

**CONTRACT FOR THE SECURITY AND RELATED SERVICES
FOR THE PERIOD CY-2014 (JULY 16 – DECEMBER 31)
TO MAY 31, 2016**

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 April 7, 2014, 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 July 10, 2014, the Bids and Awards Committee issued Resolution No. 006-2014 recommending the awarding of the contract to the **CONTRACTOR**;

WHEREAS, the Notice of Award was issued and received by the **CONTRACTOR** on July 15, 2014 with the latter's Conforme on the same date.

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

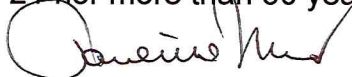
I. THE SERVICE

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.

1.2 MINIMUM QUALIFICATIONS

1. Filipino citizen
2. At least high school graduate
3. Shall not be less than 21 nor more than 50 years of age



4. Physically fit and at least five feet four inches (5'4") in height and 140 lbs. in weight
5. Mentally fit and must have undergone psychological and drug tests
6. Of good moral character and reputation without any criminal or police record
7. Have been screened and cleared by the National Bureau of Investigation (NBI) and the Philippine National Police (PNP), Fiscal's Office and Clerks of Courts of the City or province of his residence.
8. Must have undergone formal training on security system and fire fighting from government recognized institutions, as supported by certificate(s)
9. 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 and Electron Beam 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

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- 17) SSDL Modular Laboratory
- 18) Environmental Isotope Center (EIC):
 - Isotope Ratio Mass Spectrometry Laboratory (IRMS)
 - Tritium Modular Laboratory
- 19) Cytogenetics Modular Laboratory
- 20) Motorpool

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	-	6:00 A.M. to 2:00 P.M.
Second Shift	-	2:00 P.M. to 10:00 P.M.
Third Shift	-	10:00 P.M. to 6:00 A.M.
3. 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.
4. 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 Requirements

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
2. 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

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- 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
- 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. For 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.

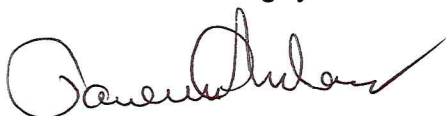
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10. The security guards shall assist in the daily traffic operation at the Central Avenue from 6:15 A.M. to 9:00 A.M. and 4:00 P.M. to 6:30 P.M., Monday to Friday.
11. The guard on duty at the lobby shall be in charged of receiving lobby telephone 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.
12. 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 Plan.
 - Performs such other duties in connection with providing security, which the **PNRI** may prescribe/assign from time to time.
13. 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 is 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 pre-terminate its contractual services with the **CONTRACTOR**.

1.5 RESPONSIBILITIES OF PNRI

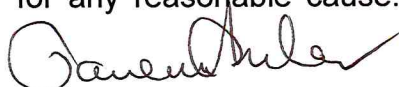
1. Ensure payment of services twice a month, upon submission of the required documents by the **CONTRACTOR**.
2. Facilitate regular monitoring of compliance on the following:
 - Regular operation of the installed CCTV cameras and monitors
 - Deployment of all equipment and paraphernalia to intended offices
 - 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 upon 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.

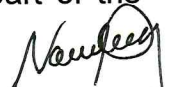
II. WARRANTIES

1. The **CONTRACTOR** warrants that every security guard assigned by it under this **Contract** possesses all the qualification requirements stated in Section 1.2
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 pre-termination of **Contract**, provided that **PNRI** shall issue a pre-termination notice to the **CONTRACTOR** thirty (30) days before the termination date.

III. PNRI OPTIONS

1. 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 pre-termination of the contract.

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

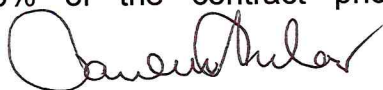
1. All security guards assigned by the **CONTRACTOR** under this **Contract** shall be exclusively the employees of the **CONTRACTOR**.
2. The **CONTRACTOR** shall hold the **PNRI** free from any claim by any or all of the security guards related thereto.
3. Valid complaints received by **PNRI** regarding 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 **SIX HUNDRED TWELVE THOUSAND NINE HUNDRED EIGHTY PESOS and 03/100 (Php612,980.03)** representing 30% of the contract price for July 16 to









December 2014, 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 2014, 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 Philippine Insurance Commission (PIC), an amount representing 30% of the contract price for CY 2015 and CY 2016 on the following schedule:
 1. For Calendar Year 2015 - on or before January 15, 2015
 2. For Calendar Year 2016 - on or before January 15, 2016

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 requested by **PNRI** from the Department of Budget and Management (DBM) for the latter's allocation and payment shall be effected only upon approval of the request.
2. 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: July 16 to December 2014).



- Due to Security Guard

Daily Rate	P	451.00
Average No. of Days per year		393.50
Days work per Week		7 Days
Basic Salary (P451.00 x 393.5/12)	P	14,789.04
COLA (15X377/12)		471.25
Night Differential (P14,789.04*10%*1/3)		492.97
13 th Month pay (P451*365/12/12)		1,143.16
5 Days incentive pay (P451x5/12)		194.17
Uniform Allowance (RA 5487)		100.00
Total Amount Due to Security Guard	P	17,190.59

- Due to Government

Retirement Benefits per R.A 7641 (P404x22.50/12)	P	845.63
SSS		1,178.70
State Insurance Fund		30.00
Philhealth		1,752.50
Pag-ibig		100.00
Total Due to Government	P	2,329.33

- Total Amount Payable to Guards and Government

P 19,519.92

- Agency Fee

Administrative Overhead Margin P 4,684.78

- Value Added Tax (4,240.86 x 12%) 562.17

TOTAL COST PER GUARD PER MONTH (8 HRS.) P 24,766.87

TOTAL COST PER MONTH FOR 15 GUARDS P 371,503.05

TOTAL CONTRACT RATE 8 HRS. OF GUARDS FOR FIVE & ONE HALF (5½) MONTHS **P2,043,266.78**

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 SEVENTY ONE THOUSAND FIVE HUNDRED THREE PESOS AND 05/100 (P371,503.05)** per month, payable in two equal payments, i.e., after the 15th and 30th 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 2014 (June - December) to May 2016
 - 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 July 16, 2014 up to May 31, 2016 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
2. 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

3. 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 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 act of trespassing and shall be prosecuted accordingly.

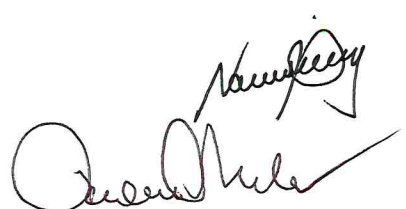


Nothing in this Agreement shall preclude **PNRI** from taking other actions to assert its rights under the **Contract** and/or bringing suit for damages in appropriate circumstances in a court of competent jurisdiction. However, any dispute or differences that may arise in the implementation of this contract shall first be 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 17th day of July 2014 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 MANILA)s.s.

BEFORE ME, a Notary Public, personally came and appeared **Dr. ALUMANDA M. DELA ROSA** with Passport No. OE0014655 issued on February 14, 2014 and **Ms. PAULETTE C. VELASCO**, with Community Tax No. 07803470 issued at Quezon City on 14 January 2014, 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.

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