

SERVICE CONTRACT FOR SECURITY SERVICES

KNOW ALL MEN BY THESE PRESENTS:

The *Service Contract for Security Services* executed by and between:

The PHILIPPINE MERCHANT MARINE ACADEMY, a government institution established under the provisions of Republic Act No. 3680, with office address at PMMA Complex, San Narciso, Zambales, represented by its Academy Superintendent, RADM. RICHARD UYEHARA RITUAL, hereinafter referred to as "PMMA".

And

The MARVIN SECURITY AND INVESTIGATION AGENCY a corporation duly organized and existing under and by virtue of the Corporation laws of the Philippines, with principal office at No. 296 Calapandayan, Subic, Zambales, represented by its General Manager, MR. ARTEMIO H. BALAG, hereinafter referred to as the "AGENCY";

WITNESSETH

WHEREAS, the PMMA is desirous of engaging the security services of the AGENCY, being the adjudged winner in a bidding process conducted for the purpose with the end-view of safeguarding and protecting the lives, real and personal properties in PMMA against all forms of possible losses such as, but not limited to theft, robbery, pilferage, arson, vandalism and others under the premises of PMMA;

WHEREAS, the AGENCY assures the PMMA that it is a duly licensed security company and authorized by existing and pertinent laws and regulations, both local and national, to engage in security and protective services within the Philippines and that it has under its command and disposal trained security guards, equipment and expertise necessary to carry out the relevant security functions pursuant to the needs of PMMA;

WHEREAS, on the basis of such representation, the PMMA is agreeable to engage the services of the AGENCY under the terms and conditions mutually set by both parties;

NOW, THEREFORE, for and in consideration of the following premises and covenants hereinafter stipulated, the parties hereby agree as follows;



I. FUNCTIONS, DUTIES, AND RESPONSIBILITIES OF PMMA

1. The PMMA hereby agree to engage the security services of the AGENCY being the adjudged winner in the bidding conducted thereto in order to safeguard and protect the PMMA properties, employees, guest, and other personalities against all forms of unlawful acts and possible sources of loss within the bounds of the law.

2. The PMMA shall allocate funding to be sourced from the General Appropriations Act (GAA) and income amounting to **THREE MILLION NINE HUNDRED SIXTY PESOS ONLY (P3,960,000.00)** equally spread for a period of One (1) year contract duration. This amount may be increased or reduced depending on the number of security guards which the PMMA may actually need.
3. The PMMA shall extend ample office space for the AGENCY to enable it to perform its official security functions.
4. The PMMA shall ensure the expedient processing of all security billings for services rendered so as not to impede any and all security operations within and beyond PMMA, as far as practicable.
5. The PMMA shall designate a Chief Security Officer to serve as coordinating officer and as focal security officer covering the entire PMMA premises.

H. FUNCTIONS, DUTIES, AND RESPONSIBILITIES OF THE AGENCY

1. The AGENCY shall adopt and provide an efficient guarding system at Three (3) Shifts interval divided into 1st Shifts at 0600H – 1400H, 2nd Shift at 1400H – 2200H, and 3rd Shift at 2200H – 0600H covering the 24 hour 7 Days period from Sunday to Saturday. (As per Annex B)
2. The AGENCY shall strictly adhere to its undertaking, during the bidding proper, that it will settle its financial obligations in the form of salaries/wages/statutory benefits to the security personnel and the government; That as a form of "Check and Balance", the PMMA representative through the Chief Security Officer, will strictly conduct a quarterly performance audit to ensure the AGENCY's faithful contractual performance. (Per attached Annex A)
3. The AGENCY shall ensure that salaries/wages of security personnel are paid on time twice a month on regular intervals, this despite of the pendency of the release of allocated budget coming from PMMA.
4. The AGENCY shall only assign/post duly trained, properly certificated by competent authorities and competent security guards/personnel at PMMA to ensure faithful contractual compliance.
5. The AGENCY shall ensure that security personnel to be assigned *MUST ALWAYS BE* in proper and complete uniform with working firearms and ammunitions, night sticks, flashlights, medical kit and such other paraphernalia, as may be necessary to ably perform expected security functions; The AGENCY shall also provide efficient patrol vehicle(s) with fuel consumptions at the expense of security agency to ensure comprehensive patrolling works covering the entire PMMA at any given 24 hour period. The AGENCY shall also provide working Hand Held Radios and other equipment, as deemed needed in the security operations for the entire PMMA premises.

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6. The AGENCY shall administer relevant and proper trainings from time to time in favor of the assigned security personnel to refresh them on old and new modes of maintaining proper security protocols, which may include theoretical and practical exercises i.e. security lectures, firing exercises, others.
 7. The AGENCY shall conduct regular security and threat assessment survey covering the entire PMMA for the purpose of identifying potential threats and possible sources of loss from PMMA.
 8. The AGENCY shall abide by all guidelines and general policies in support of standard rules and regulations and practices related to the rendition of security services of PMMA and faithful compliance is of paramount importance in the implementation of existing PMMA policies, guidelines, rules and regulations to include the manner, details and modes of implementing proper security protocols.
 9. The AGENCY assumes full responsibility and agrees and binds to indemnify PMMA for any loss, damage, destruction and injury that PMMA may suffer occurring within the premises being secured which are deemed attributable to the negligence, fault, omissions, unlawful acts or misconduct of the AGENCY or any of its personnel resulting from theft, pilferage, robbery, arson, and any unlawful and illegal acts of third persons, except when such loss or damage is clearly established in an investigation that such losses, damages or injuries are due to force majeure or Acts of God, provided that same is reported to the security unit within a 48 Hour period upon the occasion of the loss for the proper conduct of relevant investigative works. The AGENCY has the right to subrogation in order to pursue any and all legal claims against the guilty party, as it deems appropriate. A proper turnover will be facilitated by the PMMA through its supply office in coordination with the duly designated AGENCY representative and the PMMA Chief Security Officer of various equipment and properties subject of the security services for proper assumption of responsibilities.
 10. The AGENCY shall post a Performance Security upon signing of this contract amounting to 10% of the contract in the form of cash, cashier's check or 30% of the contract in the form of Surety bond.



III. LIQUIDATED DAMAGES AND OTHERS

The AGENCY shall pay liquidated damages in the amount of 10% of 1% of the total unfulfilled services without appropriate justification/reason or due to its negligence and in bad faith.

IV. NON-LIABILITY CLAUSE

The AGENCY holds PMMA free from any liability against any cause or causes of action, claims which may be filed by any security personnel for breach of pertinent Labor Code Provisions and other related laws, rules and regulations. The AGENCY assumes full

responsibility for payment of compensation, wages, salaries, overtime pay and such other benefits for injuries or ailments which may be suffered by its guards/personnel, in the course of performing security services in favor of PMMA.

V. PENALTY CLAUSE

Non-compliance with the terms and conditions of this contract shall entitle the PMMA to impose any or all applicable penalties as indicated below:

1. Disqualification from joining any subsequent bidding.
2. Forfeiture of bidder/performance bond in favor of PMMA.

VI. EFFECTIVITY/TERM

This Agreement shall be effective for a period of one (1) year, from March 01, 2014 to February 28, 2015, unless otherwise terminated earlier for reasonable cause by either party. During the last quarter of the contracts existence, appropriate procurement procedures pursuant to prevailing Government Procurement Policy Board Issuance shall be faithfully observe to ensure that everything is in order in the interest of the concerned parties.


VII. AMENDMENT


This Agreement shall be reviewed at the discretion of the PMMA, and amended as appropriate, to serve the interest of both parties. Any amendment to this Agreement shall be made in writing; and shall take effect immediately upon mutual agreement by both parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands and affixed their signature this ____ day of _____, 2014 at the Philippine Merchant Marine Academy, San Narciso, Zambales, Philippines.

Philippine Merchant Marine Academy

By:


RADM. RICHARD U. RITUAL, PMMA
Superintendent


CDR. EMMANUEL B. SANTOS, PMMA
Chief Security Officer

Marvin Security And Investigation Agency

By:


MR. ARTEMIO H. BALAG
General Manager

WITNESSES


Certified funds available:

LCDR. LARENO B. TINGSON, PMIVA
Accountant III

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES
Davao City

Before me, a Notary Public for and in the City/Municipality of Davao City,
Province of Davao City, Philippines, personally appeared:

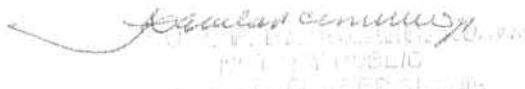
NAME	ID/No.	Place Issued
 RADM. RICHARD U. RITUAL In his capacity as President Philippine Merchant Marine Academy	GSIS/CRN#006-0076-6528-0	Dinalupihan, Bataan
MR. ARTEMIO H. BALAG General Manager Marvin Security And Investigation Agency	DL/HC09-88-0290-51	SM Manila

Known to me and to me known to be the same persons who executed the foregoing Memorandum of Agreement, consisting of seven (7) pages including this Acknowledgement, and to me acknowledge that the same is their free and voluntary act and deed, as well as the free and voluntar, act and deed of the parties represented herein.

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

NOTARY PUBLIC
PTR NO.
Issued:

Doc. No. 001;
Page No. 002;
Book No. 5511;
Series of 2014


NOTARY PUBLIC
Davao City
PTR NO. 0010214-001
ISSUED: 10/16/2017
NOTARY PUBLIC, NO. III-00019-A
DASA-DAWAG, DAVAO DELE, DAVAO REGION 8

Republic of the Philippines
PHILIPPINE MERCHANT MARINE ACADEMY
San Narciso, Zambales

NOTICE OF AWARD

February 19, 2014

MR ARTEMIO H. BALAG
GENERAL MANAGER
MARVIN SECURITY, INVESTIGATION AND
ALLIED SERVICES
296 Calapandayan , Subic, Zambales

Dear Mr. Balag,

We are happy to notify you that your bid dated February 11, 2014 for the execution of **MARVIN SECURITY INVESTIGATION AND ALLIED SERVICES** for the **Contract Price** equivalent to and as corrected and modified in accordance with the Instruction to Bidders is hereby accepted for :

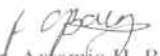
SECURITY SERVICES
- Three Million Nine Hundred Sixty Thousand Pesos
- Php 3,960,000.00

You are hereby required to provide within ten (10) days the performance security in the form and the amount stipulated in the Instructions to Bidders. Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,


RADM RICHARD U RITUAL PMMA
Superintendent

CONFORME:


Mr. Artemio H. Balag
Date: Feb. 28, 2014

Republic of the Philippines
PHILIPPINE MERCHANT MARINE ACADEMY
San Narciso, Zambales

NOTICE TO PROCEED

MR ARTEMIO H. BALAG
GENERAL MANAGER
MARVIN SECURITY, INVESTIGATION AND
ALLIED SERVICES
Calapandayan, Subic, Zambales

Dear Mr Balag:

The attached Contract Agreement therefore having been approved, notice is hereby given to Marvin Security, Investigation and Allied Services, that work **may commence** on March 01, 2014 after the receipt of this notice up to February 28, 2015 (one year contract).

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementing Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to Philippine Merchant Marine Academy.

Very truly yours,


RADM RICHARD U RITUAL PMMA
Superintendent

I acknowledge receipt of this Notice on Feb. 28, 2014 (date of receipt)

Name of the Representative of the Bidder: Arnie Balag

Authorized Signature:  _____