CONTRACT FOR SECURITY SERVICES IN MACTAN ECONOMIC ZONE AND SPECIAL ECONOMIC ZONES UNDER CLUSTER 2

This Contract is made and entered into by and between:

PHILIPPINE ECONOMIC ZONE AUTHORITY, a government corporation created and operating under Republic Act 7916, as amended, with office address at 10th Floor DoubleDragon Center West Building, DD Meridian Park, Macapagal Avenue, Pasay City, represented herein by its Director General, **TERESO O. PANGA**, who is duly authorized, hereinafter referred to as the "**PROCURING ENTITY**",

- and -

JANTRO SECURITY AGENCY, INC., a corporation duly organized and existing under Philippine laws, with office address at Kamagong Street, Tulay Bato, San Antonio, City of Biñan, Laguna, represented herein by its Marketing Manager, **DANILO M. MAMARIL,** who is likewise duly authorized, hereinafter referred to as the **"CONTRACTOR"**.

Each individually referred to as "Party" or both collectively referred to as the "Parties".

WHEREAS, the PROCURING ENTITY invited Bids for certain goods and ancillary services, particularly **SECURITY SERVICES IN MACTAN ECONOMIC ZONE (MEZ) AND SPECIAL ECONOMIC ZONES (SEZs) UNDER CLUSTER 2** and has accepted a Bid by the CONTRACTOR for the supply of those goods and services in the sum of **THIRTY-TWO MILLION THREE HUNDRED TWENTY-SEVEN THOUSAND SEVEN HUNDRED EIGHT PESOS AND 98/100 in Philippine Currency** (**Php32,327,708.98**), hereinafter called "the Contract Price";

WHEREAS, on 27 December 2023, the PROCURING ENTITY issued a Notice of Award to the CONTRACTOR;

NOW, **THEREFORE**, in view of the foregoing premises and the mutual covenants and undertakings hereinafter provided, the parties hereto have agreed as follows:

1. In this Contract, the words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents as required by the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as integral part of this Contract, *viz.*:

i. Philippine Bidding Documents (PBDs);
   a. Schedule of Requirements;
   b. Technical Specifications;
   c. General and Special Conditions of Contract;
   d. Supplemental or Bid Bulletins, if any; and
   e. Terms of Reference (TOR).

ii. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;

Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (*e.g.*, Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the PROCURING ENTITY's bid evaluation;

iii. Performance Security;

iv. Notice of Award of Contract; and the Bidder's conforme thereto; and

v. Other contract documents that may be required by existing laws and/or the PROCURING ENTITY concerned in the PBDs. The CONTRACTOR agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

3. In consideration for the sum of **THIRTY-TWO MILLION THREE HUNDRED TWENTY-SEVEN THOUSAND SEVEN HUNDRED EIGHT PESOS AND 98/100 in Philippine Currency (Php32,327,708.98)**, the CONTRACTOR agrees to provide Security Services in MEZ and SEZs under Cluster 2 in accordance with its Bid.

4. The PROCURING ENTITY agrees to pay the above-mentioned sum in accordance with the terms of the Bidding.

5. The Contractor shall be solely responsible for the prompt and full payment of the salaries, allowances and other monetary benefits of all guards assigned in MEZ and SEZs under Cluster 2 pursuant to the terms of this Contract, in accordance with the PBDs, and as outlined in existing laws, rules, and regulations governing the employment of labor. Should the Contractor fail to pay the salaries, wages and other monetary benefits of any guard assigned in MEZ and SEZs under Cluster 2 pursuant to the terms of this Contract, as scheduled, except during force majeure or circumstances beyond the Contractor's control, the Contractor shall authorize the Procuring Entity to withhold the amount due to the Contractor and allow the Procuring Entity to pay directly the concerned guard/s the salaries, wages, and other statutory monetary benefits due, using as a basis the latter's payroll computation of the immediately preceding pay period. Such direct payments made by the Procuring Entity shall be deducted from the Contractor's billing for the subject pay period.

6. For the retirement benefits, the PROCURING ENTITY shall pay Eight Hundred Seventy-Seven Pesos and 50/100 in Philippine Currency (Php877.50) monthly per security guard while the difference of One Hundred Thirty-Six Pesos and 87/100 in Philippine Currency (Php136.87) per security

guard will be shouldered by the CONTRACTOR pursuant to Section 3.2[1] of the Implementing Rules and Regulations of Republic Act No. 7641[2]. The CONTRACTOR shall likewise submit a sworn certification and proof that it has complied with DOLE Department Order No. 150, Series of 2016 establishing a Retirement Trust Fund in the name for and in behalf of the Security Guards callable upon demand by the concerned guard. Failure to comply shall cause the pre-termination or cancellation of this Contract.

7. The CONTRACTOR shall provide at least one (1) set of prescribed uniform free of charge to their respective security guards, in accordance with Section 204[3] of Implementing Rules and Regulations of Republic Act No. 11917[4]. The same shall be without any additional cost to the PROCURING ENTITY.

8. It is expressly understood and agreed that the CONTRACTOR is not an agent or employee of the PROCURING ENTITY and the security guards to be assigned by the CONTRACTOR to the PROCURING ENTITY, pursuant to the terms of this Contract, are in no case employees of the latter as they are for all intents and purposes, under a valid employment contract with the CONTRACTOR. The CONTRACTOR as the sole employer of all the guards assigned under this Contract shall be solely responsible and liable for strict compliance with all pertinent labor legislations, rules and regulations. The CONTRACTOR shall hold the PROCURING ENTITY absolutely free and clear from any liabilities or responsibilities on any claim or claims which may be filed by any of the said guards for any reason whatsoever.

9. This Contract shall take effect upon issuance of the Notice to Proceed and shall remain in full force for the period of one (1) year unless otherwise terminated earlier by the PROCURING ENTITY. The PROCURING ENTITY may pre-terminate or rescind the same in case of any violation on the stipulations and covenants of the Contract by the CONTRACTOR. Provided that written notice must be served by the PROCURING ENTITY to the CONTRACTOR at least thirty (30) days prior to the intended date of termination and that the PROCURING ENTITY shall be entitled to the refund of its payment including liquidated damages stipulated in the Terms of Reference, in addition to what may be granted and/or awarded to it in the courts of law.

10. Any and all taxes that may arise out of the execution of this Contract shall be for the sole account of the CONTRACTOR.

11. The Parties shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the parties in connection with the implementation of this Contract. Should such dispute be not resolved amicably, it shall be submitted to arbitration in accordance with the provisions of RA 876 and RA 9285.

12. The Parties hereto agree that any court action arising out of this Contract shall be filed exclusively with the proper court in the City of Pasay.

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[1] *In case of retirement under this Section, the employee shall be entitled to receive such retirement benefits as he may have earned under existing laws and any collective bargaining and other agreements shall not be less than those provided under this Rule, and provided further that if such benefits are less, the employer shall pay the difference between the amount due the employee under this Rule and that provided under the collective or individual agreement or retirement plan.*
[2] *An Act Amending Article 287 Of Presidential Decree No. 442, As Amended, Otherwise Known As The Labor Code Of The Philippines, By Providing For Retirement Pay To Qualified Private Sector Employees In The Absence Of Any Retirement Plan In The Establishment*
[3] *Provision for Uniform. All employers/owners/operators of PSA/CSF shall provide at least one (1) set of the prescribed uniform free of charge to their respective security guards for every year of service with them. x x x*
[4] *The Private Security Services Industry Act*

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be executed and the Parties hereby affix their signatures in accordance with the laws of the Republic of the Philippines on _____ at Pasay City, Philippines.

PHILIPPINE ECONOMIC ZONE AUTHORITY (PROCURING ENTITY)	**JANTRO SECURITY AGENCY, INC.** (CONTRACTOR)
By:	By:
TERESO O. PANGA Director General	**DANILO M. MAMARIL** Marketing Manager

SIGNED IN THE PRESENCE OF:

ATTY. ABDULLAH ADEL-KHAN P. ALUG Zone Administrator – MEZ, Vis-Min & SEZs	**ELMER R. NAVA** Operations Manager

ACKNOWLEDGMENT

Republic of the Philippines)
) S.S.

BEFORE ME, this 05 FEB 2024, personally appeared **TERESO O. PANGA**, with PEZA ID No. 01000239, known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is her free and voluntary act and deed as well as that of the entity represented.

Said instrument refers to a Contract for Security Services in MEZ and SEZs under Cluster 2 consisting of five (5) pages, including this page, signed by the parties and their witnesses on each and every page thereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto affixed my signature on the date and year first above written.

Doc. No. 460
Page No. 93
Book No. 1
Series of 2024.

ATTY. CHRISTINE HEIDE A. ROSALES ★ MAKATI CITY, PHILIPPINES ★
ROLL NO. 63616 NOTARY PUBLIC

ATTY. CHRISTINE HEIDE A. ROSALES
SC ROLL NO. 63616
NOTARY PUBLIC UNTIL DEC. 31, 2024
IBP LIFETIME MEMBER NO. 012672, QUEZON CITY
PTR NO. 9620822; 2.8.2023; MAKATI CITY
3RD FLOOR SALCEDO ONE CENTRE
170 SALCEDO ST., LEGASPI VILLAGE, MAKATI CITY

ACKNOWLEDGMENT

Republic of the Philippines)
CITY OF BIÑAN LAGUNA) S.S.

BEFORE ME, this FEB 05 2024, personally appeared **DANILO MAMARIL**, with ~~PID~~ DRIVER'S LIC. # N01-89-088585 valid until JAN. 3, 2034, known to me and to me known to be the same person who executed the foregoing instrument and acknowledged to me that the same is his free and voluntary act and deed as well as that of the entity represented.

Said instrument refers to a Contract for Security Services in MEZ and SEZs under Cluster 2 consisting of five (5) pages, including this page, signed by the parties and their witnesses on each and every page thereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto affixed my signature on the date and year first above written.

Doc. No. 108
Page No. 23
Book No. XX
Series of 2024.

ATTY ANA MAE E. AMARO
NOTARY PUBLIC FOR BIÑAN CITY
UNTIL DECEMBER 31, 2024
NOTARIAL COMMISSION NO. 2022-36
ROLL NO. 62139
IBP OR NO. 272929; 01.06.23.; PPLM CHAPTER
PTR NO. 2004368; 01.03.24; BIÑAN CITY
MCLE COMPLIANCE NO. VII-0019811