. The security guards assigned by the SERVICE PROVIDER to the PMO PROPERTIES shall have the following duties:

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3.1.1. Security of Human Resources

- A. PMO Officials
 - a) Provide close-in security as may be required
 - b) Exercise courtesy and tact at all times
 - c) Provide security assistance as may be required/instructed
 - d) Maintain and update logbook records at all times

- B. PMO Employees
 - a) Monitor/frisk for deadly weapons, explosives, toxic chemicals, drugs and contraband items/harmful materials upon reasonable grounds for suspicion and if possible and warranted, cause the arrest of the employee
 - b) Prevent/detect any other form of breach of PMO rules and if possible, apprehend the perpetrator
 - c) Ensure non-entry to security/restricted areas without proper authorization/clearance
 - d) Exercise tact and courtesy at all times
 - e) Provide security assistance as may be required
 - f) Maintain and update logbook records at all times
 - g) Immediately report any illegal act or breach of PMO rules on personal and property security

- C. PMO Guests/Visitors
 - a) Enforce no ID/Gate Pass-no entry rule and observe PMO ID/Gate Pass system for visitors
 - b) Monitor/frisk for deadly weapons, explosives, toxic chemicals, drugs and contraband items/harmful materials as standard operating procedure, and if possible and warranted, cause the arrest of the perpetrator/s
 - c) Prevent/detect any other form of breach of rules and if possible, apprehend the perpetrator/s
 - d) Ensure non-entry to security/restricted areas without proper authorization/clearance
 - e) Exercise tact and courtesy at all times
 - f) Provide security assistance as may be required
 - g) Maintain and update logbook records at all times
 - h) Enforce non-entry after office hours, including Saturdays, Sundays and legal holidays unless authorized
 - i) Enforce no loitering in the premises after visitor's business is done
 - j) Immediately report any illegal act or breach of PMO rules on personal and property security

3.1.2. Security for Physical Resources

- A. Vehicle Control
 - a) Inspect vehicles entering and leaving PMO premises
 - b) Maintain a logbook on the arrival and departure of both PMO and non-PMO vehicles

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- c) Control the flow of traffic and direct drivers to park their vehicles properly in designated parking areas/slots
- d) Safeguard and protect vehicles from carnapping, theft, pilferage of accessories and other attachments, and vandalism
- e) Require trip ticket for outgoing PMO vehicles duly signed by the approving authorities
- f) Enforce no overnight parking for non-PMO vehicles
- g) Ensure deposit of vehicle keys for PMO and non-PMO vehicles without drivers
- h) Recommend and post parking/traffic signs in the proper area/s
- i) Immediately report any illegal act or breach of PMO rules on personal and property security

B. PMO Office Building/Premises

- a) Observe key control system
- b) Post No Entry notices in restricted areas
- c) Identify and record in the logbook authorized persons entering restricted area/s
- d) Check that all doors and windows are closed and locked after office hours
- e) Identify need for lighting and recommend measures
- f) Identify fire hazard and recommend measures
- g) Regularly check location and condition of fire extinguishers and recommend measures for safety procedures
- h) Regularly check condition of faucets, fire hydrants, hoses, alarm systems
- i) Recommend formation of fire brigades and fire drills
- j) Observe that all lights are switched off and all electrically operated office equipment are unplugged when occupants of the office are all out
- k) Prohibit loitering around the PMO compound and offices
- l) Maintain and update logbook records at all times
- m) Ensure that personal properties shall be covered by personal property slips issued by the security detachment
- n) Ensure security of documents and other properties inside the office/premises
- o) Immediately report any illegal act or breach of PMO rules on personal and property security

C. Acquired/Foreclosed Assets

- a) All outgoing PMO properties must be covered with the appropriate documents (Gate Pass) duly signed by the authorized signatories indicating the serial number/property number, person moving the equipment, time and date, etc.
- b) Ensure that personal properties shall be covered by personal property slips or personal property inventory form issued by the security detachment
- c) Ensure that access to warehouse and other restricted areas will be allowed to PMO authorized personnel only

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- d) Observe key control system
- e) Ensure security of documents and other properties inside the offices/premises
- f) Maintain and update logbook records at all times
- g) Ensure security of the entrance/exit points of the PMO premises
- h) Maintain liaison and open coordination with the Philippine National Police (PNP) and other government instrumentalities.
- i) Immediately report incidents or cases such as, but not limited to theft, intrusions, pilferage & other forms of infractions.

3.1.3 Contingency Plan for Various Risks

A. Fire

- a) Know the status and location of firefighting equipment
- b) Be familiar with the fire exit and electrical control switches
- c) Activate fire alarm when need arises
- d) Immediately report fire and any fire hazards
- e) Immediately report inadequate water supply, firefighting equipment and fire exit breach
- f) In case of fire, assist in the evacuation of employees, records and equipment

B. Theft, Pilferage and Burglary

- a) Secure all entry and exit points
- b) Immediately report untoward incidents which may involve personal or property security breach
- c) Apprehend the culprit within the premises, secure incident area to protect evidence in case of untoward incident
- d) Coordinate with appropriate PNP unit (Theft and Robbery Section) and/or PSG & maintain contact/coordination

C. Trespassing

- a) Challenge and detain trespassers
- b) Turn over trespassers to proper authorities
- c) Immediately report incident

D. Hostage Situation

- a) Immediately notify PNP, PMO and all guards
- b) Act as temporary negotiator until the arrival of the expert negotiator
- c) Secure the affected area to prevent the public/onlookers from getting near and possibly complicating the situation
- d) Exercise means for hostage-taker not to harm hostage

E. Earthquake

- a) Prevent panic and maintain calm
- b) Prevent use of elevator and direct escape through other means of exit
- c) If possible, urge personnel to seek refuge and keep away from dangerous falling objects
- d) Formulate a practicable earthquake safety/evacuation plan

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- F. Flood and Typhoon
 - a) Prevent crossing of flooded area
 - b) Prevent exit when there are strong winds outside the building
 - c) Assist in the evacuation of personnel, records, supplies, materials and equipment
 - d) Immediately inform management
 - e) Formulate a practicable flood/typhoon safety/evacuation plan

- G. Coup d'etat
 - a) Ensure that properties should not be allowed to be used by any group involved in the coup
 - b) Secure all properties and buildings
 - c) Immediately report incident
 - d) Formulate a practicable coup d'etat safety/evacuation plan

- H. Sabotage
 - a) Cordon the affected area to secure evidence
 - b) In case of explosion, help evacuate all personnel from affected area
 - c) Immediately inform Fire Department
 - d) Immediately report incident
 - e) Formulate a practicable sabotage safety/evacuation plan

- I. Bomb Threat
 - a) Immediately report to PNP
 - b) Immediately inform PMO management
 - c) Assist evacuation of personnel
 - d) Secure PMO properties and keep away unauthorized persons
 - e) Assist in bomb search, if necessary
 - f) Formulate a practicable bomb threat safety/evacuation plan

- K. Civil Disturbance
 - a) Secure all entry and exit points
 - b) Coordinate with PNP and other government instrumentalities
 - c) Ensure personnel and property safety
 - d) Immediately report incident
 - e) Formulate a practicable civil disturbance safety/evacuation plan

- L. Labor Unrest
 - a) Secure all entry and exit points
 - b) Coordinate with PNP
 - c) Ensure personnel and property safety
 - d) Immediately report incident
 - e) Formulate a practicable labor unrest plan

3.1.4. Patrol and observe areas for activities of security interest and maintain peace and order within the premises.

3.1.5. Perform such other duties as may be assigned from time to time by special order issued to the guards by PMO or its authorized representative.

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- 3.1.6. Before ending his tour of duty, inspect the PMO PROPERTIES within his area of responsibility and make a report of his observations thereon, taking note of the movement or removal, if any, of the items stored in the premises.
- 3.1.7. Observe at all times the Eleven General Orders, Security Guards' Creed, Code of Conduct and Code of Ethics as provided under RA No. 5487, as amended, and its Implementing Rules and Regulations.

4. Supervision of Security Guards

- 4.1. Supervision of the security guards shall be the responsibility of the supervisor designated by the SERVICE PROVIDER. He shall be responsible for the proper implementation of the security operation and shall have operational control over the said guards.

However, PMO or its authorized representatives may conduct an inspection of the ranks of guards, their firearms, equipment and other security paraphernalia from time to time as the need arises, subject to the provisions of Section 12.3 hereof.

- 4.2. The SERVICE PROVIDER shall exercise effective administration, supervision, control and inspection to prevent sleeping on post and other violations of duty and/or omissions by guards on duty, including the supervisors.
- 4.3. PMO reserves the right to require the replacement of any or all of the SERVICE PROVIDER's security guards assigned to the PMO PROPERTIES who do not meet the requirements set forth in the contract. This is without prejudice to the right of PMO to seek relief under the contract, including termination for breach as applicable.
- 4.4. The PMO reserves the right to demand from the SERVICE PROVIDER the rigid execution of controls in the implementation of security operations as it deems proper, and whenever PMO finds the security inadequate, it shall have the right to request for reinforcement of the security force to certain properties.
- 4.5. The PMO reserves the right to require the SERVICE PROVIDER to replace any or all of its security guards assigned to PMO who are found to be lacking in discipline, integrity, good moral character and aptitude, or for inefficiency or other negligent acts or omissions in the performance of duties. Any such guards shall be replaced by the SERVICE PROVIDER immediately upon receipt by the SERVICE PROVIDER of PMO's written notification to that effect.
- 4.6. The PMO reserves the right to increase, reduce, replace or withdraw, wholly or partially, the posting and number of the SERVICE PROVIDER's security guards in the assigned post, to be implemented by the SERVICE PROVIDER.
- 4.7. Failure of the SERVICE PROVIDER to cause the withdrawal, replacement, decrease or increase of posting and number of guards as required by PMO shall be sufficient ground for cancellation/termination of this Contract by PMO.

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4.8. Should any incident take place in the PMO PROPERTIES affecting the security of PMO PROPERTIES and personnel, such as but not limited to theft, pilferage and intrusion, including any of the incidents or risks enumerated in item 3.1.3 hereof, the

SERVICE PROVIDER shall report the same to PMO immediately after the occurrence of the incident. Not later than twenty-four (24) hours from the time the incident took place, the SERVICE PROVIDER shall submit to PMO a formal and complete written report on the incident, including all actions it had taken to address the situation as well as any risk or threat the PMO PROPERTIES or personnel may be exposed to.

4.9. The implementation by the SERVICE PROVIDER of any decrease or increase in the number of guards, or any reshuffling of the guards, or any removal or replacement of guards, as required or approved by PMO, shall be reported in writing to PMO within twenty-four (24) hours after such implementation.

4.10. In addition to the aforesaid reports, the SERVICE PROVIDER shall submit to PMO, on a semi-monthly basis, a detailed, verified and up-to-date written report, signed by its duly designated supervisor and its highest ranking officer, on the security services rendered in the PMO PROPERTIES, which shall include but not be limited to the posting of security guards, any reshuffling, removal or replacement of security guards, as well as any incident that may have taken place in the PMO PROPERTIES affecting the security of the said properties or PMO personnel, the action(s) taken by the SERVICE PROVIDER and/or its security personnel to address the same, any security risk or threat that the PMO PROPERTIES or its personnel are or may be exposed to or should guard against, and a proposed contingency plan to address the risk/threat. PMO reserves the right to require the SERVICE PROVIDER or its security personnel to submit such other reports as it may deem necessary at such times as it may deem appropriate.

4.11. The SERVICE PROVIDER shall submit to PMO every 15th and 30th/31st day of the month the guard detail/schedule for the next 15/16-day period.

4.12. The SERVICE PROVIDER warrants to make available duly qualified, licensed and trained relievers who satisfy the requirements under Section 2.1 hereof, to ensure continuous and uninterrupted service in the absence of an assigned guard. The posting of a reliever and his qualifications shall be immediately reported by the SERVICE PROVIDER to PMO in writing.

4.13. PMO's use of the SERVICE PROVIDER's services shall not be exclusive. PMO reserves the right to hire any other security SERVICE PROVIDER for any of its properties, whether or not such properties are found within the area covered by this Contract, insofar as PMO may deem proper and necessary.

5. Uniforms, Firearms, Ammunitions, Vehicles and Equipment

5.1. The SERVICE PROVIDER shall provide, at its own expense, the necessary uniforms of the guards and such other paraphernalia, e.g., nightsticks, side arms,

Conforme:

flashlights, holsters, badges, insignias, whistles, timepieces, writing pens, logbooks and first aid kits, as may be required to carry out the provisions of the contract.

- 5.2. The SERVICE PROVIDER, at its own expense, shall also provide the security guards assigned to the PMO PROPERTIES with the necessary firearms, ammunitions, vehicles, radios, cellular phones and other devices as listed in Annex A-Schedule of Deployment and Requirements, including operational expenses and maintenance. Homemade firearms commonly known as the "PALTIK" or other similar firearms prohibited by law shall not be issued to any of the guards.
- 5.3. The SERVICE PROVIDER hereby warrants that each guard is sufficiently knowledgeable of the use and nature of the weapon entrusted to his care. The SERVICE PROVIDER also warrants that the firearms and ammunitions issued/to be issued to its security guards are duly licensed by competent authorities as required by law.
- 5.4. The SERVICE PROVIDER hereby warrants the serviceability and dependability of the firearms and ammunitions issued or to be issued to its security guards. The SERVICE PROVIDER also warrants the serviceability and dependability of the vehicles, communication devices and other security paraphernalia, such as nightsticks, flashlights and metal detectors, issued or to be issued to the security guards.
- 5.5. A pistol or revolver, when issued to the security guard, shall have a full load of ammunition plus twice that number of rounds in an ammunition belt or in magazines.
- 5.6. A fully loaded rifle or shotgun, when issued, shall also have a number of extra rounds of ammunition equal to the full load

6. Liability for Loss, Damage or Injury

- 6.1. The SERVICE PROVIDER shall be responsible for any loss or damage that may be suffered by the PMO PROPERTIES or PMO because of the SERVICE PROVIDER's willful act or negligence or violation of the contract, or due to the willful act or negligence /carelessness of its security guards and supervisors in the performance of their duties. In such event, and at the sole discretion of PMO, lost or damaged PMO PROPERTIES shall be replaced based on the Fair Market Value (FMV) of said PMO PROPERTIES. FMV shall mean the current appraised value of the relevant property as determined by PMO based on an in-house or third party appraisal. PMO shall have the prerogative to withhold payments due to the SERVICE PROVIDER under the contract, pending finalization of the investigation of the loss or damage suffered by PMO, without prejudice to other legal remedies available to PMO. Upon investigation and due notice to the SERVICE PROVIDER, should any loss or damage to PMO PROPERTIES be found to have been caused by the fault or negligence of the security guards, supervisors and/or the SERVICE PROVIDER itself, the SERVICE PROVIDER authorizes PMO to deduct from any payments due to the SERVICE PROVIDER under the contract, the corresponding FMV of the property that was lost or damaged, and to forfeit the Performance Security.

Conforme:

- 6.2. In cases of illegal settlement or encroachment upon PMO PROPERTIES, PMO shall have the prerogative to withhold payments due to the SERVICE PROVIDER from its security billings under the contract, and to forfeit its Performance Security, without prejudice to other legal remedies available to PMO under the contract and under applicable laws and rules. The amount withheld shall be released only upon the SERVICE PROVIDER's eviction of the illegal settlers or upon the complete resolution of the illegal settlement or encroachment issue as may be determined by PMO. However, in the event that the SERVICE PROVIDER fails to resolve such illegal settlement or encroachment issue after a reasonable period, and it no longer manifests interest in resolving the same, PMO shall, upon prior written notice, have the prerogative to declare the SERVICE PROVIDER in default and the withheld amount shall be recovered by PMO. In no case, however, shall the forfeited Performance Security be returned to the SERVICE PROVIDER. In the event of such forfeiture, the SERVICE PROVIDER shall provide PMO with a new Performance Security in accordance with GCC Clause 3 or Section 7 of the Technical Specifications as security for the faithful performance by the SERVICE PROVIDER of any and all its obligations under the contract, and to cover any loss, damage or injury suffered by PMO or for which the SERVICE PROVIDER may be made liable under the terms of the contract. Failure by the SERVICE PROVIDER to provide PMO with a new or replacement Performance Security shall entitle PMO to terminate the contract.
- 6.3. The SERVICE PROVIDER shall assume full responsibility for any loss of or damage to any property, and for any personal injury, including death, of any person, that may be caused by the acts or omission of its security guards and supervisors/security officers assigned to the PMO PROPERTIES. Any and all accidents or similar occurrences involving any and/or all persons within the PMO PROPERTIES shall be the sole responsibility of the SERVICE PROVIDER.
- 6.4. The SERVICE PROVIDER shall hold PMO free and harmless from any and all liabilities or claims for loss or damage to property or for personal injury, including death, which PMO, its officials, employees and personnel or third persons may suffer by reason of the performance or non-performance of the obligations of the SERVICE PROVIDER under the contract.

7. Performance Security

- 7.1. The SERVICE PROVIDER shall present and deliver to PMO, within ten (10) calendar days from its receipt of the Notice of Award from PMO and in no case later than the signing of this Contract by both parties, a Performance Security in Philippine currency in any of the forms listed hereunder, with proof of payment of the required premium therefor, as security for the faithful performance by the SERVICE PROVIDER of any and all its obligations under this Contract, and to cover any loss, damage or injury suffered by the PMO, its personnel or representatives or for which it may be made liable under the terms of this Contract. The Performance Security shall be in accordance with the following schedule:

Conforme:

FORM OF SECURITY	MINIMUM AMOUNT IN % OF TOTAL CONTRACT PRICE
Cash or cashier's/manager's check issued by a Universal or Commercial Bank; <u>OR</u>	Five percent (5%) of the Total Contract Price
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank, provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank; <u>OR</u>	
Surety Bond preferably issued by the Government Service Insurance System (GSIS); or Surety Bond issued by a private insurance company accompanied by a valid certification from the Insurance Commission that the insurance company is authorized to issue such security.	Thirty percent (30%) of the Total Contract Price
Performance Securing Declaration	Note: To be replaced with a performance security in any of the above forms upon lifting of the State of Calamity/community quarantine or similar restrictions.

- 7.2. The aforementioned Performance Security shall be maintained by the SERVICE PROVIDER and should remain valid for a period of **two (2) years** from the effectivity of the Contract.
- 7.3. It is understood, however, that the liability of the SERVICE PROVIDER shall not be limited to the amount of the Performance Security but to the actual loss or damage that may be suffered by PMO, its personnel or representatives.
- 7.4. Accordingly, the SERVICE PROVIDER's Performance Security shall be forfeited in favor of PMO in case the SERVICE PROVIDER fails to comply with the terms and conditions of this Contract. Should the amount forfeited be insufficient to cover the loss, damage or injury incurred due to the fault of the SERVICE PROVIDER or its security personnel, the SERVICE PROVIDER shall pay the remaining balance. In this connection, the SERVICE PROVIDER hereby authorizes PMO to withhold payment of its security service fees until the amount of the said loss, injury or damage has been paid to PMO, or to directly offset such payment against the amount of the loss, injury or damage.
- 7.5. In addition to the instances enumerated in Section 7.1 above, the SERVICE PROVIDER's Performance Security shall likewise cover any and all claims for non-payment of wages, salary differentials or whatever monetary claims the security personnel may have against the SERVICE PROVIDER, to the extent of the work performed under the Contract. In such event, the liability of the SERVICE PROVIDER shall not be limited to the amount of the Performance Security but to

Conforme:

the actual amount of valid claims of the security personnel of the SERVICE PROVIDER.

- 7.6. The cost of obtaining such Performance Security and maintaining the same throughout the period required shall be borne solely by the SERVICE PROVIDER.
- 7.7. Failure of the SERVICE PROVIDER to present and deliver to PMO the Performance Security within the period required in Section 7.1 and to maintain the same for the duration specified in Section 7.2 shall be sufficient ground for PMO to terminate the Contract.

8. Consideration

8.1. For and in consideration of the services rendered hereunder, PMO during the existence of this Contract, shall pay the SERVICE PROVIDER the awarded contract amount, which shall be the ceiling amount. Payment shall be made to the SERVICE PROVIDER with the following conditions:

- (1) PMO shall pay the SERVICE PROVIDER based on the latter's actual services rendered under the Contract/s, taking into account the actual number of security guards posted, their actual tour of duty and respective compensations per month. It is understood that the SERVICE PROVIDER's billings include all the statutory compensation and benefits due to its Security Guards.
- (2) Wages shall be paid by the SERVICE PROVIDER at least once every two (2) weeks or twice a month at intervals not exceeding sixteen (16) days. If on account of *force majeure*, payment of wages by the SERVICE PROVIDER on or within the time herein provided cannot be made, the SERVICE PROVIDER shall pay the wages immediately after such *force majeure* ceases. Security guards posted in PMO PROPERTIES shall be paid through Automatic Teller Machines (ATM), and the SERVICE PROVIDER undertakes to implement this measure, at its own expense, within thirty (30) calendar days from the execution of this Contract. Maintenance cost of the ATM payroll account shall be the sole responsibility of the SERVICE PROVIDER, and shall not be charged to PMO or to its security personnel assigned to the PMO PROPERTIES.

8.2. Notwithstanding the abovementioned ceiling price, the consideration is subject to any change in the total number of guards required as provided for in Section 1.1.

8.3. Payment of the above-mentioned rates to the individual security guards shall be on the basis of eight (8) and twelve (12) working hours a day provided that the SERVICE PROVIDER ensures that each individual security guard assigned to the PMO PROPERTIES shall be provided with one (1) rest day after every six (6) days of work and no guard shall be made to render more than twelve (12) hours of duty within a 24-hour period except in cases of extreme necessity and only upon prior written permission of PMO.

8.4. In the event that the Regional Tripartite Wages and Productivity Board (RTWPB) or any other competent authority issues a new and valid Order providing for an increase in the minimum wage during the effectivity of this Contract, the contract

Conforme:

price shall be considered adjusted accordingly based on the published and authenticated rate/s, provided, however, that: (a) the adjustment shall be limited to the increment in the legislated minimum wage, and shall not apply or result to any increment in the other benefits of the security personnel, unless otherwise provided in the RTWPB Order, and (b) adjustment shall be made to the administrative or overhead cost (SERVICE PROVIDER Fee) of the SERVICE PROVIDER, on the basis of the adjusted minimum daily wage.

8.5. Payment of the SERVICE PROVIDER's billings shall be within thirty (30) working days from the date of submission thereof by the SERVICE PROVIDER to PMO, provided said billings are complete with all the required supporting documents and are in compliance with the requirements set by PMO in the processing of security billings under Section 8.6 *et seq* hereof.

8.6. The SERVICE PROVIDER shall submit the following as a prerequisite of payment:

(1) A Statement of Account, on monthly basis, accompanied by the Daily Time Records of its security personnel and the Summary Sheet showing the time rendered by the said personnel, i.e. the SERVICE PROVIDER must have submitted the semi-monthly report and the guard detail/schedule for the next 15/16-day-period, referred to in Sections 4.10, 4.11 and 8.7 respectively, as well as all other reports required under this Contract.;

(2) An affidavit executed either by the SERVICE PROVIDER's President or Treasurer, on a monthly basis, stating that during the payroll period concerned, it has paid its security personnel assigned to the PMO PROPERTIES their wages and other benefits in accordance with law, photocopies of the bank deposit slips evidencing online payment to its security guards assigned to the PMO PROPERTIES, and photocopies of the payroll journal, and photocopies of the payslips bearing the signatures of the concerned guards attesting to receipt of payment from the SERVICE PROVIDER;

(3) An affidavit executed either by SERVICE PROVIDER's President or Treasurer, on a quarterly basis, certifying that timely, complete and correct payments/contributions (including employer's share/contribution, as applicable) were made by the SERVICE PROVIDER to the SSS, Philhealth, Pag-ibig and State Insurance Fund, for the benefit its security personnel assigned to PMO PROPERTIES, and shall likewise certify that timely and correct payments/contributions were made by the SERVICE PROVIDER to a Retirement Fund, maintained with a licensed and reputable fund manager, for the benefit of the said personnel.

PMO reserves the right to require the submission of other documents to support or accompany the SERVICE PROVIDER's billings.

8.7. In billing PMO for security services rendered under the contract, the SERVICE PROVIDER shall comply with the following requirements as supporting documents to the Statement of Account:

(a) Daily Time Records (DTRs) should be completely and properly accomplished.

Conforme:

- i. Photocopied or typewritten DTRs will not be allowed as supporting papers. A DTR must be accomplished in handwriting by the security guard concerned and must be certified by the SERVICE PROVIDER's authorized representative/s.
 - ii. Total number of days worked must be clearly stated in the DTR.
 - iii. Military time must be used in indicating "time-in" and "time-out," e.g. 0600H-1400H.
 - iv. Signature of the security guards in the DTR should tally with his/her specimen signatures in his/her 201 file.
 - v. Any alteration in the DTRs should be initialed by the concerned security guards and detachment commanders.
- (b) Claim cut-offs for the month should be synchronized on the 15th and 30th/31st only.
- (c) Summary sheet should be signed by the SERVICE PROVIDER's authorized representative(s) and should tally with the DTRs as to:
- i. Guard's name assigned in every detachment;
 - ii. Number of days rendered per guard; and
 - iii. Number of days a guard was absent.
- (d) Any decrease or increase in the number of guards and any re-shuffling of the guard/s, or any removal or replacement of the guards, shall be with the prior written consent and approval of PMO before implementation.
- (e) Submission of Statements of Account and all supporting documents to PMO must be within the month following the month served; e.g., if the month served is July, the Statement of Account and all supporting documents for July must be submitted before the end of August. Statements of Account submitted in advance and statements of account submitted without or with incomplete supporting documents, shall not be processed. Statements of Account and the supporting documents must always be submitted in duplicate.

Non-compliance with any of the foregoing requirements shall be a ground or cause for cancellation/termination of the contract.

- 8.8. The submission by the SERVICE PROVIDER of a false and/or fraudulent document or its failure to submit affidavits, clearances and other documents required to support or accompany its billings shall be sufficient ground for PMO not to pay the security services being billed and to terminate the contract.
- 8.9. Moreover, in the event that a security guard assigned to PMO PROPERTIES files a claim for unpaid wages or other employment benefits before the National Labor Relations Commission (NLRC) or other appropriate government entity, PMO

Conforme:

reserves the right to withhold from the SERVICE PROVIDER's security service fees any amounts representing such claims.

8.10. All taxes payable to the government arising from the contract shall be borne solely by the SERVICE PROVIDER.

9. Compliance with Labor Laws and PMO Rules

9.1. The SERVICE PROVIDER assumes full responsibility for its compliance with all existing labor laws, rules and regulations. The SERVICE PROVIDER undertakes to inform its security guards, at the time of their hiring, the wages and working conditions under which they are employed including, among others, the following:

- (a) The rate of pay for each month, week, day or hour;
- (b) The method of computation of wages;
- (c) The form, time and place of payment of wages;
- (d) Any change with respect to any of the foregoing items; and
- (e) PMO's rules and regulations on security as set forth by the PMO.

10. No Employer-Employee Relationship

10.1 All security personnel of the SERVICE PROVIDER assigned to PMO PROPERTIES are not employees of PMO. The SERVICE PROVIDER shall assume full responsibility for the faithful and complete performance by the security guards of all their duties under the contract.

10.2. There being no employer-employee relationship between PMO and the SERVICE PROVIDER's security guards, PMO shall in no way be responsible for any claim for personal injury, wages and other employment benefits and other claims for damages, including death, arising out of, or in connection with, the performance of the guards' duties.

10.3. Should PMO be made liable for the SERVICE PROVIDER's failure to comply with any labor law, rule or regulation, the SERVICE PROVIDER obligates itself to indemnify PMO to the full extent of such liability, including litigation expenses and other charges, without need of any demand or legal action. In this regard, the SERVICE PROVIDER authorizes PMO to deduct from the SERVICE PROVIDER's security billings and/or Performance Security, all expenses incurred for such purpose, including expenses for official travel by PMO staff/officers, provided the expenses are duly supported by receipts and/or other acceptable proof of expense.

11. Free and Harmless Clause

11.1 The SERVICE PROVIDER hereby assumes full responsibility for the proper conduct and efficient performance of its security personnel in the discharge of their duties and responsibilities contracted herein, and the SERVICE PROVIDER hereby holds PMO free and harmless from any and all claims that its security personnel might make against PMO in connection with the performance of their duties under this Contract.

Conforme:

12. Inspection and Inventory

- 12.1. PMO may conduct an inspection of the firearms, ammunitions, vehicles and other security equipment and paraphernalia issued by the SERVICE PROVIDER to its guards upon actual posting of the guards and at such other times as PMO may deem appropriate, to determine if the same are compliant with the Contract, and to ensure that adequate security is provided by the SERVICE PROVIDER to the PMO PROPERTIES and personnel.
- 12.2. PMO may, at any time, conduct an inspection of the guards' performance to ensure the proper security of the PMO PROPERTIES, as well as the materials and equipment within the said premises.
- 12.3. This right of inspection by PMO shall not relieve the SERVICE PROVIDER from full responsibility for the adequate security and protection of the said premises and the contents thereof or absolve the SERVICE PROVIDER from liability for all acts or omissions of its security personnel. The SERVICE PROVIDER is required to send official representatives during inspections or inventory-taking of PMO personnel in PMO PROPERTIES annually, regardless of the three (3) year contract of services, in compliance with the annual submission of Report on Physical Count of Property, Plant and Equipment (RPCPPE) to the Commission on Audit (COA).

13. Assignment of Rights

- 13.1 The SERVICE PROVIDER shall not assign any of its rights and obligations under the contract to any party.

14. Settlement of Disputes and Venue of Actions

- 14.1. Any and all disputes arising from the implementation of this Contract shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law", Republic Act No. 9285, otherwise known as the "ADR Act of 2004" and the Supreme Court's Special Rules on Alternative Dispute Resolution.
- 14.2. In the event of litigation arising from/relating to the terms and conditions of this Contract, the parties herein expressly agree that the venue of such court actions shall be Makati City, and the SERVICE PROVIDER hereby expressly waives any other venue.
- 14.3. For breach by the SERVICE PROVIDER of any of the stipulations, conditions, warranties, representations or obligations contained herein as determined by PMO, the latter shall retain, as liquidated damages, all sums of money due to the SERVICE PROVIDER. Any consideration, concession, tolerance or relaxation of any provision hereof shall not be interpreted as a renunciation on the part of PMO of any of its rights granted under this Contract.

Conforme:

15. Period of Engagement

- 15.1 The contract period shall be until December 31, 2022, unless sooner terminated by either party by serving a written notice of termination upon the other party at least thirty (30) calendar days before the effective date of termination. Should the SERVICE PROVIDER exercise such right of pre-termination, PMO shall be entitled to withhold the proportionate consideration under item 8 hereof from the SERVICE PROVIDER for services not completed as of the date of termination.
- 15.1.1 PMO, however, may immediately cancel or terminate the contract upon written notice to the SERVICE PROVIDER and without need of court action, should any of the grounds enumerated under item 15.1 hereof exist.
- 15.2. Pursuant to 2016 Revised IRR of RA 9184 on the Revised Guidelines on the Extension of Contracts for General Support Services, and upon written agreement by the parties, the contract may be extended on a month-to-month basis not exceeding one (1) year. Upon the agreed extension of the contract, the SERVICE PROVIDER shall likewise adjust the validity of the Performance Security, if necessary.
- 15.3. Should the SERVICE PROVIDER exercise the right of pre-termination under Section 15.1 hereof, PMO shall be entitled to withhold the proportionate consideration under Section 8 hereof from the SERVICE PROVIDER for services not completed as of the date of termination.
- 15.4. PMO reserves the right to begin pulling out security guards from the outgoing security SERVICE PROVIDER, anytime within the two (2)-month period prior to expiration of the contract period, to facilitate the inventory-taking and posting of guards from the incoming security SERVICE PROVIDER. This shall be done by serving a written notice to the outgoing security SERVICE PROVIDER at least thirty (30) calendar days prior to the start of the pull-out.
- 15.5. The SERVICE PROVIDER shall not allow its License to Operate (LTO) or any of the licenses and permits of its security guards to expire during the contract period. Expiration of the LTO or any required permit or license of the SERVICE PROVIDER shall be a ground for the termination of the contract and the forfeiture of the Performance Security. The salaries/wages of guards with expired permits or licenses shall be borne solely by the SERVICE PROVIDER. The SERVICE PROVIDER holds the PMO free and harmless from liability for any damage or injury arising out of or in connection with non-compliance with this requirement.
- 15.6. The following documents shall be promptly submitted to the PMO by the SERVICE PROVIDER as mandatory requisites for all outgoing agencies:
- (a) Notarized Certification by either the SERVICE PROVIDER's President or its Treasurer, that the SERVICE PROVIDER had already paid in full the wages and other employment benefits due and required under the labor standards law to its security guards assigned to PMO PROPERTIES.

Conforme:

- (b) Notarized Waiver, Quitclaim and Release executed by the SERVICE PROVIDER's President or Treasurer, stating that the SERVICE PROVIDER has been fully paid under the contract, and that the SERVICE PROVIDER releases, quitclaims and forever discharges PMO, its officers and employees, administrators, agents and assigns from any claim, cause or causes of action arising out of, in connection with, or by reason of, the contract.
- (c) Notarized Deed of Undertaking executed by two (2) responsible officers of the SERVICE PROVIDER with sufficient real property, in favor of PMO wherein they obligate themselves, jointly and severally, to render PMO, its officers and employees, administrators, agents and assigns, free and harmless from any claim, cause or causes of action arising out of, or in connection with, or by reason of, the employment of the security guards by the SERVICE PROVIDER to safeguard the assets of PMO, including but not limited to losses or damages of whatever kind and nature, either known or subsequently arising.
- (d) Notarized Certification by the SERVICE PROVIDER that all SSS (SBR, R5 & R3), Philhealth, Pag-ibig and State Insurance Fund contributions and other fees payable on behalf of the guards concerned, including contributions to the Retirement Fund, were made until the last day of pull-out of the SERVICE PROVIDER's security guards. The supporting list showing the names of guards whose abovementioned contributions have been paid should also be submitted to PMO.

For purposes of this provision, PMO shall have the prerogative to withhold from the SERVICE PROVIDER's final billing for security service fees an amount corresponding to the services rendered for at least two (2) months prior to the expiration or termination of the contract, including its Performance Security, and the PMO shall only release the same upon complete submission by the SERVICE PROVIDER of the above-enumerated documents/requirements.

16. Termination/Cancellation of the Contract by PMO

16.1. Owing to the nature of the services to be rendered by the SERVICE PROVIDER, affecting the security of both life and property, PMO shall have the right, upon written notice to the SERVICE PROVIDER and without need of any action in court, to immediately and unilaterally cause the cancellation/termination of the contract, wholly or in part, on any of the following grounds:

- (a) Revocation by the PNP/SOSIA of the SERVICE PROVIDER's License to Operate (LTO);
- (b) Expiration or suspension of the SERVICE PROVIDER's LTO;
- (c) Expiration or cancellation of the SERVICE PROVIDER's Certificate of Registration as Contractor issued by the Regional Office of the Department of Labor and Employment where the SERVICE PROVIDER principally operates;
- (d) Failure of the SERVICE PROVIDER to maintain its Performance Security within the period specified in item 7.5 hereof;

Conforme:

- (e) Failure of the SERVICE PROVIDER to provide a new and replacement Performance Security as provided under item 6.2 hereof;
- (f) Expiration or suspension of the license or permit of any of the security guards assigned to PMO PROPERTIES, or of any other license or permit necessary for the performance of the SERVICE PROVIDER's obligations under the contract;
- (g) When the misconduct, fault or negligence of the SERVICE PROVIDER or its security personnel, or a violation by the SERVICE PROVIDER of its obligations, results in physical injury or death to other security personnel of the SERVICE PROVIDER, or to PMO personnel or third parties; or when such misconduct, fault, negligence or violation causes loss of or damage to PMO PROPERTIES or properties of PMO personnel or third parties;
- (h) Non-payment by the SERVICE PROVIDER of the salaries/wages and other employment benefits of its security guards/employees assigned to PMO PROPERTIES. The SERVICE PROVIDER's non-collection for security services from PMO should not, at any time, be used by the former as an excuse for not paying its guards;
- (i) Non-remittance/non-payment by the SERVICE PROVIDER of the compulsory social security benefit required contributions (including the employer's share/contribution, as applicable) to the SSS, Philhealth, Pag-Ibig, State Insurance Fund and the Retirement Fund.;
- (j) Any false, misleading or fraudulent representation made by the SERVICE PROVIDER in connection with the procurement or bidding process, or in connection with the implementation of, or the performance of its obligations under, the contract;
- (k) The SERVICE PROVIDER has engaged or is engaging in corrupt or collusive or coercive or obstructive practices defined in **ITB 4** or is engaging in unlawful or unethical business or employment practices;
- (l) Loss of confidence in the SERVICE PROVIDER;
- (m) Any decrease or increase in the number of guards and/or reshuffling of the guard/s, or any removal or replacement of guards, without the prior written approval of PMO;
- (n) Failure of the SERVICE PROVIDER to cause the withdrawal, replacement, decrease or increase of posting and number of guards as required by PMO;
- (o) Failure of the SERVICE PROVIDER to comply with the requirements for billing under item 8 hereof;
- (p) Failure of the SERVICE PROVIDER to submit the clearances, affidavits and documents required under item 8 hereof, or the submission by the SERVICE PROVIDER of false or fraudulent documents;

Conforme:

- (q) Failure of the SERVICE PROVIDER to implement the payment of wages and other legal entitlements of its security guards posted at PMO PROPERTIES through Automated Teller Machine (ATM) in accordance with the contract;
- (r) Failure of the SERVICE PROVIDER or its security personnel to comply with their obligations under the contract; or
- (s) Violation by the SERVICE PROVIDER of any of the provisions of the contract.

For this purpose, a written notice of cancellation/termination of contract by the PMO shall be sufficient to give immediate effect to the unilateral cancellation/termination of the contract.

- 16.2. In case of cancellation or termination of the Contract, the SERVICE PROVIDER shall not be entitled to any right other than those which may have accrued at the time of the cancellation or termination of the Contract.
- 16.3. The SERVICE PROVIDER shall immediately and without need of demand, and in no case later than five (5) days from receipt of written notice of the termination of the Contract, indemnify PMO for any loss or damage it has sustained on account of any of the foregoing grounds for cancellation/termination.
- 16.4. In case of cancellation or termination of the Contract under Section 16.1 hereof, the SERVICE PROVIDER shall submit such quitclaims, releases or undertakings as PMO may require, including the documents enumerated in, and subject to the conditions under, Section 15.6 hereof.

17. Validity Clause

- 17.1. If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

18. Miscellaneous

- 18.1. PMO reserves the right to withhold payment to the SERVICE PROVIDER in the event that the SERVICE PROVIDER fails to comply with the requirements, commitments and obligations contained herein.
- 18.2. The SERVICE PROVIDER represents and warrants that it has full and legal capacity to enter into and perform its obligations under this Contract,
- 18.3. The SERVICE PROVIDER warrants that it carries on an independent business and has substantial capital or investment as well as qualified and reliable personnel, which are necessary for the conduct of its business and the performance of its services under this Contract.
- 18.4. The SERVICE PROVIDER shall secure and maintain, at its own expense, all registration, licenses or permits required by National or Local Laws. It shall comply with the rules, regulations and directives of regulatory authorities and commissions,

Conforme:

and shall pay all fees or charges payable to duly constituted authorities, relating to the services to be performed under this Contract.

18.5. PMO's remedies under this Contract shall be cumulative and non-exclusive, and shall be without prejudice to any other remedies available to it under applicable laws, rules and regulations.

18.6. Failure by PMO to enforce any provision of this Contract shall not constitute a waiver or affect its right to require the future performance thereof, nor shall its waiver of any breach of any provision of this Contract constitute a waiver of any subsequent breach or nullify the effectiveness of any provision. Any delay by PMO in exercising its right shall not operate as a waiver of that or any other right, and a defective or partial exercise by PMO of any of its rights shall not preclude the further exercise of that or any other right. No waiver shall be binding unless made in writing and signed by PMO.

Conforme by:

*Signature over Printed Name of
Authorized Signatory*

Designation/Position Title

Company Name

Bidder's Address

Conforme:

Annex A: Schedule of Deployment and Requirements

LOT A: VARIOUS LOCATIONS (NATIONAL CAPITAL REGION (NCR) / LUZON / VISAYAS / MINDANAO)								
AoR	1st Shift	2nd Shift	3rd Shift	Total No. of Guards	Type of Uniforms	Firearms	Vehicles	Other Requirements
PMO BUILDING , Makati City (12 Hours Duty)	6	3		9	Type B-WHITE and Barong or Polo Barong uniform for DC and SIC	6 units licensed pistols	None	6 licensed handheld radios 1 smartphone w/ at least 12 megapixel camera
STA. CRUZ AGRO INDUSTRIAL CORP. (SCAIC) , Bagbaguin, Valenzuela City (12 Hours Duty)	1	1		2	Type A - BLUE	1 unit licensed shotgun	None	1 smartphone w/ at least 12 megapixel camera
LUZON AGGREGATES, INC. , Norzagaray, Bulacan (8 Hours Duty)	1	1	1	3	Type A - BLUE	1 unit licensed shotgun	1 bicycle	1 smartphone w/ at least 12 megapixel camera
PARAGON PAPER INDUSTRIES, INC. , Hermosa, Bataan (8 Hours Duty)	2	1	1	4	Type A - BLUE	1 unit licensed shotgun & 1 unit licensed pistol	1 motorcycle	1 smartphone w/ at least 12 megapixel camera
LANDOIL RESOURCE CORPORATION , Mariveles, Bataan (12 Hours Duty)	4	0		4	Type A - BLUE	3 units licensed shotgun & 1 unit licensed pistol	None	4 licensed radios 1 smartphone w/ at least 12 megapixel camera
DBT INTEGRATED HOMES, INC. , Angono, Rizal (8 Hours Duty)	1	1	1	3	Type A - BLUE	1 unit licensed shotgun	None	1 smartphone w/ at least 12 megapixel camera
PIONEER GLASS MANUFACTURING CORP. , Rosario, Cavite (8 Hours Duty)	1	1	1	3	Type A - BLUE	1 unit licensed shotgun	1 bicycle	1 smartphone w/ at least 12 megapixel camera
BAGACAY MINES , Hinabangan, Western Samar (8 Hours Duty)	1	1	1	3	Type A - BLUE	1 unit licensed shotgun	1 motorcycle	1 smartphone w/ at least 12 megapixel camera
BASAY MINING CORPORATION (Pier and Mine Site), Cotcot and Maglinao, Negros Oriental (8 Hours Duty)	4	4	3	11	Type A - BLUE	3 units licensed shotguns & 1 unit licensed pistol	2 motorcycles	4 licensed handheld radios w/ base 2 smartphones w/ at least 12 megapixel camera
NONOC MINING & INDUSTRIAL CORP. (NMIC), Nonoc Island, Surigao City (8 Hours Duty)	5	5	5	15	Type A - BLUE	4 units licensed shotguns & 1 unit licensed pistol	1 motorcycle and 1 unit 4-wheeled vehicle	5 licensed handheld radios with 1 base 1 smartphone w/ at least 12 megapixel camera
Total				57		16 licensed shotguns 10 licensed pistols	2 bicycles 5 motorcycles 1 4-w heeled vehicle	19 licensed handheld radios 11 smartphones w/ at least 12 megapixel camera

Conforme:

- *Type A - BLUE Uniform (Fast navy blue, thick fabric for the trousers and other required paraphernalia)*
- *Type B - WHITE Uniform - A special set of security personnel uniform (Long sleeves with button cuffs, shoulder straps, 2-breast pockets with cover) flaps. The Shirting materials shall be fabric and other paraphernalia.*
- *Follow the prescribe proper placement of patches and other accoutrements under SOSIA Resolution No. 2016-001.*
- *Shotguns must be fully loaded plus a number of extra rounds of ammunitions equal to the full load*
- *All pistol issued must be fully loaded with ammunitions plus twice the number of rounds in an ammunition belt.*
- *All radios are directly linked to the agency's office/branch.*
- *Motorcycles and other vehicles shall be provided by the Agency with enough and regular maintenance (i.e.; gasoline, parts, etc.) at no cost to guards and PMO.*

Conforme:

Technical Specifications

Lot B: PDAF-MLC (Makati City)

Bidders must state compliance to the provisions herein by signing on the conforme on all the pages provided on each page of Section VII. Technical Specifications.

1. Personnel Requirements

- 1.1. The SERVICE PROVIDER shall provide the PMO with the required number of security guards for PMO assets/properties to sufficiently secure and safeguard the PMO PROPERTIES and personnel.

Item	Project Site/Area of Responsibility	No. of Guards
Lot B	PDAF – MLC (Makati City)	22

The SERVICE PROVIDER shall deploy the guards according to the deployment specified in Annex “A”.

The total number of guards is subject to increase or decrease as a result of sale/turnover/transfer of properties, continued evaluation of security requirements by PMO or other circumstances requiring the same. The SERVICE PROVIDER hereby undertakes (a) to post additional guards or effect pull-out of guards within seventy-two (72) hours after receipt of a written request to do so from PMO, subject to the provisions of Section 4.5 hereof; and (b) to seek the support and/or assistance of instrumentalities from the Philippine National Police (“PNP”) and/or other government agencies tasked to enforce the law, whenever necessary to sufficiently secure PMO PROPERTIES and personnel.

Any decrease or increase in the number of guards and/or reshuffling of the guard/s shall be with the prior written approval of PMO. Removal or replacement of originally posted security guards shall likewise be with prior written approval of PMO. Absence of such prior written approval shall be cause for termination of the contract by PMO.

The SERVICE PROVIDER is/are required to provide one (1) reserve guard for every six (6) posts in each area of responsibility.

A Security Plan for each PMO asset/property is required from the SERVICE PROVIDER, for submission fifteen (15) calendar days after receipt of the Notice of Proceed (NtP), subject for approval of PMO. The Security Plan shall have, but not limited to, the following major components: i) protection against internal and external threats; ii) access control procedures.

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- 1.2. When the needs arise, the SERVICE PROVIDER shall provide the PMO PROPERTIES with a twenty-four (24)-hour security service daily including Sundays and holidays. Except as may otherwise be provided by PMO in writing, the security guards assigned to PMO PROPERTIES shall work in three (3) shifts of eight (8) hours each or two (2) shifts of twelve (12) hours each in identified areas. The duty shifts and the number of guards comprising each shift shall be determined or approved by the PMO, to be observed and implemented by the SERVICE PROVIDER, upon due written notice by PMO.
- 1.3. The SERVICE PROVIDER and its security personnel assigned to PMO PROPERTIES shall diligently and faithfully serve the best interest of PMO and the PMO PROPERTIES in rendering their services and shall not, during the period of this Contract or at any time thereafter, use or disclose or make available to any unauthorized person, firm or entity any information, derogatory or otherwise, concerning the affairs of PMO, its personnel and the PMO PROPERTIES, which the SERVICE PROVIDER or the members of its security force may have acquired by reason of this Contract.
- 1.4. The SERVICE PROVIDER shall ensure that it has adequate and immediate supervision of its security personnel and that the PMO PROPERTIES are not deprived of direct and immediate attention or action from the SERVICE PROVIDER.

2. Qualifications of Security Guards and Security Officers

- 2.1. Each of the security guards and security officers to be assigned by the SERVICE PROVIDER to the PMO PROPERTIES must meet the following minimum qualifications:
 - a) A Filipino citizen;
 - b) At least a high school graduate (security officers must be a holder of a baccalaureate degree).
 - c) Physically and mentally fit, based on medical and neuro-psychiatric certifications;
 - d) Not less than eighteen (18) years old or more than fifty (50) years old (for new applicants and security guards in non-supervisory positions);
 - e) At least five feet and four inches (5'4") in height;
 - f) Of good moral character and has obtained clearances from the Philippine National Police (PNP), the National Bureau of Investigation (NBI), the barangay the guard resides in, as well as the Prosecutor's Office, the Regional Trial Court, the Metropolitan Trial Court or other first-level court, and the police department, of the city or municipality where the guard resides, that he has not been convicted of any criminal offense, and that no criminal case is pending against him;
 - g) Possesses the proper license to act as a security guard or security officer (License for the Detachment Commander/Head Guard and Shift-in-Charge) and to bear the necessary firearms; is a holder of a valid License to Exercise Profession issued by the PNP/Supervisory Office for Security and Investigation SERVICE PROVIDER (PNP/SOSIA);

Conforme:

- h) Has been tested negative for use of any prohibited drug, based on results of drug test/s;
 - i) Has received proper and sufficient training as a security guard or security officer, based on certificates of trainings attended;
 - j) Is of proven competence, efficiency and reliability;
 - k) Does not possess any of the disqualifications enumerated in Rule V of the Implementing Rules & Regulations of Republic Act (RA) No. 5487, as amended; and
 - l) Such other qualifications as PMO may deem necessary in the course of the implementation of the contract with the SERVICE PROVIDER.
- 2.2. The SERVICE PROVIDER shall take primary responsibility in the examination and screening of security guards prior to posting to the PMO PROPERTIES to determine whether or not they possess all the required qualifications and none of the disqualifications. This shall not preclude the PMO's prerogative to approve/disapprove and to review such examination and screening to ensure that prior to the posting of guards, the latter have already been examined and possess the qualifications enumerated herein. For such purpose, PMO may require the SERVICE PROVIDER to present such documents or information relating to the screening or qualifications of the security guards to be posted at the PMO PROPERTIES.
- 2.3. The SERVICE PROVIDER shall provide no less than five (5) days refresher training to the security guards to be assigned to the PMO prior to their assumption of duty with costs to be shouldered by the SERVICE PROVIDER.
- 2.4. The SERVICE PROVIDER shall assign to the PMO PROPERTIES security guards who are holders of valid Licenses to Exercise Profession issued by the PNP/SOSIA. The originals of said licenses should be presented to the PMO prior to the assumption of duty by the security guards concerned.
- 2.5. The SERVICE PROVIDER shall accomplish and submit to PMO, prior to posting of each security guard, the Certification attesting to the qualifications of the guard under Sections 2.1 and 2.4 hereof and to his refresher-training under Section 2.3 hereof.
- 2.6. Whenever necessary and as requested by the PMO or its duly authorized representative, the SERVICE PROVIDER hereby consents and agrees to have available for examination by the PMO, or its duly authorized representative, its financial statements, PNP/SOSIA permit to operate, detachment logbooks, time records and such other papers as may be deemed necessary or appropriate by the PMO.

3. Duties of Security Personnel

- 3.1. The security guards assigned by the SERVICE PROVIDER to the PMO PROPERTIES shall have the following duties:

Conforme:

3.1.1. Security of Human Resources

- A. PMO Officials
 - a) Provide close-in security as may be required
 - b) Exercise courtesy and tact at all times
 - c) Provide security assistance as may be required/instructed
 - d) Maintain and update logbook records at all times

- B. PMO Employees
 - a) Monitor/frisk for deadly weapons, explosives, toxic chemicals, drugs and contraband items/harmful materials upon reasonable grounds for suspicion and if possible and warranted, cause the arrest of the employee
 - b) Prevent/detect any other form of breach of PMO rules and if possible, apprehend the perpetrator
 - c) Ensure non-entry to security/restricted areas without proper authorization/clearance
 - d) Exercise tact and courtesy at all times
 - e) Provide security assistance as may be required
 - f) Maintain and update logbook records at all times
 - g) Immediately report any illegal act or breach of PMO rules on personal and property security

- C. PMO Guests/Visitors
 - a) Enforce no ID/Gate Pass-no entry rule and observe PMO ID/Gate Pass system for visitors
 - b) Monitor/frisk for deadly weapons, explosives, toxic chemicals, drugs and contraband items/harmful materials as standard operating procedure, and if possible and warranted, cause the arrest of the perpetrator/s
 - c) Prevent/detect any other form of breach of rules and if possible, apprehend the perpetrator/s
 - d) Ensure non-entry to security/restricted areas without proper authorization/clearance
 - e) Exercise tact and courtesy at all times
 - f) Provide security assistance as may be required
 - g) Maintain and update logbook records at all times
 - h) Enforce non-entry after office hours, including Saturdays, Sundays and legal holidays unless authorized
 - i) Enforce no loitering in the premises after visitor's business is done
 - j) Immediately report any illegal act or breach of PMO rules on personal and property security

3.1.2. Security for Physical Resources

- A. Vehicle Control
 - a) Inspect vehicles entering and leaving PMO premises
 - b) Maintain a logbook on the arrival and departure of both PMO and non-PMO vehicles

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- c) Control the flow of traffic and direct drivers to park their vehicles properly in designated parking areas/slots
- d) Safeguard and protect vehicles from carnapping, theft, pilferage of accessories and other attachments, and vandalism
- e) Require trip ticket for outgoing PMO vehicles duly signed by the approving authorities
- f) Enforce no overnight parking for non-PMO vehicles
- g) Ensure deposit of vehicle keys for PMO and non-PMO vehicles without drivers
- h) Recommend and post parking/traffic signs in the proper area/s
- i) Immediately report any illegal act or breach of PMO rules on personal and property security

B. PMO Office Building/Premises

- a) Observe key control system
- b) Post No Entry notices in restricted areas
- c) Identify and record in the logbook authorized persons entering restricted area/s
- d) Check that all doors and windows are closed and locked after office hours
- e) Identify need for lighting and recommend measures
- f) Identify fire hazard and recommend measures
- g) Regularly check location and condition of fire extinguishers and recommend measures for safety procedures
- h) Regularly check condition of faucets, fire hydrants, hoses, alarm systems
- i) Recommend formation of fire brigades and fire drills
- j) Observe that all lights are switched off and all electrically operated office equipment are unplugged when occupants of the office are all out
- k) Prohibit loitering around the PMO compound and offices
- l) Maintain and update logbook records at all times
- m) Ensure that personal properties shall be covered by personal property slips issued by the security detachment
- n) Ensure security of documents and other properties inside the office/premises
- o) Immediately report any illegal act or breach of PMO rules on personal and property security

C. Acquired/Foreclosed Assets

- a) All outgoing PMO properties must be covered with the appropriate documents (Gate Pass) duly signed by the authorized signatories indicating the serial number/property number, person moving the equipment, time and date, etc.
- b) Ensure that personal properties shall be covered by personal property slips or personal property inventory form issued by the security detachment
- c) Ensure that access to warehouse and other restricted areas will be allowed to PMO authorized personnel only
- d) Observe key control system

Conforme:

- e) Ensure security of documents and other properties inside the offices/premises
- f) Maintain and update logbook records at all times
- g) Ensure security of the entrance/exit points of the PMO premises
- h) Maintain liaison and open coordination with the Philippine National Police (PNP) and other government instrumentalities.
- i) Immediately report incidents or cases such as, but not limited to theft, intrusions, pilferage & other forms of infractions.

3.1.3 Contingency Plan for Various Risks

A. Fire

- a) Know the status and location of firefighting equipment
- b) Be familiar with the fire exit and electrical control switches
- c) Activate fire alarm when need arises
- d) Immediately report fire and any fire hazards
- e) Immediately report inadequate water supply, firefighting equipment and fire exit breach
- f) In case of fire, assist in the evacuation of employees, records and equipment

B. Theft, Pilferage and Burglary

- a) Secure all entry and exit points
- b) Immediately report untoward incidents which may involve personal or property security breach
- c) Apprehend the culprit within the premises, secure incident area to protect evidence in case of untoward incident
- d) Coordinate with appropriate PNP unit (Theft and Robbery Section) and/or PSG & maintain contact/coordination

C. Trespassing

- a) Challenge and detain trespassers
- b) Turn over trespassers to proper authorities
- c) Immediately report incident

D. Hostage Situation

- a) Immediately notify PNP, PMO and all guards
- b) Act as temporary negotiator until the arrival of the expert negotiator
- c) Secure the affected area to prevent the public/onlookers from getting near and possibly complicating the situation
- d) Exercise means for hostage-taker not to harm hostage

E. Earthquake

- a) Prevent panic and maintain calm
- b) Prevent use of elevator and direct escape through other means of exit
- c) If possible, urge personnel to seek refuge and keep away from dangerous falling objects
- d) Formulate a practicable earthquake safety/evacuation plan

Conforme:

- F. Flood and Typhoon
 - a) Prevent crossing of flooded area
 - b) Prevent exit when there are strong winds outside the building
 - c) Assist in the evacuation of personnel, records, supplies, materials and equipment
 - d) Immediately inform management
 - e) Formulate a practicable flood/typhoon safety/evacuation plan
- G. Coup d'etat
 - a) Ensure that properties should not be allowed to be used by any group involved in the coup
 - b) Secure all properties and buildings
 - c) Immediately report incident
 - d) Formulate a practicable coup d'etat safety/evacuation plan
- H. Sabotage
 - a) Cordon the affected area to secure evidence
 - b) In case of explosion, help evacuate all personnel from affected area
 - c) Immediately inform Fire Department
 - d) Immediately report incident
 - e) Formulate a practicable sabotage safety/evacuation plan
- I. Bomb Threat
 - a) Immediately report to PNP
 - b) Immediately inform PMO management
 - c) Assist evacuation of personnel
 - d) Secure PMO properties and keep away unauthorized persons
 - e) Assist in bomb search, if necessary
 - f) Formulate a practicable bomb threat safety/evacuation plan
- K. Civil Disturbance
 - a) Secure all entry and exit points
 - b) Coordinate with PNP and other government instrumentalities
 - c) Ensure personnel and property safety
 - d) Immediately report incident
 - e) Formulate a practicable civil disturbance safety/evacuation plan
- L. Labor Unrest
 - a) Secure all entry and exit points
 - b) Coordinate with PNP
 - c) Ensure personnel and property safety
 - d) Immediately report incident
 - e) Formulate a practicable labor unrest plan

3.1.4. Patrol and observe areas for activities of security interest and maintain peace and order within the premises.

3.1.5. Perform such other duties as may be assigned from time to time by special order issued to the guards by PMO or its authorized representative.

Conforme:

- 3.1.6. Before ending his tour of duty, inspect the PMO PROPERTIES within his area of responsibility and make a report of his observations thereon, taking note of the movement or removal, if any, of the items stored in the premises.
- 3.1.7. Observe at all times the Eleven General Orders, Security Guards' Creed, Code of Conduct and Code of Ethics as provided under RA No. 5487, as amended, and its Implementing Rules and Regulations.

4. Supervision of Security Guards

- 4.1. Supervision of the security guards shall be the responsibility of the supervisor designated by the SERVICE PROVIDER. He shall be responsible for the proper implementation of the security operation and shall have operational control over the said guards.

However, PMO or its authorized representatives may conduct an inspection of the ranks of guards, their firearms, equipment and other security paraphernalia from time to time as the need arises, subject to the provisions of Section 12.3 hereof.

- 4.2. The SERVICE PROVIDER shall exercise effective administration, supervision, control and inspection to prevent sleeping on post and other violations of duty and/or omissions by guards on duty, including the supervisors.
- 4.3. PMO reserves the right to require the replacement of any or all of the SERVICE PROVIDER's security guards assigned to the PMO PROPERTIES who do not meet the requirements set forth in the contract. This is without prejudice to the right of PMO to seek relief under the contract, including termination for breach as applicable.
- 4.4. The PMO reserves the right to demand from the SERVICE PROVIDER the rigid execution of controls in the implementation of security operations as it deems proper, and whenever PMO finds the security inadequate, it shall have the right to request for reinforcement of the security force to certain properties.
- 4.5. The PMO reserves the right to require the SERVICE PROVIDER to replace any or all of its security guards assigned to PMO who are found to be lacking in discipline, integrity, good moral character and aptitude, or for inefficiency or other negligent acts or omissions in the performance of duties. Any such guards shall be replaced by the SERVICE PROVIDER immediately upon receipt by the SERVICE PROVIDER of PMO's written notification to that effect.
- 4.6. The PMO reserves the right to increase, reduce, replace or withdraw, wholly or partially, the posting and number of the SERVICE PROVIDER's security guards in the assigned post, to be implemented by the SERVICE PROVIDER.
- 4.7. Failure of the SERVICE PROVIDER to cause the withdrawal, replacement, decrease or increase of posting and number of guards as required by PMO shall be sufficient ground for cancellation/termination of this Contract by PMO.

Conforme:

- 4.8. Should any incident take place in the PMO PROPERTIES affecting the security of PMO PROPERTIES and personnel, such as but not limited to theft, pilferage and intrusion, including any of the incidents or risks enumerated in item 3.1.3 hereof, the

SERVICE PROVIDER shall report the same to PMO immediately after the occurrence of the incident. Not later than twenty-four (24) hours from the time the incident took place, the SERVICE PROVIDER shall submit to PMO a formal and complete written report on the incident, including all actions it had taken to address the situation as well as any risk or threat the PMO PROPERTIES or personnel may be exposed to.

- 4.9. The implementation by the SERVICE PROVIDER of any decrease or increase in the number of guards, or any reshuffling of the guards, or any removal or replacement of guards, as required or approved by PMO, shall be reported in writing to PMO within twenty-four (24) hours after such implementation.

- 4.10. In addition to the aforesaid reports, the SERVICE PROVIDER shall submit to PMO, on a semi-monthly basis, a detailed, verified and up-to-date written report, signed by its duly designated supervisor and its highest ranking officer, on the security services rendered in the PMO PROPERTIES, which shall include but not be limited to the posting of security guards, any reshuffling, removal or replacement of security guards, as well as any incident that may have taken place in the PMO PROPERTIES affecting the security of the said properties or PMO personnel, the action(s) taken by the SERVICE PROVIDER and/or its security personnel to address the same, any security risk or threat that the PMO PROPERTIES or its personnel are or may be exposed to or should guard against, and a proposed contingency plan to address the risk/threat. PMO reserves the right to require the SERVICE PROVIDER or its security personnel to submit such other reports as it may deem necessary at such times as it may deem appropriate.

- 4.11. The SERVICE PROVIDER shall submit to PMO every 15th and 30th/31st day of the month the guard detail/schedule for the next 15/16-day period.

- 4.12. The SERVICE PROVIDER warrants to make available duly qualified, licensed and trained relievers who satisfy the requirements under Section 2.1 hereof, to ensure continuous and uninterrupted service in the absence of an assigned guard. The posting of a reliever and his qualifications shall be immediately reported by the SERVICE PROVIDER to PMO in writing.

- 4.13. PMO's use of the SERVICE PROVIDER's services shall not be exclusive. PMO reserves the right to hire any other security SERVICE PROVIDER for any of its properties, whether or not such properties are found within the area covered by this Contract, insofar as PMO may deem proper and necessary.

5. Uniforms, Firearms, Ammunitions, Vehicles and Equipment

- 5.1. The SERVICE PROVIDER shall provide, at its own expense, the necessary uniforms of the guards and such other paraphernalia, e.g., nightsticks, side arms,

Conforme:

flashlights, holsters, badges, insignias, whistles, timepieces, writing pens, logbooks and first aid kits, as may be required to carry out the provisions of the contract.

- 5.2. The SERVICE PROVIDER, at its own expense, shall also provide the security guards assigned to the PMO PROPERTIES with the necessary firearms, ammunitions, vehicles, radios, cellular phones and other devices as listed in Annex A-Schedule of Deployment and Requirements, including operational expenses and maintenance. Homemade firearms commonly known as the "PALTIK" or other similar firearms prohibited by law shall not be issued to any of the guards.
- 5.3. The SERVICE PROVIDER hereby warrants that each guard is sufficiently knowledgeable of the use and nature of the weapon entrusted to his care. The SERVICE PROVIDER also warrants that the firearms and ammunitions issued/to be issued to its security guards are duly licensed by competent authorities as required by law.
- 5.4. The SERVICE PROVIDER hereby warrants the serviceability and dependability of the firearms and ammunitions issued or to be issued to its security guards. The SERVICE PROVIDER also warrants the serviceability and dependability of the vehicles, communication devices and other security paraphernalia, such as nightsticks, flashlights and metal detectors, issued or to be issued to the security guards.
- 5.5. A pistol or revolver, when issued to the security guard, shall have a full load of ammunition plus twice that number of rounds in an ammunition belt or in magazines.
- 5.6. A fully loaded rifle or shotgun, when issued, shall also have a number of extra rounds of ammunition equal to the full load

6. Liability for Loss, Damage or Injury

- 6.1. The SERVICE PROVIDER shall be responsible for any loss or damage that may be suffered by the PMO PROPERTIES or PMO because of the SERVICE PROVIDER's willful act or negligence or violation of the contract, or due to the willful act or negligence /carelessness of its security guards and supervisors in the performance of their duties. In such event, and at the sole discretion of PMO, lost or damaged PMO PROPERTIES shall be replaced based on the Fair Market Value (FMV) of said PMO PROPERTIES. FMV shall mean the current appraised value of the relevant property as determined by PMO based on an in-house or third party appraisal. PMO shall have the prerogative to withhold payments due to the SERVICE PROVIDER under the contract, pending finalization of the investigation of the loss or damage suffered by PMO, without prejudice to other legal remedies available to PMO. Upon investigation and due notice to the SERVICE PROVIDER, should any loss or damage to PMO PROPERTIES be found to have been caused by the fault or negligence of the security guards, supervisors and/or the SERVICE PROVIDER itself, the SERVICE PROVIDER authorizes PMO to deduct from any payments due to the SERVICE PROVIDER under the contract, the corresponding FMV of the property that was lost or damaged, and to forfeit the Performance Security.

Conforme:

- 6.2. In cases of illegal settlement or encroachment upon PMO PROPERTIES, PMO shall have the prerogative to withhold payments due to the SERVICE PROVIDER from its security billings under the contract, and to forfeit its Performance Security, without prejudice to other legal remedies available to PMO under the contract and under applicable laws and rules. The amount withheld shall be released only upon the SERVICE PROVIDER's eviction of the illegal settlers or upon the complete resolution of the illegal settlement or encroachment issue as may be determined by PMO. However, in the event that the SERVICE PROVIDER fails to resolve such illegal settlement or encroachment issue after a reasonable period, and it no longer manifests interest in resolving the same, PMO shall, upon prior written notice, have the prerogative to declare the SERVICE PROVIDER in default and the withheld amount shall be recovered by PMO. In no case, however, shall the forfeited Performance Security be returned to the SERVICE PROVIDER. In the event of such forfeiture, the SERVICE PROVIDER shall provide PMO with a new Performance Security in accordance with GCC Clause 3 or Section 7 of the Technical Specifications as security for the faithful performance by the SERVICE PROVIDER of any and all its obligations under the contract, and to cover any loss, damage or injury suffered by PMO or for which the SERVICE PROVIDER may be made liable under the terms of the contract. Failure by the SERVICE PROVIDER to provide PMO with a new or replacement Performance Security shall entitle PMO to terminate the contract.
- 6.3. The SERVICE PROVIDER shall assume full responsibility for any loss of or damage to any property, and for any personal injury, including death, of any person, that may be caused by the acts or omission of its security guards and supervisors/security officers assigned to the PMO PROPERTIES. Any and all accidents or similar occurrences involving any and/or all persons within the PMO PROPERTIES shall be the sole responsibility of the SERVICE PROVIDER.
- 6.4. The SERVICE PROVIDER shall hold PMO free and harmless from any and all liabilities or claims for loss or damage to property or for personal injury, including death, which PMO, its officials, employees and personnel or third persons may suffer by reason of the performance or non-performance of the obligations of the SERVICE PROVIDER under the contract.

7. Performance Security

- 7.1. The SERVICE PROVIDER shall present and deliver to PMO, within ten (10) calendar days from its receipt of the Notice of Award from PMO and in no case later than the signing of this Contract by both parties, a Performance Security in Philippine currency in any of the forms listed hereunder, with proof of payment of the required premium therefor, as security for the faithful performance by the SERVICE PROVIDER of any and all its obligations under this Contract, and to cover any loss, damage or injury suffered by the PMO, its personnel or representatives or for which it may be made liable under the terms of this Contract. The Performance Security shall be in accordance with the following schedule:

Conforme:

FORM OF SECURITY	MINIMUM AMOUNT IN % OF TOTAL CONTRACT PRICE
Cash or cashier's/manager's check issued by a Universal or Commercial Bank; <u>OR</u>	Five percent (5%) of the Total Contract Price
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank, provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank; <u>OR</u>	
Surety Bond preferably issued by the Government Service Insurance System (GSIS); or Surety Bond issued by a private insurance company accompanied by a valid certification from the Insurance Commission that the insurance company is authorized to issue such security.	Thirty percent (30%) of the Total Contract Price
Performance Securing Declaration	Note: To be replaced with a performance security in any of the above forms upon lifting of the State of Calamity/community quarantine or similar restrictions.

- 7.2. The aforementioned Performance Security shall be maintained by the SERVICE PROVIDER and should remain valid for a period of **two (2) years** from the effectivity of the Contract.
- 7.3. It is understood, however, that the liability of the SERVICE PROVIDER shall not be limited to the amount of the Performance Security but to the actual loss or damage that may be suffered by PMO, its personnel or representatives.
- 7.4. Accordingly, the SERVICE PROVIDER's Performance Security shall be forfeited in favor of PMO in case the SERVICE PROVIDER fails to comply with the terms and conditions of this Contract. Should the amount forfeited be insufficient to cover the loss, damage or injury incurred due to the fault of the SERVICE PROVIDER or its security personnel, the SERVICE PROVIDER shall pay the remaining balance. In this connection, the SERVICE PROVIDER hereby authorizes PMO to withhold payment of its security service fees until the amount of the said loss, injury or damage has been paid to PMO, or to directly offset such payment against the amount of the loss, injury or damage.
- 7.5. In addition to the instances enumerated in Section 7.1 above, the SERVICE PROVIDER's Performance Security shall likewise cover any and all claims for non-payment of wages, salary differentials or whatever monetary claims the security personnel may have against the SERVICE PROVIDER, to the extent of the work performed under the Contract. In such event, the liability of the SERVICE PROVIDER shall not be limited to the amount of the Performance Security but to

Conforme:

the actual amount of valid claims of the security personnel of the SERVICE PROVIDER.

- 7.6. The cost of obtaining such Performance Security and maintaining the same throughout the period required shall be borne solely by the SERVICE PROVIDER.
- 7.7. Failure of the SERVICE PROVIDER to present and deliver to PMO the Performance Security within the period required in Section 7.1 and to maintain the same for the duration specified in Section 7.2 shall be sufficient ground for PMO to terminate the Contract.

8. Consideration

- 8.1. For and in consideration of the services rendered hereunder, PMO during the existence of this Contract, shall pay the SERVICE PROVIDER the awarded contract amount, which shall be the ceiling amount. Payment shall be made to the SERVICE PROVIDER with the following conditions:
 - (1) PMO shall pay the SERVICE PROVIDER based on the latter's actual services rendered under the Contract/s, taking into account the actual number of security guards posted, their actual tour of duty and respective compensations per month. It is understood that the SERVICE PROVIDER's billings include all the statutory compensation and benefits due to its Security Guards.
 - (2) Wages shall be paid by the SERVICE PROVIDER at least once every two (2) weeks or twice a month at intervals not exceeding sixteen (16) days. If on account of *force majeure*, payment of wages by the SERVICE PROVIDER on or within the time herein provided cannot be made, the SERVICE PROVIDER shall pay the wages immediately after such *force majeure* ceases. Security guards posted in PMO PROPERTIES shall be paid through Automatic Teller Machines (ATM), and the SERVICE PROVIDER undertakes to implement this measure, at its own expense, within thirty (30) calendar days from the execution of this Contract. Maintenance cost of the ATM payroll account shall be the sole responsibility of the SERVICE PROVIDER, and shall not be charged to PMO or to its security personnel assigned to the PMO PROPERTIES.
- 8.2. Notwithstanding the abovementioned ceiling price, the consideration is subject to any change in the total number of guards required as provided for in Section 1.1.
- 8.3. Payment of the above-mentioned rates to the individual security guards shall be on the basis of eight (8) and twelve (12) working hours a day provided that the SERVICE PROVIDER ensures that each individual security guard assigned to the PMO PROPERTIES shall be provided with one (1) rest day after every six (6) days of work and no guard shall be made to render more than twelve (12) hours of duty within a 24-hour period except in cases of extreme necessity and only upon prior written permission of PMO.
- 8.4. In the event that the Regional Tripartite Wages and Productivity Board (RTWPB) or any other competent authority issues a new and valid Order providing for an increase in the minimum wage during the effectivity of this Contract, the contract

Conforme:

price shall be considered adjusted accordingly based on the published and authenticated rate/s, provided, however, that: (a) the adjustment shall be limited to the increment in the legislated minimum wage, and shall not apply or result to any increment in the other benefits of the security personnel, unless otherwise provided in the RTWPB Order, and (b) adjustment shall be made to the administrative or overhead cost (SERVICE PROVIDER Fee) of the SERVICE PROVIDER, on the basis of the adjusted minimum daily wage.

8.5. Payment of the SERVICE PROVIDER's billings shall be within thirty (30) working days from the date of submission thereof by the SERVICE PROVIDER to PMO, provided said billings are complete with all the required supporting documents and are in compliance with the requirements set by PMO in the processing of security billings under Section 8.6 *et seq* hereof.

8.6. The SERVICE PROVIDER shall submit the following as a prerequisite of payment:

(1) A Statement of Account, on monthly basis, accompanied by the Daily Time Records of its security personnel and the Summary Sheet showing the time rendered by the said personnel, i.e. the SERVICE PROVIDER must have submitted the semi-monthly report and the guard detail/schedule for the next 15/16-day-period, referred to in Sections 4.10, 4.11 and 8.7 respectively, as well as all other reports required under this Contract.;

(2) An affidavit executed either by the SERVICE PROVIDER's President or Treasurer, on a monthly basis, stating that during the payroll period concerned, it has paid its security personnel assigned to the PMO PROPERTIES their wages and other benefits in accordance with law, photocopies of the bank deposit slips evidencing online payment to its security guards assigned to the PMO PROPERTIES, and photocopies of the payroll journal, and photocopies of the payslips bearing the signatures of the concerned guards attesting to receipt of payment from the SERVICE PROVIDER;

(3) An affidavit executed either by SERVICE PROVIDER's President or Treasurer, on a quarterly basis, certifying that timely, complete and correct payments/contributions (including employer's share/contribution, as applicable) were made by the SERVICE PROVIDER to the SSS, Philhealth, Pag-ibig and State Insurance Fund, for the benefit its security personnel assigned to PMO PROPERTIES, and shall likewise certify that timely and correct payments/contributions were made by the SERVICE PROVIDER to a Retirement Fund, maintained with a licensed and reputable fund manager, for the benefit of the said personnel.

PMO reserves the right to require the submission of other documents to support or accompany the SERVICE PROVIDER's billings.

8.7. In billing PMO for security services rendered under the contract, the SERVICE PROVIDER shall comply with the following requirements as supporting documents to the Statement of Account:

(a) Daily Time Records (DTRs) should be completely and properly accomplished.

Conforme:

- i. Photocopied or typewritten DTRs will not be allowed as supporting papers. A DTR must be accomplished in handwriting by the security guard concerned and must be certified by the SERVICE PROVIDER's authorized representative/s.
 - ii. Total number of days worked must be clearly stated in the DTR.
 - iii. Military time must be used in indicating "time-in" and "time-out," e.g. 0600H-1400H.
 - iv. Signature of the security guards in the DTR should tally with his/her specimen signatures in his/her 201 file.
 - v. Any alteration in the DTRs should be initialed by the concerned security guards and detachment commanders.
- (b) Claim cut-offs for the month should be synchronized on the 15th and 30th/31st only.
- (c) Summary sheet should be signed by the SERVICE PROVIDER's authorized representative(s) and should tally with the DTRs as to:
- i. Guard's name assigned in every detachment;
 - ii. Number of days rendered per guard; and
 - iii. Number of days a guard was absent.
- (d) Any decrease or increase in the number of guards and any re-shuffling of the guard/s, or any removal or replacement of the guards, shall be with the prior written consent and approval of PMO before implementation.
- (e) Submission of Statements of Account and all supporting documents to PMO must be within the month following the month served; e.g., if the month served is July, the Statement of Account and all supporting documents for July must be submitted before the end of August. Statements of Account submitted in advance and statements of account submitted without or with incomplete supporting documents, shall not be processed. Statements of Account and the supporting documents must always be submitted in duplicate.

Non-compliance with any of the foregoing requirements shall be a ground or cause for cancellation/termination of the contract.

- 8.8. The submission by the SERVICE PROVIDER of a false and/or fraudulent document or its failure to submit affidavits, clearances and other documents required to support or accompany its billings shall be sufficient ground for PMO not to pay the security services being billed and to terminate the contract.
- 8.9. Moreover, in the event that a security guard assigned to PMO PROPERTIES files a claim for unpaid wages or other employment benefits before the National Labor Relations Commission (NLRC) or other appropriate government entity, PMO

Conforme:

reserves the right to withhold from the SERVICE PROVIDER's security service fees any amounts representing such claims.

8.10. All taxes payable to the government arising from the contract shall be borne solely by the SERVICE PROVIDER.

9. Compliance with Labor Laws and PMO Rules

9.1. The SERVICE PROVIDER assumes full responsibility for its compliance with all existing labor laws, rules and regulations. The SERVICE PROVIDER undertakes to inform its security guards, at the time of their hiring, the wages and working conditions under which they are employed including, among others, the following:

- (a) The rate of pay for each month, week, day or hour;
- (b) The method of computation of wages;
- (c) The form, time and place of payment of wages;
- (d) Any change with respect to any of the foregoing items; and
- (e) PMO's rules and regulations on security as set forth by the PMO.

10. No Employer-Employee Relationship

10.1 All security personnel of the SERVICE PROVIDER assigned to PMO PROPERTIES are not employees of PMO. The SERVICE PROVIDER shall assume full responsibility for the faithful and complete performance by the security guards of all their duties under the contract.

10.2. There being no employer-employee relationship between PMO and the SERVICE PROVIDER's security guards, PMO shall in no way be responsible for any claim for personal injury, wages and other employment benefits and other claims for damages, including death, arising out of, or in connection with, the performance of the guards' duties.

10.3. Should PMO be made liable for the SERVICE PROVIDER's failure to comply with any labor law, rule or regulation, the SERVICE PROVIDER obligates itself to indemnify PMO to the full extent of such liability, including litigation expenses and other charges, without need of any demand or legal action. In this regard, the SERVICE PROVIDER authorizes PMO to deduct from the SERVICE PROVIDER's security billings and/or Performance Security, all expenses incurred for such purpose, including expenses for official travel by PMO staff/officers, provided the expenses are duly supported by receipts and/or other acceptable proof of expense.

11. Free and Harmless Clause

11.1 The SERVICE PROVIDER hereby assumes full responsibility for the proper conduct and efficient performance of its security personnel in the discharge of their duties and responsibilities contracted herein, and the SERVICE PROVIDER hereby holds PMO free and harmless from any and all claims that its security personnel might make against PMO in connection with the performance of their duties under this Contract.

Conforme:

12. Inspection and Inventory

- 12.1. PMO may conduct an inspection of the firearms, ammunitions, vehicles and other security equipment and paraphernalia issued by the SERVICE PROVIDER to its guards upon actual posting of the guards and at such other times as PMO may deem appropriate, to determine if the same are compliant with the Contract, and to ensure that adequate security is provided by the SERVICE PROVIDER to the PMO PROPERTIES and personnel.
- 12.2. PMO may, at any time, conduct an inspection of the guards' performance to ensure the proper security of the PMO PROPERTIES, as well as the materials and equipment within the said premises.
- 12.3. This right of inspection by PMO shall not relieve the SERVICE PROVIDER from full responsibility for the adequate security and protection of the said premises and the contents thereof or absolve the SERVICE PROVIDER from liability for all acts or omissions of its security personnel. The SERVICE PROVIDER is required to send official representatives during inspections or inventory-taking of PMO personnel in PMO PROPERTIES annually, regardless of the three (3) year contract of services, in compliance with the annual submission of Report on Physical Count of Property, Plant and Equipment (RPCPPE) to the Commission on Audit (COA).

13. Assignment of Rights

- 13.1 The SERVICE PROVIDER shall not assign any of its rights and obligations under the contract to any party.

14. Settlement of Disputes and Venue of Actions

- 14.1. Any and all disputes arising from the implementation of this Contract shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law", Republic Act No. 9285, otherwise known as the "ADR Act of 2004" and the Supreme Court's Special Rules on Alternative Dispute Resolution.
- 14.2. In the event of litigation arising from/relating to the terms and conditions of this Contract, the parties herein expressly agree that the venue of such court actions shall be Makati City, and the SERVICE PROVIDER hereby expressly waives any other venue.
- 14.3. For breach by the SERVICE PROVIDER of any of the stipulations, conditions, warranties, representations or obligations contained herein as determined by PMO, the latter shall retain, as liquidated damages, all sums of money due to the SERVICE PROVIDER. Any consideration, concession, tolerance or relaxation of any provision hereof shall not be interpreted as a renunciation on the part of PMO of any of its rights granted under this Contract.

Conforme:

15. Period of Engagement

- 15.1 The contract period shall be until December 31, 2022, unless sooner terminated by either party by serving a written notice of termination upon the other party at least thirty (30) calendar days before the effective date of termination. Should the SERVICE PROVIDER exercise such right of pre-termination, PMO shall be entitled to withhold the proportionate consideration under item 8 hereof from the SERVICE PROVIDER for services not completed as of the date of termination.
- 15.1.1 PMO, however, may immediately cancel or terminate the contract upon written notice to the SERVICE PROVIDER and without need of court action, should any of the grounds enumerated under item 15.1 hereof exist.
- 15.2. Pursuant to 2016 Revised IRR of RA 9184 on the Revised Guidelines on the Extension of Contracts for General Support Services, and upon written agreement by the parties, the contract may be extended on a month-to-month basis not exceeding one (1) year. Upon the agreed extension of the contract, the SERVICE PROVIDER shall likewise adjust the validity of the Performance Security, if necessary.
- 15.3. Should the SERVICE PROVIDER exercise the right of pre-termination under Section 15.1 hereof, PMO shall be entitled to withhold the proportionate consideration under Section 8 hereof from the SERVICE PROVIDER for services not completed as of the date of termination.
- 15.4. PMO reserves the right to begin pulling out security guards from the outgoing security SERVICE PROVIDER, anytime within the two (2)-month period prior to expiration of the contract period, to facilitate the inventory-taking and posting of guards from the incoming security SERVICE PROVIDER. This shall be done by serving a written notice to the outgoing security SERVICE PROVIDER at least thirty (30) calendar days prior to the start of the pull-out.
- 15.5. The SERVICE PROVIDER shall not allow its License to Operate (LTO) or any of the licenses and permits of its security guards to expire during the contract period. Expiration of the LTO or any required permit or license of the SERVICE PROVIDER shall be a ground for the termination of the contract and the forfeiture of the Performance Security. The salaries/wages of guards with expired permits or licenses shall be borne solely by the SERVICE PROVIDER. The SERVICE PROVIDER holds the PMO free and harmless from liability for any damage or injury arising out of or in connection with non-compliance with this requirement.
- 15.6. The following documents shall be promptly submitted to the PMO by the SERVICE PROVIDER as mandatory requisites for all outgoing agencies:
- (a) Notarized Certification by either the SERVICE PROVIDER's President or its Treasurer, that the SERVICE PROVIDER had already paid in full the wages and other employment benefits due and required under the labor standards law to its security guards assigned to PMO PROPERTIES.

Conforme:

- (b) Notarized Waiver, Quitclaim and Release executed by the SERVICE PROVIDER's President or Treasurer, stating that the SERVICE PROVIDER has been fully paid under the contract, and that the SERVICE PROVIDER releases, quitclaims and forever discharges PMO, its officers and employees, administrators, agents and assigns from any claim, cause or causes of action arising out of, in connection with, or by reason of, the contract.
- (c) Notarized Deed of Undertaking executed by two (2) responsible officers of the SERVICE PROVIDER with sufficient real property, in favor of PMO wherein they obligate themselves, jointly and severally, to render PMO, its officers and employees, administrators, agents and assigns, free and harmless from any claim, cause or causes of action arising out of, or in connection with, or by reason of, the employment of the security guards by the SERVICE PROVIDER to safeguard the assets of PMO, including but not limited to losses or damages of whatever kind and nature, either known or subsequently arising.
- (d) Notarized Certification by the SERVICE PROVIDER that all SSS (SBR, R5 & R3), Philhealth, Pag-ibig and State Insurance Fund contributions and other fees payable on behalf of the guards concerned, including contributions to the Retirement Fund, were made until the last day of pull-out of the SERVICE PROVIDER's security guards. The supporting list showing the names of guards whose abovementioned contributions have been paid should also be submitted to PMO.

For purposes of this provision, PMO shall have the prerogative to withhold from the SERVICE PROVIDER's final billing for security service fees an amount corresponding to the services rendered for at least two (2) months prior to the expiration or termination of the contract, including its Performance Security, and the PMO shall only release the same upon complete submission by the SERVICE PROVIDER of the above-enumerated documents/requirements.

16. Termination/Cancellation of the Contract by PMO

16.1. Owing to the nature of the services to be rendered by the SERVICE PROVIDER, affecting the security of both life and property, PMO shall have the right, upon written notice to the SERVICE PROVIDER and without need of any action in court, to immediately and unilaterally cause the cancellation/termination of the contract, wholly or in part, on any of the following grounds:

- (a) Revocation by the PNP/SOSIA of the SERVICE PROVIDER's License to Operate (LTO);
- (b) Expiration or suspension of the SERVICE PROVIDER's LTO;
- (c) Expiration or cancellation of the SERVICE PROVIDER's Certificate of Registration as Contractor issued by the Regional Office of the Department of Labor and Employment where the SERVICE PROVIDER principally operates;
- (d) Failure of the SERVICE PROVIDER to maintain its Performance Security within the period specified in item 7.5 hereof;

Conforme:

- (e) Failure of the SERVICE PROVIDER to provide a new and replacement Performance Security as provided under item 6.2 hereof;
- (f) Expiration or suspension of the license or permit of any of the security guards assigned to PMO PROPERTIES, or of any other license or permit necessary for the performance of the SERVICE PROVIDER's obligations under the contract;
- (g) When the misconduct, fault or negligence of the SERVICE PROVIDER or its security personnel, or a violation by the SERVICE PROVIDER of its obligations, results in physical injury or death to other security personnel of the SERVICE PROVIDER, or to PMO personnel or third parties; or when such misconduct, fault, negligence or violation causes loss of or damage to PMO PROPERTIES or properties of PMO personnel or third parties;
- (h) Non-payment by the SERVICE PROVIDER of the salaries/wages and other employment benefits of its security guards/employees assigned to PMO PROPERTIES. The SERVICE PROVIDER's non-collection for security services from PMO should not, at any time, be used by the former as an excuse for not paying its guards;
- (i) Non-remittance/non-payment by the SERVICE PROVIDER of the compulsory social security benefit required contributions (including the employer's share/contribution, as applicable) to the SSS, Philhealth, Pag-Ibig, State Insurance Fund and the Retirement Fund.;
- (j) Any false, misleading or fraudulent representation made by the SERVICE PROVIDER in connection with the procurement or bidding process, or in connection with the implementation of, or the performance of its obligations under, the contract;
- (k) The SERVICE PROVIDER has engaged or is engaging in corrupt or collusive or coercive or obstructive practices defined in **ITB 4** or is engaging in unlawful or unethical business or employment practices;
- (l) Loss of confidence in the SERVICE PROVIDER;
- (m) Any decrease or increase in the number of guards and/or reshuffling of the guard/s, or any removal or replacement of guards, without the prior written approval of PMO;
- (n) Failure of the SERVICE PROVIDER to cause the withdrawal, replacement, decrease or increase of posting and number of guards as required by PMO;
- (o) Failure of the SERVICE PROVIDER to comply with the requirements for billing under item 8 hereof;
- (p) Failure of the SERVICE PROVIDER to submit the clearances, affidavits and documents required under item 8 hereof, or the submission by the SERVICE PROVIDER of false or fraudulent documents;

Conforme:

- (q) Failure of the SERVICE PROVIDER to implement the payment of wages and other legal entitlements of its security guards posted at PMO PROPERTIES through Automated Teller Machine (ATM) in accordance with the contract;
- (r) Failure of the SERVICE PROVIDER or its security personnel to comply with their obligations under the contract; or
- (s) Violation by the SERVICE PROVIDER of any of the provisions of the contract.

For this purpose, a written notice of cancellation/termination of contract by the PMO shall be sufficient to give immediate effect to the unilateral cancellation/termination of the contract.

- 16.2. In case of cancellation or termination of the Contract, the SERVICE PROVIDER shall not be entitled to any right other than those which may have accrued at the time of the cancellation or termination of the Contract.
- 16.3. The SERVICE PROVIDER shall immediately and without need of demand, and in no case later than five (5) days from receipt of written notice of the termination of the Contract, indemnify PMO for any loss or damage it has sustained on account of any of the foregoing grounds for cancellation/termination.
- 16.4. In case of cancellation or termination of the Contract under Section 16.1 hereof, the SERVICE PROVIDER shall submit such quitclaims, releases or undertakings as PMO may require, including the documents enumerated in, and subject to the conditions under, Section 15.6 hereof.

17. Validity Clause

- 17.1. If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

18. Miscellaneous

- 18.1. PMO reserves the right to withhold payment to the SERVICE PROVIDER in the event that the SERVICE PROVIDER fails to comply with the requirements, commitments and obligations contained herein.
- 18.2. The SERVICE PROVIDER represents and warrants that it has full and legal capacity to enter into and perform its obligations under this Contract,
- 18.3. The SERVICE PROVIDER warrants that it carries on an independent business and has substantial capital or investment as well as qualified and reliable personnel, which are necessary for the conduct of its business and the performance of its services under this Contract.
- 18.4. The SERVICE PROVIDER shall secure and maintain, at its own expense, all registration, licenses or permits required by National or Local Laws. It shall comply with the rules, regulations and directives of regulatory authorities and commissions,

Conforme:

and shall pay all fees or charges payable to duly constituted authorities, relating to the services to be performed under this Contract.

18.5. PMO's remedies under this Contract shall be cumulative and non-exclusive, and shall be without prejudice to any other remedies available to it under applicable laws, rules and regulations.

18.6. Failure by PMO to enforce any provision of this Contract shall not constitute a waiver or affect its right to require the future performance thereof, nor shall its waiver of any breach of any provision of this Contract constitute a waiver of any subsequent breach or nullify the effectiveness of any provision. Any delay by PMO in exercising its right shall not operate as a waiver of that or any other right, and a defective or partial exercise by PMO of any of its rights shall not preclude the further exercise of that or any other right. No waiver shall be binding unless made in writing and signed by PMO.

Conforme by:

*Signature over Printed Name of
Authorized Signatory*

Designation/Position Title

Company Name

Bidder's Address

Conforme:

Annex A: Schedule of Deployment and Requirements

LOT B: PDAF - MLC								
AoR	1st Shift	2nd Shift	3rd Shift	Total No. of Guards	Type of Uniforms	Firearms	Vehicles	Other Requirements
PDAF - Mile Long Complex, Makati City (12 Hours Duty)	11	11		22	Type B-WHITE and Barong or Polo Barong uniform for DC and SIC	11 units licensed pistols	1 motorcycle	11 licensed handheld radios 1 smartphone w/ at least 12 megapixel camera

- *Type A - BLUE Uniform (Fast navy blue, thick fabric for the trousers and other required paraphernalia)*
- *Type B - WHITE Uniform - A special set of security personnel uniform (Long sleeves with button cuffs, shoulder straps, 2-breast pockets with cover) flaps. The Shirting materials shall be fabric and other paraphernalia.*
- *Follow the prescribe proper placement of patches and other accoutrements under SOSIA Resolution No. 2016-001.*
- *Shotguns must be fully loaded plus a number of extra rounds of ammunitions equal to the full load*
- *All pistol issued must be fully loaded with ammunitions plus twice the number of rounds in an ammunition belt.*
- *All radios are directly linked to the agency's office/branch.*
- *Motorcycles and other vehicles shall be provided by the Agency with enough and regular maintenance (i.e.; gasoline, parts, etc.) at no cost to guards and PMO.*

Conforme: