

## CONTRACT FOR SECURITY SERVICES

CS-11-2017-17 dated 11-24-17

### KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into by and between:

**PROFESSIONAL REGULATION COMMISSION**, an agency of the National Government, hereinafter referred to as **COMMISSION**, with principal office address at P. Paredes St., Sampaloc, Manila, and herein represented by its Chairman, **HON. TEOFILO S. PILANDO, JR.**;

- and -

**ABC-RMO SECURITY & INVESTIGATION AGENCY, INC.**, hereinafter referred to as **ABC-RMO**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal address at 3877 Gen. Macabulos cor. Evangelista Streets, Barangay Bangkal, Makati City and herein represented by its General Manager, **COL. JAIME J. JUADINES (Ret.)**

### WITNESSETH THAT:

**WHEREAS**, the Bids and Awards Committee of the **COMMISSION** invited Bids for the Provision of Security Services 2017, and has accepted the Bid of **ABC-RMO** for the supply of security services in the sum of **FIVE MILLION SEVEN HUNDRED FIFTY-SEVEN THOUSAND SEVEN HUNDRED EIGHTY-FOUR PESOS AND TWENTY CENTAVOS (Php.5,757,784.20)**

**WHEREAS**, upon the evaluation and recommendation of the Bids and Awards Committee, **ABC-RMO** was declared to be the lowest calculated and responsive bidder for the project Provision of Security Services 2017, and the same was approved by the Commission.

**NOW, THEREFORE**, for and in consideration of the foregoing premises and of the mutual covenants and stipulations herein provided, as well as the terms and conditions hereof, the Parties hereto have agreed as follows:

### ARTICLE I SCOPE OF RESPONSIBILITY

1. **ABC-RMO** shall provide and make available to the **COMMISSION** the required number of qualified, trained, licensed, bonded, armed and uniformed security guards and security officers to maintain for the **COMMISSION's** Central Office, as mentioned in Annexes "B & C" hereof. the safeguarding

and protection of its properties from theft, robbery, arson, destruction or damage, as well as protecting its officials, employees, visitors, guests and the transacting public from assault, harassment, threat or intimidation through strict and faithful enforcement and implementation of security plans, policies, rules and regulations on security and safety.

2. **ABC-RMO** shall provide security services for the **COMMISSION** on a twenty-four (24)-hour daily basis, divided into three (3) shifts of eight (8) hours per shift, unless otherwise approved by the Commission in meritorious cases, but which shall not exceed two calendar days.
3. **ABC-RMO** shall adhere to the Schedule of Requirement (Annex B) and Technical Specifications (Annex C) of the bidding document, which forms part of this contract, to assure that the requirements hereof are complied with.
4. **ABC-RMO** shall be liable and answerable to the **COMMISSION** for damages or losses within its premises and for such actions which directly prejudice the integrity, efficiency and effectiveness of the Commission, its operations, and its officials and employees, caused by or due to the negligence of and/or misdemeanor of the **ABC-RMO's** personnel, but not for any loss due to any fortuitous event, *force majeure* or causes beyond the control of the security personnel.
5. **ABC-RMO's** security guards and security officers shall perform security, and whenever necessary, investigation and escort services, subject to the terms and conditions stipulated herein, and provided that in the event additional guards may be needed, a supplemental Contract shall be executed subject to the availability of funds.
6. There shall be no employer-employee relationship between the **COMMISSION** and the **ABC-RMO**. It is expressly understood and agreed that the security guards and security officers under this Contract shall, in no case, be considered as employees of the **COMMISSION** but shall remain as employees of the **ABC-RMO**.
7. **ABC-RMO** further warrants that the **COMMISSION** shall, in no case, be held answerable, accountable nor responsible for any accident, injury or death which may be suffered by any of its security guards in the course of the performance of their duties.
8. **ABC-RMO** shall assign three (3) Security Officers/Shift-in-Charge who shall exercise the following functions:
  - a. Supervise and direct security services;
  - b. Regularly inspect and monitor the performance of security guards on duty;
  - c. Liaise between the **ABC-RMO** and the **COMMISSION**;
  - d. Perform investigation and other related duties;
  - e. Technical assistance in operating the CCTV systems;
  - f. Perform administrative functions including report preparation, verification of Daily Time Records, preparation of duty/shift schedules, etc.; and
  - g. Submit Weekly and Monthly Incident Reports to the Office of the



Assistant Commissioner, and other reports as may be required from time to time by the said Office.

## **ARTICLE II**

### **DEPLOYMENT, SUPERVISION AND ADMINISTRATION**

9. **ABC-RMO** shall deploy eighteen (18) security guards and three (3) security officers on a shifting basis, and eleven (11) security guards and three (3) security officers likewise on a shifting basis on weekends and holidays.
10. **ABC-RMO** shall make available at all times relievers and/or replacements to ensure continuous and uninterrupted service in case of absences. Relievers and replacements shall be qualified and carefully selected.
11. **ABC-RMO** hereby warrants that all its personnel are properly screened and declared physically and mentally fit before deployment to the **COMMISSION** as provided in the Technical Specifications of the bidding document (Annex C).
12. **ABC-RMO** shall submit a Monthly Detail Schedule of security guards subject to the approval of the Office of the Assistant Commissioner.
13. **ABC-RMO** shall provide adequate and responsible supervision over its personnel and assume full responsibility for the proper and efficient performance of their duties. **ABC-RMO** shall designate a security officer who shall be responsible for the overall management and coordination of work to be performed as per contract provisions and shall act as the central point of contact with the **COMMISSION**. The security officer shall have full authority to act for and in behalf of **ABC-RMO** while on duty.
14. **ABC-RMO** shall require its security guards to wear the prescribed uniform while on duty, and polo barong or bush jacket for the security officers.
15. **ABC-RMO** shall rotate or reassign the services of security guards during special activities and emergency situations, or as deemed necessary by the **COMMISSION**, upon request of the latter without additional compensation.
16. As employer, **ABC-RMO** shall retain and exercise the sole, exclusive and absolute right to suspend, lay-off, terminate and/or impose disciplinary measures on its personnel. Provided, however, that the **COMMISSION** may seek immediate replacement or transfer upon determination that the continuous presence of **ABC-RMO's** personnel is "detrimental" to the **COMMISSION**.
17. **ABC-RMO's** security guards and security officers shall be under the supervision of the Office of the Assistant Commissioner, and shall be assisted by the Chief, Administrative Division, and the Head, General Services Section. Daily inspection of work shall be made by the Chief, Administrative Division, or the Chief, General Services Section, who shall have the responsibility to inform the Security Officer of any action which directly prejudice the integrity, efficiency, and effectiveness of the **COMMISSION**, its operations, and its officials and employees. However, this excludes the negligence and/or misdemeanor of the **ABC-RMO's** personnel for any loss

due to any fortuitous event, *force majeure* or causes beyond the control of the security personnel.

18. **ABC-RMO's** security guards found to be under the influence of alcohol and/or prohibited drugs shall be immediately replaced from his post, and the **COMMISSION** shall deduct the cost of maintaining the post.
19. **ABC-RMO** shall give a written notice to the **COMMISSION** through the Chief, Administrative Division, whenever any of the security guards is to be removed or replaced. Provided that, the replaced security guard shall receive the salary of at least the minimum wage effective at the time he assumed his post.
20. **ABC-RMO** shall, upon request of the **COMMISSION**, replace one (1) Security Officer or Shift-in-Charge and one third (1/3) of the security guards to avoid fraternization with its officials and employees and the transacting public, and shall ensure that the replacements have the same qualifications.
21. **ABC-RMO** shall require its personnel to use the bundy clocks in order to properly maintain a record of attendance, and to use the Watchman's Clock for night shift duty.
22. **ABC-RMO** shall ensure that no personnel is assigned to, or interfere with, the official activities of the **COMMISSION** relating to processing of applications for examinations, conduct of examinations, rating, issuance of professional license/ID, certifications, and other similar activities.
23. The **COMMISSION** reserves the right to demand replacement of any security guard at any time for any reason. Such replacement shall be effected within twenty-four (24) hours from receipt of request.
24. The **COMMISSION** shall have the right to select, change or refuse any security guard assigned by the **ABC-RMO** at any point in time. The **ABC-RMO** shall ensure that its security guards are qualified and able to meet the security requirements of the **COMMISSION**. The **ABC-RMO** shall assume full responsibility for screening and deployment of its security guards. The **ABC-RMO** shall provide the **COMMISSION** with copies of the 201 files of security guards assigned with the **COMMISSION**.
25. Concerns and complaints referred by the **COMMISSION** to the **ABC-RMO** shall be acted upon by the latter within twenty-four (24) hours to the satisfaction of the former.
26. **ABC-RMO**, as employer, shall exercise the exclusive and absolute right to suspend, lay-off, terminate and/or impose disciplinary measures on its personnel; and to assign, rotate or reassign security guards, subject to the approval of a Duty Detail/Schedule by the **COMMISSION**. Provided however, that no security guard already assigned in the **COMMISSION** shall be removed, changed or transferred to any place of assignment, without just cause, and with the concurrence of the **COMMISSION**.
27. **ABC-RMO** shall give prior notice to the **COMMISSION** of any personnel replacement and secure its approval prior to actual deployment. The **ABC-RMO** shall not withdraw or replace any security guard involved in any



violation of this contract or **COMMISSION** policies and rules and regulations until after proper investigation has been made by **COMMISSION**.

28. The **COMMISSION** reserves the right to increase or decrease the number of security guards as the necessity arises. **ABC-RMO** shall correspondingly comply within twenty-four (24) hours upon receipt of a written notice.

### ARTICLE III SALARIES AND BENEFITS OF SECURITY GUARDS AND SECURITY OFFICERS

29. **ABC-RMO**, as the employer, warrants that it is fully knowledgeable of the pertinent provisions of the Labor Code pertaining to the minimum wage and the provisions of the SAGSD-PADPAO current Wage Order to ensure the adequacy of the compensations of its guards.
30. **ABC-RMO** shall pay each of the security guards and security officers the monthly salaries and other fringe benefits in accordance with the Labor Code of the Philippines, pertinent laws, decrees, and other existing issuances governing private employment. As such, **ABC-RMO** hereby warrants faithful compliance with all the laws, rules and regulations pertaining to employment in the private sector, which are now existing or may hereafter be enacted, including but not limited to the minimum wage, social security, compensation and medical requirements.

### ARTICLE IV CONTRACT RATE AND TERMS OF PAYMENT

31. **ABC-RMO** shall charge the **COMMISSION** the SAGSD-PADPAO monthly rates (for eight hours of work per day) as prescribed according to the Security Guards' area of assignment which shall include salaries/wages, incentive pays and allowances, social security, Philhealth and Pag-ibig premiums, and all other legally mandated benefits, VAT and tax.
32. **ABC-RMO** warrants to the **COMMISSION** that the rates herein provided are in accordance with, and pursuant to, the DOLE rate of 10%.
33. **ABC-RMO** shall bill the **COMMISSION** 50% of the amount on the 15<sup>th</sup> day of the month and the other 50%, on the 30<sup>th</sup> day of the month, and the payment thereof shall be made not later than ten (10) working days upon receipt of the bill and the required documentary requirements by the **COMMISSION**.
34. **ABC-RMO** shall pay the salaries and allowances of its Security Guards on a semi-monthly basis during the term of this Contract.
35. The **COMMISSION** shall pay **ABC-RMO** the corresponding service fee as indicated in the Official Bid Form and Price schedule submitted by **ABC-RMO** (Annex A), which shall be an integral part of this contract. Overtime services, as approved by the **COMMISSION**, shall be paid at rates in accordance with the labor and compensation laws.



36. **ABC-RMO** shall furnish the **COMMISSION** with proof of receipt that it has paid its personnel assigned in accordance with labor laws. **ABC-RMO** shall submit duly notarized monthly report of payment/remittance of SSS, Philhealth, Pag-ibig, and other lawful benefits. The monthly report should be submitted to the Office of Financial and Administrative Services, and furnished the office of the BAC Secretariat.
37. Claims for payments by shall be supported by the following documents that will be attached to the monthly claims for payment:
- 37.1 Statement of Account;
  - 37.2 Service Invoice/Summary of Billing;
  - 37.3 Approved copy of Monthly Detail Schedule;
  - 37.4 Approved Daily Time Record (DTR);
  - 37.5 Approved Summary Report of DTR;
  - 37.6 Notarized Sworn Statement of the representative of Security Agency to transact in behalf of the company;
  - 37.7 Duly Notarized Quarterly reports of remittances;
  - 37.8 Monthly certification and copies of detailed pay slip by **ABC-RMO** that the security officers and security guards who have rendered services in the **COMMISSION** were paid in accordance with the provisions of the Minimum Wage Law, the New Labor Code, SAGSD-PADPAO rates and other pertinent laws.
38. **ABC-RMO** grants the **COMMISSION** authority to deduct the proportional amount from the former's fees, in cases of the tardiness and absences of its personnel.
39. **ABC-RMO** may seek adjustment of salaries in writing, subject to the approval of the **COMMISSION**, in case of increase of wage rate due to enactment of new laws.
40. Should there be any complaint from the **ABC-RMO's** personnel regarding any delay of salary, non-payment of overtime and holiday pays, non-remittances of government dues, the **COMMISSION** may require the former to explain in writing the reason/s of the delay and the **COMMISSION** may demand from **ABC-RMO** documents evidencing payment of salaries, overtime and holiday pays and remittance of government dues as a pre-requisite to the payment of service fees.
41. The **COMMISSION** may demand from **ABC-RMO** copies of its payrolls, SSS, Pag-ibig remittances and other documents from time to time to ensure strict compliance by **ABC-RMO** with labor and related laws and its implementing rules and regulations. Failure of **ABC-RMO** to fulfill this obligation will cause the termination of this Contract.
42. **ABC-RMO** hereby assumes full responsibility for its compliance with all labor laws and regulations applicable under this Contract and for liability or claim, personal or otherwise, including that arising from death due to **ABC-RMO's** personnel or third parties by reason of negligence, indifference, disobedience, arbitrary conduct, or any act attributable to its personnel.



43. **ABC-RMO** shall assume full responsibility on any claim for any compensation on injuries from accidents of the security guards or security officers assigned to the **COMMISSION** in connection with the performance of their duties and shall free the **COMMISSION** from any suit in connection therewith.
44. The last payment for services under this contract shall be subject to clearance from the **COMMISSION** Chairman.

## **ARTICLE V CONTRACT DURATION**

45. The term of this Contract shall be for a period of ONE (1) YEAR, commencing from the date indicated in the Notice to Proceed, or upon proper turnover has been done by the outgoing security service provider, unless sooner terminated for non-compliance by **ABC-RMO** of the terms and conditions, covenant and stipulations stated herein.
46. The Contract shall be extended on a month-to month basis for the maximum period of one (1) year, in the absence of any notice of termination issued by the **COMMISSION** prior to the date of the expiration of this contract. Provided that the Performance Bond shall have been posted/updated during the extension period. The contract extension, herein referred to, shall be made in accordance with existing laws and rules issued by the Government Procurement Policy Board (GPPB).
47. The **COMMISSION** may cancel or terminate this contract should there be any violation by **ABC-RMO** and/or any of its personnel of any or some of the terms and conditions of the contract, including but not limited to the following; any act of fixing, follow-up, facilitation, representation, and other illegal act relating to the conduct of examinations, legal/administrative proceedings, issuance of professional license/ID, certifications and other similar activities; violation of the **COMMISSION**'s security policies, rules and regulations; violation of labor and social security laws and regulations; upon thirty (30) day written notice by the **COMMISSION** to **ABC-RMO**. Provided that, **ABC-RMO** shall not withdraw its personnel without the proper turnover to an incoming security provider. Violation of which shall cause the blacklisting of **ABC-RMO** from its future participation in the bidding for security services with the **COMMISSION**.
48. The **COMMISSION** reserves the right to terminate the contract after thirty (30) calendar days written notice to **ABC-RMO**, after due verification of facts that the latter is not providing satisfactory services, or not complying with the terms and conditions of the contract.
49. During the effectivity of this Contract, either Party may request for modification of any of its provisions, or of the inclusion of other conditions or terms which may be warranted by the prevailing circumstances and deemed necessary and expedient for the formation of their mutual interest. Any modification agreed upon shall be reduced into writing and shall form an integral part of this Contract as an addendum hereof.
50. This Contract of Service shall be subject to existing laws, rules and regulations on government contracts, including auditing rules and regulations.

## ARTICLE VI PERFORMANCE BOND

51. **ABC-RMO** shall post a performance and surety bond to answer faithful compliance with this Contract and to answer for any and all losses, claims, liabilities or damage which may be incurred by the **COMMISSION** by reason of the former's failure to perform its obligations under this Contract.

## ARTICLE VII LIQUIDATED DAMAGES

52. The applicable rate for which **ABC-RMO** shall be answerable is one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay.

The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten (10%) of the amount of the contract, the **COMMISSION** may rescind the contract, without prejudice to other courses of action and remedies available to it.

## ARTICLE VIII MISCELLANEOUS PROVISIONS

53. **ABC-RMO's** personnel shall adhere to all security policies and rules and regulations of the **COMMISSION**.
54. **ABC-RMO** shall be responsible for instructing its employees on basic safety measures considered appropriate in public transaction areas, such as lobbies.
55. **ABC-RMO's** personnel shall submit to any search by the **COMMISSION** duly authorized officials and organic security officers, whenever deemed necessary.
56. **ABC-RMO** shall ensure that all articles found, monetary or otherwise, are to be turned over to the **COMMISSION**.
57. The following documents, herein attached as Annexes, shall be deemed to be an integral part of this Contract, to wit:
- a. The Bid Form and the Price Schedule submitted by **ABC-RMO**;
  - b. Schedule of Requirements acknowledged by **ABC-RMO**;
  - c. Technical Specifications acknowledged by **ABC-RMO**;
  - d. The General Conditions of Contract acknowledged by **ABC-RMO**;
  - e. The Special Conditions of Contract acknowledged by **ABC-RMO**;
  - f. **COMMISSION's** Notification of Award;
  - g. The Affidavit of Undertaking executed by **ABC-RMO**;
  - h. Secretary's Certificate.

IN WITNESS WHEREOF, the parties have signed this Contract, this \_\_\_\_ day of

NOV 24 2017

2017 in the City of Manila, Philippines



**PROFESSIONAL REGULATION  
COMMISSION**

**ABC-RMO SECURITY &  
INVESTIGATION AGENCY, INC.**


By:

By:

  
**TEOFILO S. PILANDO, JR.**  
Chairman

  
**COL. JAIME J. JUADINES (Ret.)**  
General Manager

SIGNED IN THE PRESENCE OF:

  
**REYNALDO V. CRISTOBAL**  
OIC, Office of Financial and  
Administrative Services, PRC

  
**MARIA SUCCORO C. RAMOS**  
Marketing Officer

**CERTIFIED AS TO THE AVAILABILITY OF FUNDS:**

  
**JANE R. SEVESES**  
Chief, Accounting Division

## ACKNOWLEDGMENT

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

**BEFORE ME**, a Notary Public for and in the City of Manila, this NOV 24 2017 day of \_\_\_\_\_, 2017, personally appeared:


<u>Name</u>	<u>Proof of Identity</u>	<u>Date &amp; Place Issued or ID Number</u>
<b>TEOFILO S. PILANDO, JR.</b>	PhilHealth ID	02-000235631-8
<b>JAIME J. JAUDINES</b>	Passport	EB9215042

known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed, and likewise that of the agency/company they represent.

This instrument refers to a Contract for the Provision of Security Services 2017 consisting of ten (10) pages including the page on which this Acknowledgment is written, and is signed by the parties and their instrumental witnesses on each and every page hereof.

**WITNESS MY HAND AND SEAL** on the date and place first above-written.

DOC. NO. 289  
PAGE NO. 56  
BOOK NO. 11  
SERIES OF 2017

  
**ATTY. JANICE W. CASTELLANO**  
NOTARY PUBLIC  
COMMISSION NO. 2016-050  
UNTIL DECEMBER 31, 2017  
PTR No. 5942437/12/07/16 MLA.  
IBP No. 1012559/12/4/15 Q.C Chapter  
MCLE Compliance No. V- 0003410.  
Roll No. 50138  
TIN 269-986-116