

## CONTRACT FOR SECURITY SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This contract is made and entered into by and between the:

**PHILIPPINE HEALTH INSURANCE CORPORATION**, a government owned and controlled corporation organized and existing under and by virtue of the laws of the Republic of the Philippines, with postal address at 11<sup>th</sup> -19<sup>th</sup> Floor Citystate Center Bldg., 709 Shaw Boulevard, Brgy. Oranbo, Pasig City, represented in this act by its Regional Vice President, **MR. ROMEO D. ALBERTO**, hereinafter referred to as the "**CLIENT**";

-and-

**MATI INVESTIGATION SECURITY AGENCY SERVICES, INC. (MINSAS)**, with office address at 3rd Flr BEP Bldg., Quimpo Blvd., cor Ecowest Dr., Matina, Davao City represented by the President, **ELVIRA T. PANG**, hereinafter referred to as the "**AGENCY**";

### WITNESSETH:

**WHEREAS**, the **CLIENT** is desirous of engaging the services of the security agency for the purpose of guarding and protecting its PhilHealth Regional Office and properties located at Zamboanga City and local health insurance offices at Dipolog City, Pagadian City, Ipil and its officers, employees, visitors and guests from theft, pilferage, robbery, trespassing and other unlawful acts by a stranger and/or employees of the **CLIENT**;

**WHEREAS**, the **AGENCY**, duly licensed to render protective services has accepted to provide the services required by the **CLIENT** under the conditions herein set forth;

**WHEREAS**, the **AGENCY** has quoted bid deemed most advantageous to the government among the security agencies which submitted bidding documents.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties hereto agreed and do hereby mutually agreed to be bound by the covenants and stipulations set forth as follows:

### ARTICLE I

#### *DUTIES AND OBLIGATIONS OF THE AGENCY*

1. The **AGENCY** shall provide the **CLIENT** twenty four (24) hours - three (3) shifts security service daily including Saturdays, Sundays, legal and special holidays with twenty five (25) security guards following the herein schedules from 6:00 A.M. to 2:00 P.M. for the 1<sup>st</sup> shift, 2:00 P.M. to 10:00 P.M. for the 2<sup>nd</sup> shift and 10:00 P.M. to 6:00 A.M. for the 3<sup>rd</sup> shift, for the following offices with specific assigned firearms:



Office	No. of Guards	Firearms (To be handled by the guard on duty.)
PRO IX	7	Three (3) .38 caliber revolver with 25 bullets per revolver
Zamboanga City LHIO	5	One (1) 12 gauge shotgun with 24 bucket shells and one (1) .38 caliber revolver with 25 bullets
Pagadian LHIO	5	One (1) 12 gauge shotgun with 24 bucket shells and one (1) .38 caliber revolver with 25 bullets
Dipolog LHIO	5	One (1) 12 gauge shotgun with 24 bucket shells and one (1) .38 caliber revolver with 25 bullets
Ipil LHIO	3	One (1) 12 gauge shotgun with 24 bucket shells

Future adjustments regarding time scheduling shall be reserved in favor of the **CLIENT** in consonance with whatever alterations the latter may find necessary. The number of security guards may be subsequently increased or decreased as may be determined by the **CLIENT** depending upon the circumstances. It is understood and agreed upon that the guards assigned by the **AGENCY** shall possess the qualifications required in Republic Act No. 5487 and its Implementing Rules and Regulations.

2. The **AGENCY** shall assign to the **CLIENT** uniformed and adequately trained security personnel with duly licensed firearms and sufficient ammunitions at all times during the tour of duty with adequate licenses and permits from appropriate government agencies and fully equipped with supplies necessary for the successful implementation of their job.
3. The minimum and basic qualifications of the security guards to be assigned to the **CLIENT** shall be as follows:
  - a. Filipino citizen;
  - b. Has finished at least second year college
  - c. With height of not less than 1.65 meters
  - d. With weight of not less than 55 kilogram
  - e. Not less than 21 years nor more than 35 years old at the time of assignment to the Corporation under this contract
  - f. Physically and mentally fit, as indicated in a neuro-psychiatric clearance from a PNP and DOH-accredited institution and confirmed by the physicians of the Corporation

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Client

Agency



  
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- g. Licensed to carry firearms and properly screened and cleared by the PNP, NBI and other concerned government offices for this purpose, copies of such clearances to be furnished to the Corporation
- h. Must be a holder of a Certificate of Training for Security Guards and other requirements of R.A. 5487 as amended
- i. Must possess honorable discharged documents, if with military background
- j. Of good moral character, as certified by the Barangay and the police district concerned and the NBI
- k. Must have undergone drug test and found to be free from tetrahydrocannabinol, metamphetamine hydrochloride and other prohibited substances, certification to be given to Philippine Health Insurance Corporation every six (6) months.


  
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- 4. The security guards shall be hired by the **AGENCY** and this contract shall not be deemed in any way as to constitute a contract of employment by and between the **CLIENT** and any of the security guards hired by the **AGENCY**, but merely as a contract for the **AGENCY** to render security and investigative services to the **CLIENT**. It is therefore understood that the security guards are the employees of the **AGENCY**. The **CLIENT** shall not be liable for any injury, damage, or death suffered by the security guards in the performance of their functions.

  
Client

- 5. The **AGENCY** hereby holds itself responsible and liable for the loss or damage that may cause to the **CLIENT**'s properties and installation as well as the properties of its officers, personnel and guests duly accounted for and placed under the custody of the guard at the guarded premises arising from theft, pilferage, robbery, malicious mischief, vandalism and for the protection of the lives and safety of the **CLIENT**'s officials, personnel, visitors, guests and clientele, if after due investigation such losses or damage were due to the negligence, omission or fault of the security guard on duty.

  
Agency

- 6. The **AGENCY** assumes full and sole responsibility for the proper conduct of, and performance of duties by the security guards employed by it during the watch hours. The **CLIENT** is specifically released from any acts or omissions of the security guards of the **AGENCY**.
  - 7. The **CLIENT** shall at all times have the right to inspect the guards on detail of the premises and at any time request for the replacement of any guard assigned to it.
  - 8. The security including the roving patrol shall register their time-in and time-out and sign in a book bound logbook provided in their post. At the end of the month, the **AGENCY** shall submit the summary report to support the Monthly Statement of Account to be forwarded to the **CLIENT**.
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## ARTICLE II

### SECURITY PROCEDURE

9. The **CLIENT** will provide the **AGENCY** with an inventory containing the list of company assets, equipment and other properties to be guarded. It is however, presumed that all such assets, equipment and properties which are located, placed and kept inside the guarded premises belong to the **CLIENT**. Provided, furthermore, that the absence of such inventory list shall not preclude the **AGENCY** from performing its duties and obligations.

To ensure effectiveness in safeguarding and protecting the aforesaid properties, a "Gate Pass" containing the description of the property must be duly filled out and signed by the concerned official allowing said property to be brought out of the guarded premises. In this connection, the **CLIENT** will furnish the **AGENCY** a copy of the respective specimen signatures of approving officials or authorities.

Properties placed inside car compartments without the corresponding "Gate Pass" slip shall not be the responsibility of the **AGENCY**. Hence for the **AGENCY** to be responsible in such cases, the **CLIENT** agrees that all outgoing vehicles shall be subject to inspection by the guard on duty.

Copy of record of property brought inside the guarded premises but not included in the inventory list shall be furnished the **AGENCY**.

## ARTICLE III

### OBLIGATIONS OF THE CLIENT

10. For and in consideration of the services rendered by the **AGENCY** to the **CLIENT** during the effectivity of the contract, the latter shall pay the former at the monthly rate of **TWELVE THOUSAND EIGHT HUNDRED EIGHTY THREE PESOS & 46/100 (Php 12,883.46)** per guard for ten (10) security guards without night shift pay from Monday-Sunday, 8 hrs. per day; **THIRTEEN THOUSAND NINE HUNDRED NINETY EIGHTY PESOS & 98/100 (Php 13,998.98)** per guard for five (5) security guards with night shift pay, Monday-Sunday, 8 hrs. per day and **EIGHT THOUSAND SEVEN HUNDRED TWENTY PESOS & 49/100 (Php 8,720.49)** per guard for ten (10) security guards without night shift pay from Monday-Friday, 8 hrs. per day. The **AGENCY** shall furnish the **CLIENT** the Monthly Statement of Account, together with the following required documents, in support of such payment:

- a. Original or certified true copies of payroll register for the applicable period, duly signed by the agency's authorized representative and duly acknowledged by the security guards assigned / deployed in PhRO IX regional and local health insurance offices in Zamboanga City, Pagadian City, Dipolog City and Ipil, Zamboanga Sibugay; and



  
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- b. Original or certified true copies of proofs of payment of contributions and loan remittances to the Social Security System (SSS), Home Development Mutual Fund (HDMF) / Pag-IBIG and PhilHealth for the immediately preceding month of the applicable period of the security guards assigned / deployed in PhRO IX regional and local health insurance offices in Zamboanga City, Pagadian City, Dipolog City and Ipil, Zamboanga Sibugay.
- c. Other supporting documents as may be required by the **CLIENT**.

Failure to comply any of the above – listed supporting documents shall be construed as non – submission of the required documents necessary to process the payment of the **AGENCY**'s statement of account for the applicable month.

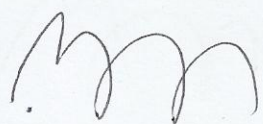
  
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The **CLIENT** shall remit and pay to the Bureau of Internal Revenue the required withholding tax and provide the **AGENCY** with the certificate of remittance.

  
Client

11. In the event of any significant increase in the operating costs of the **AGENCY** due to amendments/changes in the present laws, rules and regulations such as increase in the minimum wage, taxes, SSS, HDMF / Pag-IBIG and PhilHealth Contributions, the parties may negotiate for a reasonable adjustment in the contract price.
12. It is understood that whenever the **CLIENT** suffer losses or damage due to theft, robbery and other unlawful acts of strangers or by any persons, the **CLIENT** may suspend release of payment of collectibles due the **AGENCY** pending the outcome of the investigation by a committee created by the **CLIENT** where the **AGENCY** will be represented, which shall determine whether the damage or losses were due to the fault of the guard and without any contributory negligence on the part of the **CLIENT**. Provided further, that this condition shall apply whenever the value involve in any such damage/loss exceeds **FIVE HUNDRED PESOS (P500.00)**, and provided finally that the loss or damage was reported in writing by the **CLIENT** to the **AGENCY** within five (5) working days from the date of its discovery. The **AGENCY**, however, shall not be held liable for damages or losses due to force majeure or fortuitous event.

  
Agency

13. The **AGENCY** also agrees to hold the **CLIENT** entirely free from any liability resulting from injury or any other cause of actions which may be filed by said security guard by reason of the employment under this contract or under the provision of the Minimum Wage Law or such other laws which are now in effect or which hereafter be executed.
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#### ARTICLE IV

##### *PERFORMANCE SECURITY*


14. The **AGENCY** hereby undertakes to furnish the **CLIENT** a Performance Security of five percent (5%) of the total approved budget for the contract of twenty five (25) security guards for a validity period of three (3) years in the form of cash, cashier's check, manager's check, bank draft/guarantee or irrevocable letter of credit, as confirmed by a Universal or Commercial Bank; or thirty percent (30%) for surety bond callable upon demand issued by the Government Service Insurance System (GSIS) or a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security which may be increased whenever the requirement of the **CLIENT** also increases, as guarantee for the payment of any claim made by the **CLIENT** for losses, liability, injury or damage arising from or growing out of the **AGENCY**'s operations under this contract, and for the faithful performance by the **AGENCY** of the covenants, obligations and undertaking assumed and agreed to by the parties hereunder, such bond to be and to remain in force until the period of prescription provided by law for the filing of such claim(s), or loss, liability, injury or damage shall have elapsed. Provided however, that if any claim for any of the foregoing has been filed within the said period, then in any such case, said bond shall continue.

  
Witness

#### ARTICLE V

##### *DURATION OF THE CONTRACT*

15. This contract shall take effect on **January 1, 2015** until **December 31, 2017** unless sooner terminated in accordance with the provisions thereof. After expiration of this contract and no new contract has been made or issued by the **CLIENT** or that the result of the bidding is not yet issued if one is conducted, this contract shall be deemed extended on a month to month basis up to such period as may be allowed by law, rules and regulations.

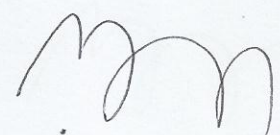
  
Client

#### ARTICLE VI

##### *TERMINATION OF CONTRACT AND VENUE OF ACTION*

16. The **CLIENT** or the **AGENCY** reserves the right to terminate this Contract for any cause or reason upon thirty (30) days prior notice to the other party. Provided that in case of litigation arising from or in connection with this Contract, the parties agree that the venue of any action shall be at the proper court in Zamboanga City.

  
Agency





## ARTICLE VII

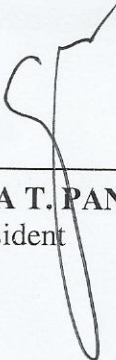
### MISCELLANEOUS PROVISIONS

17. In case any provision or stipulation hereof is declared invalid, null and void or contrary to law, rules and regulations, the unaffected portion shall remain valid and effective.

IN WITNESS WHEREOF, the parties have hereunto affixed their respective signature on this \_\_\_\_ day of NOV 29 2014, at Davao City, Philippines. *mm*


**MATI INVESTIGATION SECURITY  
SERVICES, INC. (MINSAS)  
(AGENCY)**

By:

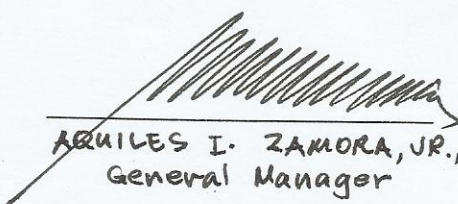
  
\_\_\_\_\_  
**ELVIRA T. PANG**  
President

**PHILIPPINE HEALTH AGENCY  
INSURANCE CORPORATION  
(PHILHEALTH)  
(CLIENT)**

By:

  
\_\_\_\_\_  
**ROMEO D. ALBERTO**  
Regional Vice President *ke*

Signed in the presence of:

  
\_\_\_\_\_  
**AQUILES I. ZAMORA, JR., CSP**  
General Manager

  
\_\_\_\_\_  
**ROSEMIN E. DAMSID**  
Fiscal Controller IV

*mm*

## ACKNOWLEDGMENT

Witness

REPUBLIC OF THE PHILIPPINES)  
CITY OF Davao City )s.s.  
x ----- X

BEFORE ME, this \_\_\_\_\_ day of NOV 29 2014, \_\_\_\_\_, in Davao City,  
, personally appeared with their respective government issued ID card bearing  
number 10027398 for Romeo D. Alberto and  
\_\_\_\_\_ for \_\_\_\_\_.

Known to me and to me known to be the same persons who executed the  
foregoing Contract of Service and acknowledge to me that the same is their own free  
act and deed and that of the agency/corporation being represented.

Witness

IN WITNESS MY HAND AND SIGNATURE on the date and place first  
above written.

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Book No. X  
Series of 2014

Client

EDWALDO L. LEGASPINA  
NOTARY PUBLIC FOR DAVAO CITY  
UNTIL DECEMBER 31, 2015  
PTR O.R. No. 3860231-01-02-2014  
IBP O.R. No. 913240-01-02-2014  
ROLL OF ATTORNEYS No. 51790  
MCLE COMPLIANCE No. IV-0014956-03-26-2013  
TIN No. 945-576-356  
3F CORONET BLDG. 06 ANDA ST., DAVAO CITY

Agency