May 31, 2012

Ms. PAULETTE C. VELASCO
President
Mandarin Security Services, Inc.
Unit A Kriska Center
No. 54 San Pedro Bautista St.,
Damayan, D1, Quezon City

# NOTICE TO PROCEED

Madam:

This is to inform that the contract for the Supply of PNRI Security and Related Services CY2012 (June-December) to May 31, 2014 has been approved in your favor.

In this connection, you are hereby advised to proceed with the implementation of the abovementioned services starting June 1, 2012.

Very truly yours,

ALUMANDA M'DELA ROSA, Ph.D

Director

Received by:

Name and Signature

Date

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# CONTRACT FOR SECURITY AND RELATED SERVICES FOR THE PERIOD 2012 (JUNE-DECEMBER) TO MAY 31, 2014

# **KNOW ALL MEN BY THESE PRESENTS:**

This Contract made and entered into by and between:

The PHILIPPINE NUCLEAR RESEARCH INSTITUTE hereinafter referred to as the "PNRI", a government agency under the Department of Science and Technology, existing under the laws of the Republic of the Philippines with office address at Commonwealth Avenue, Diliman, Quezon City, represented in this agreement by its Director, Dr. ALUMANDA M. DELA ROSA.

- and -

The MANDARIN SECURITY SERVICES, INC., hereinafter referred to as the "CONTRACTOR", a private agency engaged in security and related services, recognized and existing under the laws of the Republic of the Philippines with business address at Unit A Kriska Center, No. 54 San Pedro Bautista Street, Damayan D1, San Francisco, Del Monte, Quezon City, represented in this agreement by its President, Ms. PAULETTE C. VELASCO.

# WITNESSETH:

**WHEREAS**, the **PNRI** is desirous to enter into a contract for the procurement of Security and Related Services for **PNRI**;

WHEREAS, the Government Procurement Policy Board (GPPB) in its Resolution No. 24-2007 dated 28 September 2007, allowed government agencies to enter into a multi-year contracts but not to exceed three (3) years, in the procurement of security and janitorial services;

WHEREAS, in accordance with the invitation to Bid, the PNRI advertised and published in a newspaper of general circulation and posted as well at the PHILGEPS website, and bulletin boards of PNRI, DOST and Quezon City Hall, and the CONTRACTOR submitted its bid for the aforesaid security and related services.

WHEREAS, after the opening of bids on May 3, 2012, and the conduct of bid evaluation and post-evaluation, it was determined that the bid submitted by the CONTRACTOR was the most responsive bid;

WHEREAS, on May 23, 2012, the Bids and Awards Committee issued Resolution No. 007-2012 recommending the awarding of the contract to the CONTRACTOR;

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**WHEREAS**, the Notice of Award was issued on May 29, 2012 and the same was received by the **CONTRACTOR** with the latter's Conforme on May 31, 2012.

**NOW, THEREFORE,** for and in consideration of the foregoing premises, the Parties hereby stipulate and agree on the covenants hereinafter set forth:

## I. THE SERVICE

# 1.1 MANPOWER REQUIREMENTS

- 1. The **CONTRACTOR** shall provide security and related services to **PNRI** located in Commonwealth Avenue, Diliman, Quezon City.
- 2. The CONTRACTOR shall provide the PNRI during the life of the Contract, fifteen (15) efficient, licensed, uniformed, bonded and armed male security guards. A pool of at least three (3) permanent relievers of equal qualifications shall also be maintained by the CONTRACTOR for the PNRI. The names and required documents of these fifteen (15) security guards and three (3) permanent relievers shall be submitted to PNRI before the start of the contract period. Replacement shall be taken only from the pool of relievers with the CONTRACTOR notifying PNRI if guard assume permanent post. Replacement by trainees shall not be allowed. Likewise, payment of their salaries shall not be effected.
- 3. The **CONTRACTOR** shall provide the security guards with official daily time record (DTR) where their time-in and time-out shall be recorded using the **PNRI** bundy clock. The security guards shall wear uniform with name legibly written and ID card which shall be worn at all times while they are inside the **PNRI** compound
- 4. The **CONTRACTOR** shall effect the regular bi-monthly rotation of guards, in which case no guard shall be assigned to the same post continuously for more than one quarter.
- 5. PNRI also reserves the right to reduce or increase the number of guards or replace all, some or any existing guards, to be effective twenty-four (24) hours after the notice is given by the PNRI to the CONTRACTOR. Hiring of additional number of guards shall be at the rate equal to the salary per guard per month as originally herein contracted.

# I.2 MINIMUM QUALIFICATIONS

- 1. Filipino citizen
- 2. At least high school graduate
- 3. Shall not be less than 21 nor more than 45 years of age
- 4. Physically fit and at least five feet four inches (5'4") in height and 140 lbs. in weight

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- 5. Mentally fit and must have undergone psychological and drug tests
- 6. Have been screened and cleared by the National Bureau of Investigation (NBI) and the Philippine National Police (PNP)
- 7. Must have undergone formal training on security system and fire fighting from government recognized institutions, as supported by certificate(s)
- 8. Have Certification from former employer and Barangay Captain that he/she is of good moral character and reputation without any civil or criminal record, honest and of cooperative disposition.

In connection with the above listed qualifications, the **CONTRACTOR** shall provide the **PNRI** with the corresponding documents/certifications for each security guard, such as High School Diploma, results of Psychological Test, Drug Test and Chest X-ray (with film), Clearance/Certificate from the NBI, PNP and Barangay Captain and Certificate of Training from the concerned agencies, upon approval of the **Contract** and before assumption to duty of the security guards. No guard shall be assigned to **PNRI** without prior clearance/approval by the **PNRI**. Further, the **PNRI** reserves the right to examine the assigned security guards by the **PNRI** Medical Officer and to reject those found to be physically and mentally unfit to do the job.

# I.3 SCOPE OF WORK

# 1. Work Area:

- PNRI Compound, approximately 6 hectares
- Buildings and Laboratories
  - 1) ARC Building
  - 2) Reactor Building including East and West Wings
  - 3) Nuclear Administration, Regulation and Training (NART) Building
  - 4) ITR Building
  - 5) Radiation Protection Building
  - 6) Tc-99m Production Laboratory Building
  - 7) Nuclear Materials Building
  - 8) Engineering / Machine Shop Building
  - 9) NDT Building
  - 10) Cobalt-60 Facility Building
  - 11) Biomed Modular Laboratories I and II
  - 12) Agriculture Modular Laboratories I and II
  - 13) Seed Processing Modular Laboratory
  - 14) Entomology Modular Laboratory
  - 15) SIT Fruitfly Modular Laboratory
  - 16) Health Physics Modular Laboratory
  - 17) SSDL Modular Laboratory
  - 18) Environmental Isotope Center (EIC):
    - Isotope Ratio Mass Spectrometry Laboratory (IRMS)
    - Tritium Modular Laboratory
  - 19) Cytogenetics Modular Laboratory
  - 20) Motorpool

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# 2. Work Schedule

- 1. Continuous twenty-four (24) hours duty coverage divided into three (3) shifts of eight (8) hours each shift in accordance with the schedule provided by **PNRI**.
- 2. The shifting shall be as follows:

First Shift Second Shift 6:00 A.M. to 2:00 P.M.

Second Shift Third Shift 2:00 P.M. to 10:00 P.M. 10:00 P.M. to 6:00 A.M.

 One guard shall act as supervisor. PNRI reserves the right to effect changes in the number of guards per shift, as the exigencies of operation require. Notice shall be given by PNRI to the CONTRACTOR to be effective twenty-four (24) hours upon receipt thereof.

- The CONTRACTOR shall submit to PNRI the names of qualified security guards per shifting schedules at the start of each month using the form provided by PNRI.
- 5. The CONTRACTOR shall not effect any turnover of its guards without requests/explanation of the action and approval of the PNRI.

# 3. Equipment and Other Paraphernalia Requirement

- 1. Provision of the following equipment and other paraphernalia
  - 2 units Shotgun
  - 6 units Pistol
  - 6 units Handheld Radio
  - 2 units Metal Detector
  - 1 unit Standby vehicle equipped with communication/radio facilities for use in night patrol and emergency cases
  - 1 unit Bicycle or Motorcycle (for roving guards)
  - 1 unit Binocular (with night vision)
  - 2 units Cellular phone (with load)
  - 3 sets First Aid Kit
- Provision of the following additional equipment as provided in its Bid Proposal
  - 1 unit Motorcycle 125cc with 1 liter fuel per day
  - 1 set CCTV Surveillance System with 10 Cameras
  - Fire/intruder Alarm Devices with 24 hour Central Monitoring system
  - 2 pcs Traffic Vest
  - 2 units Under Chassis Mirror
  - 6 pcs Spare battery pack
  - 4 units Spotlight with Motion Sensor

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- 2 units Rechargeable Heavy Duty Flashlight
- 2 units Megaphone

The **CONTRACTOR** shall ensure that all shotguns and pistols assigned to **PNRI** are licensed. It shall submit copy of licenses with the original copy for authentication. Likewise, the **CONTRACTOR** shall ensure that all of the above requirements are in good working conditions and available at all times. Replacement/repair of out-of-order equipment/facility shall be attended to within two (2) days.

# 1.4 RESPONSIBILITIES/OBLIGATIONS OF THE CONTRACTOR

- 1. The **CONTRACTOR** shall ensure that all the security guards to be deployed to PNRI have met all the criteria and qualification requirements set by **PNRI**.
- 2. The **CONTRACTOR** shall submit to **PNRI** the quarterly list of manpower deployed on a regular basis. During emergency and extra-ordinary conditions, the contractor shall submit the list of manpower for deployment prior to actual engagement.
- 3. The **CONTRACTOR** shall ensure that all required equipment and paraphernalia are actually deployed and are found in **PNRI** at all times.
- 4. The **CONTRACTOR** shall secure, protect and guard **PNRI** officers, employees and visitors/clients from assault, harassment, threat and intimidation within the **PNRI** compound and its immediate surroundings.
- 5. The **CONTRACTOR** shall maintain peace and order within the **PNRI** compound and its immediate surroundings.
- 6. The **CONTRACTOR** shall prevent vandalism in the form of graffiti, paintings, and stickers on **PNRI** fences and walls of structures. Failure to prevent the same, the **CONTRACTOR** shall remove such graffiti, painting, stickers and the like and restore the fence or wall to its original form at its own expense with or without notice from **PNRI**.
- 7. The **CONTRACTOR** shall ensure that all guards assigned to **PNRI** have a clear understanding of the "Operational Procedures for the Conduct of Security and Related Services in the PNRI".
- 8. The **CONTRACTOR** shall ensure that all required documents, reports and CCTV recordings are promptly submitted when required by **PNRI**, for records, verification and other purposes.
- 9. The **CONTRACTOR** shall provide payroll escort services with vehicle, security driver and armed security escort, as required.
- 10. The security guards shall assist in the daily traffic operation at the Central Avenue from 6:15 A.M. to 9:00 A.M. and 4:00 P.M. to 6:30 P.M., Monday to Friday.

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- 11. The guard on duty at the lobby shall be in charged of receiving lobby telephone calls on Saturdays, Sundays, Holidays and after office hours. He shall not entertain any incoming collect overseas/long distance calls unless emergency in nature, nor shall he allow the use of lobby telephone for long distance calls at any time. The CONTRACTOR's assigned supervisor shall notify the PNRI in writing the following working day of any emergency calls accepted by the guard on duty, to include among others the date, time and the person called. Otherwise, the CONTRACTOR shall be held responsible for all charges incurred in connection thereto.
- The **CONTRACTOR** shall perform the following Related Services:
  - Assists the PNRI Security Committee in the performance of its tasks.
  - Assists in the implementation of the PNRI's Energy Conservation Program.
  - Assists in the implementation of the PNRI's Disaster Preparedness Planz
  - Performs such other duties in connection with providing security, which the PNRI may prescribe/assign from time to time.
- The CONTRACTOR shall also perform the following Additional Value-Added-Services:
  - Round-The Clock-Service PNRI shall have direct contact with the CONTRACTOR's Officers and Headquarters, 24/7. Hence, concerns and/or problems in the field shall be attended to and resolved the soonest possible time.
  - Inspection The CONTRACTOR's Company Officers and Field Inspectors shall conduct day and night inspections of the different guarding areas for consistent monitoring of the security situation at the PNRI and closer supervision of the security detachment.
  - Physical Security Survey The CONTRACTOR shall conduct bi-annual security survey and assessment of its areas of responsibility and formulate/recommend security procedures to the various security requirements of the PNRI.
  - On-Call Service Armored vehicle with armed crew shall be deployed on a short notice during emergencies and/or contingent situations such as, labor strike, civil disturbance and/or other crisis.
  - Coordination with the Quezon City Government for traffic assistance and other emergencies.
  - Liaison work with the Barangay Officials and the local police, as required.

- 14. Should any act prejudicial to the interest of the PNRI be committed in the latter's premises, it shall be the duty of the CONTRACTOR to promptly make the corresponding investigation and report thereof to the proper authorities and the PNRI. In case the PNRI desires to effect the prosecution of any illegal act committed against it, it shall be the duty of the CONTRACTOR to extend full cooperation therein including documentation and witness duty, all such services to be without any additional charges to the PNRI.
- 15. The CONTRACTOR shall assume full responsibility for theft, pilferage, damage, loss, robbery, vandalism, arson, trespass or other unlawful acts concerning properties owned or held in trust for third persons by the PNRI including death and physical injuries sustained by the employees, clients or third persons security guards, provided that the incident is deemed to be the direct result of the guard's fault, negligence, omission and/or failure to implement security measures and rules and regulations of the PNRI, provided further, that the CONTRACTOR has been duly informed of the incident within twenty-four (24) hours from the occurrence of such incident or from the time that such incident was discovered.

The CONTRACTOR, however, shall not assume responsibility where such loss or damage is due to force majeure or fortuitous event, during war, rebellion and revolution, negligence on the part of the personnel/employees with which the guard concerned has no involvement or participation, orders of PNRI which beyond the scope of this Contract, loss/damage to properties which were issued officially to the PNRI employees for his/her use, care and safekeeping and the said properties were not duly turned over and/or advised to be given security attention to the detailed guard or to the PNRI unless such loss or damage is proven to be directly attributable to the fault and negligence of the detailed guards or his superior/CONTRACTOR.

After being notified by PNRI that the CONTRACTOR is found liable for the loss, theft, pilferage, vandalism, arson etc of PNRI property, the CONTRACTOR shall pay PNRI immediately of the amount determined to be the value of the subject property. Failure on the part of the CONTRACTOR to pay such loss or damage within 15 days from the date of the notice by the PNRI shall constrain the PNRI to deduct the amount from the compensation due and payable to the CONTRACTOR within a period not exceeding 90 days from date of notice. This is without prejudice to the PNRI's right to recover the payment through any other legal means.

In case of loss, the **PNRI** shall also have the option to demand payment of the replacement value of the lost article or its replacement with another.

- 16. The **CONTRACTOR** shall ensure that rotation of guards is done on a quarterly basis in order to minimize familiarity and complacency among the guards.
- 17. The **CONTRACTOR** shall ensure compliance with feedback requirements wherein the **CONTRACTOR** shall promptly inform the **PNRI** through written report of the action taken on the incident and/or complaint/grievance filed by the **PNRI** or its personnel.
- 18. The **CONTRACTOR** recognizes that failure to comply with the above requirements and certification, shall be enough ground for **PNRI** to preterminate its contractual services with the **CONTRACTOR**.

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# 1.5 RESPONSIBILITIES OF PNRI

- 1. Ensure payment of services twice a month, upon submission of the required documents by the CONTRACTOR.
- 2. Facilitate regular monitoring of compliance on the following:
  - Regular operation of the installed CCTV cameras and monitors
  - Deployment of all equipment and paraphernalia to intended offices
  - Receipt of appropriate licenses/certifications of the security guards
  - Height and weight requirements of security guards
  - Designated assignments
- 3. Notify the CONTRACTOR, formally or informally, of any loss, robbery, theft, pilferage, vandalism, arson or damage to PNRI property within 24 hours upor discovery.
- 4. Orient the security guards on the contents of the "Operational Procedures for the Conduct of Security and Related Services in the PNRI" and location of the different offices/laboratories.

### 11. **WARRANTIES**

- The CONTRACTOR warrants that every security guard assigned by it under this Contract possesses all the qualification requirements stated in Section 1.2
- The **CONTRACTOR** shall provide the **PNRI** with the appropriate certification from the agencies concerned regarding the above qualifications of the said guards. Any guard found lacking on any of the above-mentioned requirements must be replaced immediately. Such finding by PNRI of the CONTRACTOR assigning of security guards with the inadequate requirements shall be ground for pretermination of Contract, provided that PNRI shall issue a pre-termination notice to the **CONTRACTOR** thirty (30) days before the termination date.

# III. PNRI OPTIONS

The PNRI reserves the right to reduce or increase the number of guards or replace all, some or particular guard as the exigencies of its operations may require and such reduction, increase or replacement shall become effective 24 hours after notice thereof is given by the PNRI to the CONTRACTOR. Additional guards shall be made available to the PNRI for special occasions upon sufficient notice to the CONTRACTOR. The PNRI shall likewise reserve the right to request for the immediate replacement of any security guards which in its judgment is found lacking in qualification, or for any reasonable cause. Failure on the part of the CONTRACTOR to take appropriate action thereon within forty-eight (48) hours receipt of formal advice from PNRI shall be considered a cause for the pretermination of the contract.





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2. The PNRI shall conduct a semi-annual performance evaluation/appraisal pertaining to the quality of service being provided by the CONTRACTOR. Such appraisal/evaluation shall be conducted using the officials and employees of PNRI as respondents. The results of the evaluation/appraisal shall be forwarded to the CONTRACTOR, who must faithfully comply and implement the recommendations made by PNRI. In case the CONTRACTOR fails to pass the performance evaluation/appraisal or when it fails to implement the recommendations of PNRI within thirty (30) days from receipt hereof, the PNRI may pre-terminate the service contract with the CONTRACTOR, provided that PNRI shall issue a pre-termination notice to the **CONTRACTOR** thirty (30) days before the termination date.

# IV. CONTRACTUAL RELATIONSHIP

- 1. All security guards assigned by the CONTRACTOR under this Contract shall be exclusively the employees of the CONTRACTOR.
- 2. The CONTRACTOR shall hold the PNRI free from any claim by any or all of the security guards related thereto.
- 3. Valid complaints received by PNRI regarding non-payment /incomplete payment of the benefits especially the minimum daily wage shall be considered a breach of this Contract and can therefore be a ground for the termination of the said Contract.

# V. DISCIPLINE AND CONTROL

1. The CONTRACTOR shall maintain effective discipline and full control and supervision of its security guards assigned in this Contract as well as the manner of performance of their duties. The CONTRACTOR binds itself to cause the implementation or enforcement of any and all rules, regulations or directives that the PNRI may issue (copies whereof shall be furnished the CONTRACTOR concerning of said guards). In case of an emergency or immediate need for the services of the security guards, the PNRI or any of its ranking officials may issue direct orders for compliance by the security guards. The **CONTRACTOR** assumes all obligations and liabilities which may arise due to acts or omissions committed by the security guards in the performance of their duties.

# VI. PERFORMANCE BOND

1. The CONTRACTOR shall furnish the PNRI, within ten (10) days from the signing of this Contract, with a Performance Bond, callable on demand, issued by the Government Service Insurance System (GSIS) or private bonding company duly certified by the Philippine Insurance Commission (PIC) in the amount of SEVEN HUNDRED SIX THOUSAND TWO HUNDRED THIRTY PESOS and 31/100 (Php706,230.31) representing 30% of the contract price for June to December 2012, to guarantee the performance and delivery of security and related services, and forms as an integral part of this contract, validity of which shall be for the life of the contract.

- 2. At the end of CY 2012, the **CONTRACTOR** shall furnish again the **PNRI** with a Performance Bond, callable on demand, issued by the GSIS or private bonding company duly certified by the PIC an amount representing 30% of the contract price for CY 2013 and CY 2014 on the following schedule:
  - 1. For Calendar Year 2013 on or before January 15, 2013
  - 2. For Calendar Year 2014 on or before January 15, 2014

# VII. PAYMENT

- 1. In case the labor cost increases due to the enactment of new laws for wage increase, the CONTRACTOR shall be entitled to an adjustment of the stipulated contract price in the event that the increased fringe benefits/salary as the case may be in favor of the security guards are promulgated by law, executive order, decrees or wage order subsequent to the execution of this Contract. Said adjustment shall be equivalent only to the amount of increase in the minimum wage or the amount of increased fringe benefits promulgated or both as the case may be subject to the availability of funds. However, any deficiency in funding requirements shall be subject to availability of funds, as requested by PNRI from the Department of Budget and Management (DBM) for the latter's allocation and release for implementation.
- In connection with the employment relationship with the security guards, the CONTRACTOR hereby agrees to comply with laws bearing on employment as follows:
  - Minimum wage
  - COLA
  - 13th Month pay
  - Night Differential
  - Five days incentive leave with pay
  - Uniform Allowance
  - Separation Pay
  - SSS, Philhealth, ECC and Pag-Ibig
  - Employer's Liability
- 3. The **CONTRACTOR** shall allow **PNRI** to access their records including but not limited to remittances to Social Security System (SSS), Philhealth, Employees Compensation Commission (ECC) and Pag-Ibig.



4. Contract price per security guard per month is broken down as follows: (Coverage: June to December 2012).

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P 336,300.15

Due to Security Guard

Value Added Tax (4,240.86 x 12%)

TOTAL COST PER GUARD PER MONTH (8 HRS.)

TOTAL COST PER MONTH FOR 15 GUARDS

Daily Rate

	Average No. of Days per year  Days work per Week	Ρ	393.50 7 Days
	Basic Salary (P404.00 x 393.5/12) COLA (P22x365/12) Night Differential (P13, 247.83 x 10%/3) 13 <sup>th</sup> Month pay (P404x365/12/12) 5 Days incentive pay (P404x5/12) Uniform Allowance Total Amount Due to Security Guard	P	13,247.83 669.17 441.59 1,024.03 168.33 100.00 15,650.95
•	Due to Government	•	10,000.00
	Retirement Benefits per R.A 7641 (P404x22.50/12) SSS Philhealth ECC Pag-ibig Total Due to Government	P P	757.50 989.30 162.50 10.00 100.00 2,019.30
•	Total Amount Payable to Guards and Government	Р	17,670.25
•	Agency Fee		,
	Administrative Overhead Margin	Р	4,240.86

- 5. For and in consideration of the services to be rendered by the CONTRACTOR to the PNRI, the PNRI during the life of the Contract on the bases of the actual services rendered according to schedule of operation, shall pay the CONTRACTOR the amount of THREE HUNDRED THIRTY SIX THOUSAND THREE HUNDRED PESOS AND 15/100 (P336,300.15) per month, payable in two equal payments, i.e., after the 15<sup>th</sup> and 30<sup>th</sup> of each month, subject to existing laws and government accounting and auditing rules and regulations and upon submission of the following requirements:
  - Certification by the Chief, Finance and Administrative Division or her designated representative that the CONTRACTOR has rendered services for the period and has complied with the terms, conditions and requirements stipulated in the Contract.

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- Daily Time Record (DTR) of security guards.
- Copy of payroll and sworn certification of the CONTRACTOR that it has paid
  the wages and allowances of its security guards assigned to the PNRI in
  accordance with all labor laws and adjustments mandated.
- Certified Copy of monthly remittances to SSS, PHILHEALTH, ECC and PAG-IBIG.

# VIII. OTHER STIPULATIONS

- 1. The following documents shall be deemed to form and be interpreted and construed as part of this **Contract** vis:
  - 1.1 General Conditions and Specifications for the Supply of Security and Related Services for 2012 (June-December) to May 2014
  - 1.2 Approved Budget for the Contact
  - 1.3 Invitation to Bid
  - 1.4 Technical and Financial Proposals with all the supporting documents
  - 1.5 Bids and Abstract of Bids
  - 1.6 Approved BAC Resolution/Recommendation
  - 1.7 Notice of Award (with attachments), duly accepted by the winning bidder
  - 1.8 Notice to Proceed
  - 1.9 Performance/Surety Bond
  - 1.10 Pertinent provisions of RA 9184, its Implementing Rules and Regulations and other applicable laws and rules
- 2. To avoid interruptions of service, a CONTRACTOR personnel shall come to the PNRI twice a month to give the salary. If system of payment is through Automated Teller Machine (ATM), the payroll shall be brought to the PNRI for signature of security guards. The PNRI, through its representative, reserves the right to witness payment of salaries made by the CONTRACTOR to its assigned security guards, at any given time.
- 3. At the end of this Contract or any supplemental thereto, the last payment due to the CONTRACTOR shall only be released upon submission by the CONTRACTOR to PNRI of a certification that all compensations including but not limited to the CASH BOND due to the security guards had been fully paid/reimbursed.

# IX. EFFECTIVITY, DURATION AND TERMINATION

This **Contract** shall take effect upon approval by the Director, **PNRI** and shall remain valid and in force from June 01, 2012 up to May 31, 2014 unless sooner terminated for any of the following grounds:

- 1. False statement or misrepresentation in the warranties indicated herein and in the submission of bid and awards documents
- Acts and omissions on the part of CONTRACTOR resulting in injury, damage, loss or destruction of property of PNRI and failure to restitute, replace or pay for the same

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- Failure of the CONTRACTOR to discipline or replace any guard found to have committed acts of dishonesty or conduct unbecoming of a security guard
- 4. Failure of the CONTRACTOR to operationalize the closed circuit security system
- 5. Violation of existing labor, social security, workmen's compensation, PADPAO rules consistent with the existing labor laws, and other rules as provided by existing laws and regulations related thereto
- 6. Non-payment of stipulated contract price

The party opting to terminate the **Contract** before its expiration date, shall serve the other party its intention of such termination, in writing and at least fifteen (15) days before the effectivity thereof.

In the event that this **Contract** is pre-terminated for causes as herein provided, or the expiration thereof, **CONTRACTOR** shall cause the vacation of all premises of **PNRI** within twenty-four (24) hours from the effectivity of said termination. Thereafter, the presence of any personnel of the **CONTRACTOR** in said premises shall be treated as acts of trespass and shall be prosecuted accordingly.

Nothing in this Agreement shall preclude PNRI from taking other actions to assert its rights under the Contract and/or bringing suit for damages in appropriate circumstances in a court of competent jurisdiction. However, any dispute or differences that may arise in the implementation of this contract shall be first resolved amicably or subject for arbitration in accordance with the provisions of Republic Act No. 876, otherwise known as "Arbitration Law" and Republic Act 9285 Otherwise known as the "Alternative Dispute Resolution Act of 2004". During the pendency of any such dispute, the CONTRACTOR shall proceed diligently with the performance of its obligations and undertakings under this Contract as directed by PNRI.

# X. JURISDICTION

Violations or any interpretation of the provisions of this contract shall be brought exclusively to the proper Regional Trial Court of Quezon City and to no other courts. The venue of litigations or court actions pertaining to this **Contract** and other related issues shall be brought exclusively to the proper Regional Trial Court of Quezon City and to no other courts.

# XI. AMENDMENT

Except as expressly provided in the **Contract**, no modification of the terms and conditions or any of the provisions hereof shall be made except by written instrument which shall be signed by both Parties hereto.

# XII. CONTRACTOR'S WARRANTY

The **CONTRACTOR** warrants that it has not given or promised to give money, gift or any material favour/consideration to any officer or employee of **PNRI** to secure or in consideration of this **Contract** and that any violation of this warranty shall be sufficient ground for **PNRI** to revoke or cancel the same with or without the need of judicial action by giving written notice to the effect to the **CONTRACTOR**.

**IN WITNESS WHEREOF**, the parties have here unto set their hands this  $31^{th}$  day of May 2012 at Quezon City, Philippines.

PHILIPPINE NUCLEAR RESEARCH INSTITUTE

ALUMANDA M. DELA ROSA, Ph.D. Director

MANDARIN SECURITY SERVICES INCORPORATED

MS. PAULETTE C. VELASCO

President

SIGNED IN THE PRESENCE OF:

GERALD DG. CONISE
Head, Accounting Section

NORMAN L. MARASIGAN
Director for Marketing

# ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
City of Quezon

MAY 3 1 2012.

M. DELA ROSA with Community Tax No. 03232845 issued at Quezon City on January 12, 2012 and Ms. PAULETTE C. VELASCO, with Community Tax No.00092067 issued at Quezon City on January 12, 2012, known to me to be the same persons who executed the foregoing Contract consisting of fourteen (14) pages including this page wherein this Acknowledgement is written.

Doc. No. 87
Page No. 9
Book No. 336
Series of 2012

ATTY: OCLPHYR ACCACHL, JR NOTARY PUBLIC UNTIL DECEMBER 31, 2012 PTR NO 0284334 / 2012-2013 MLA. IBP NO. 797299, 2012 MLA. ROLL NO. 24655 / TIN -144-519-066 MCLE III- 0013521

NOTARY PUBLIC