



BCDA Management and Holdings, Inc.

***BIDDING FOR THE  
PROCUREMENT OF  
SERVICES, RE-  
SECURITY SERVICES  
FOR PAMAYANANG  
DIEGO SILANG***

*BMHI Corporate Center, C-5  
Road, Pamayanang Diego  
Silang, Ususan, Taguig City,  
Metro Manila*

**BID DOCUMENTS FOR  
SERVICES**

Control No. \_\_\_\_\_

# TABLE OF CONTENTS

Section I. Invitation to Bid -----	1 INVTB – 6 INVTB
Section II. Instructions to Bidders-----	7 ITB- 32 ITB
Section III. Bid Data Sheet-----	33 BDS-37 BDS
Section IV. General Conditions of----- Contract	38 GCC-53 GCC
Section V. Special Conditions of----- Contract	54 SCC-56 SCC
Section VI. Schedule of Requirements---	57 SOR- 58 SOR
Section VII. Technical Specification-----	59 TS- 67 TS
Section VIII. Bidding Forms -----	68 BF- 79 BF

---

# **SECTION I**

## **INVITATION TO BID**



# INVITATION TO BID FOR THE PROCUREMENT OF SERVICES, RE- SECURITY SERVICES FOR PAMAYANANG DIEGO SILANG LOCATED AT C-5 ROAD PAMAYANANG DIEGO SILANG, TAGUIG CITY, METRO MANILA

1. The BCDA Management and Holdings, Inc. (BMHI), through the **BMHI Corporate Operating Budget for CY 2013 per BMHI-Board Resolution No. 11-21-02 Series of 2012** intends to apply the sum of **One Million Seven Hundred Twenty Seven Thousand Two Hundred Eighty Pesos (Php1, 727,280.00)** being the Approved Budget for the Contract (ABC) for the first Three (3) Months (October 2013- December 2013) of the Fifteen (15) Months (October 01, 2013-December 31, 2013 and January 01, 2014-December 31, 2014) contract, to payments for the **Security Services for Pamayanang Diego Silang** located at **C-5 Road, Taguig City, Metro Manila**. Bids received in excess of the ABC shall be automatically rejected at bid opening.
2. BMHI now invites bids for the **Procurement of Services, Re-Security Services for Pamayanang Diego Silang covering three (3) Areas of Responsibility (AOR) for a term of One Year and Three (3) months**. Bidders should have completed within **five (5) years** from the date of submission and receipt of bids a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instruction to Bidder.
3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary "pass/fail" criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act 9184 (RA 9184), otherwise known as the "Government Procurement Reform Act".

Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws and regulation of which grants rights or privileges to Filipino citizens, pursuant to RA 5183 and subject to Commonwealth Act 138.

4. Interested bidders may obtain further information from the **BCDA Management and Holdings Inc. (BMHI)** and inspect the bidding documents at the address given below from **8:00 AM – 5: 00 PM., Monday thru Friday**.

A complete set of Bidding Documents may be purchased by interested Bidders beginning **02 September 2013 until 19 September 2013** from **8:00 AM to 5:00 PM** and **20 September 2013** from **8:00 AM to 12:00 PM** at the address below and upon payment of a non-refundable fee for the Bidding Documents in the amount of **Five Thousand Pesos & 00/100 (Php5, 000.00)**.

**BCDA MANAGEMENT AND HOLDINGS, INC (BMHI)**  
BMHI Corporate Center,  
C-5 Road, Pamayanang Diego Silang  
Taguig City, Metro Manila

---

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS), provided that bidders shall pay the fee for the Bidding Documents not later than the submission of their bids.

5. The BMHI-BAC will hold a Pre-Bid Conference on **09 September 2013 at 2:00 pm at the BMHI Corporate Center, Conference Room, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila**, which shall be open only to all interested parties who have purchased the Bidding Documents.
6. Bids must be delivered to the address above on or before **12:00 noon on 20 September 2013 at the BMHI Corporate Center, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila**. All bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in **Instruction to Bidders (ITB) Clause 18**.

Bid opening shall be on **20 September 2013 at 1:30 pm** at the **BMHI Corporate Center, Conference Room, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila**. Bids will be opened in the presence of the Bidders and/or representatives who choose to attend at the address above. Late bids shall not be accepted.

7. The schedule of BAC activities is as follows:

	<b>ACTIVITIES</b>	<b>TIMETABLE</b>
1	Publication of Invitation to Bid	02 September 2013-08 September 2013
2	Issuance of Bid Documents BCDA Management and Holdings, Inc. (BMHI) Corporate Center, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila	02September 2013- 20 September 2013
3	Pre-Bid Conference BCDA Management and Holdings, Inc. (BMHI) Corporate Center, Conference Room,C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila  • Request for Clarifications  • Issuance of Bid Bulletin/Clarification, if any	09 September 2013 2:00 PM  10 - 11 September 2013  12 September 2013 8:00 AM – 5:00 PM
4	A. Deadline for Submission of Bids  • Eligibility Documents & Technical Proposal  • Financial Proposal B. Opening of Bids (1 & 2) BCDA Management and Holdings, Inc. (BMHI) Corporate Center, Conference Room,C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila	20 September 2013 12:00 NN  20 September 2013 1:30 AM

	C. Submission of Supporting Documents by Security Agency who offered Lowest Calculated Bid	23 -24 September 2013
5	Evaluation/Determination of Lowest Calculated Bid/Highest Rated Bid	25 September 2013
6	Post Qualification (BAC Deliberation on the results of Evaluation)	26 September
7	Approval of Resolution of Award/Notice of Award (BMHI BOARD)	27 September 2013
8	Contract Preparation and Signing/ Issuance of Notice to Proceed	30 September 2013

8. BMHI reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.
9. For further information, please refer to the following:

**BCDA MANAGEMENT AND HOLDINGS, INC (BMHI)**

BMHI Corporate Center,  
C-5 Road, Pamayanang Diego Silang,  
Taguig City, Metro Manila  
Telephone Numbers 519-9959, 869-4319  
[www.bmhi.com.ph](http://www.bmhi.com.ph)

**SECRETARIAT** : Atty. Karla May Temporosa (Head)  
[karla.temporosa@bmhi.com.ph](mailto:karla.temporosa@bmhi.com.ph)  
Mr. Sherwin R. Solano (Member) [sherwin.solano@bmhi.com.ph](mailto:sherwin.solano@bmhi.com.ph)  
Ms. Rizza R. Arenas (Member) [rizza.arenas@bmhi.com.ph](mailto:rizza.arenas@bmhi.com.ph)

**GILBERT V. BALTAZAR**  
Chairman, BMHI Bids and Awards Committee (BMHI-BAC)

---

## SCHEDULE OF ACTIVITIES

### SECURITY SERVICES FOR PAMAYANANG DIEGO SILANG

	ACTIVITIES	TIMETABLE
1	Publication of Invitation to Bid	02 September 2013-08 September 2013
2	Issuance of Bid Documents BCDA Management and Holdings, Inc. (BMHI) Corporate Center, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila	02September 2013- 20 September 2013
3	Pre-Bid Conference BCDA Management and Holdings, Inc. (BMHI) Corporate Center, Conference Room,C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila  <ul style="list-style-type: none"> <li>• Request for Clarifications</li> <li>• Issuance of Bid Bulletin/Clarification, if any</li> </ul>	09 September 2013 2:00 PM  10 - 11 September 2013  12 September 2013 8:00 AM – 5:00 PM
4	B. Deadline for Submission of Bids  <ul style="list-style-type: none"> <li>• Eligibility Documents &amp; Technical Proposal</li> <li>• Financial Proposal</li> </ul> B. Opening of Bids (1 & 2) BCDA Management and Holdings, Inc. (BMHI) Corporate Center, Conference Room,C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila  C. Submission of Supporting Documents by Security Agency who offered Lowest Calculated Bid	20 September 2013 12:00 NN  20 September 2013 1:30 AM  23 -24 September 2013
5	Evaluation/Determination of Lowest Calculated Bid/Highest Rated Bid	25 September 2013
6	Post Qualification (BAC Deliberation on the results of Evaluation)	26 September
7	Approval of Resolution of Award/Notice of Award (BMHI BOARD)	27 September 2013

8	Contract Preparation and Signing and Issuance of Notice to Proceed	30 September 2013

**MR. JEFFREY V. LIM**  
Member, BMHI-BAC

**MS. LIBERTY P. DE LEON**  
Member, BMHI BAC

**ENGR. ROIDIMAR R. JIAO**  
Vice Chairman, BMHI-BAC

**ATTY GISELA Z. KALALO**  
Member, BMHI-BAC

**MR. GILBERT V. BALTAZAR**  
Chairman, BMHI-BAC

---



## **SECTION II**

### **INSTRUCTION TO BIDDERS**



## TABLE OF CONTENTS

<b>A. GENERAL.....</b>	<b>12 - ITB</b>
1. Scope of Bid.....	12-ITB
2. Source of Funds.....	12-ITB
3. Corrupt, Fraudulent, Collusive, and Coercive Practices.....	12-ITB
4. Conflict of Interest.....	13-ITB
5. Eligible Bidders.....	14-ITB
6. Bidder's Responsibilities.....	16-ITB
7. Origin of Goods.....	17-ITB
8. Subcontracts.....	17-ITB
<b>B. CONTENTS OF BIDDING DOCUMENTS.....</b>	<b>18-ITB</b>
9. Pre-Bid Conference.....	18-ITB
10. Clarification and Amendment of Bidding Documents.....	18-ITB
<b>C. PREPARATION OF BIDS.....</b>	<b>18-ITB</b>
11. Language of Bids.....	18-ITB
12. Documents Comprising the Bid: Eligibility and Technical Components.....	19-ITB
13. Documents Comprising the Bid: Financial Component.....	20-ITB
14. Alternative Bids.....	21-ITB
15. Bid Prices.....	21-ITB
16. Bid Currencies.....	22-ITB
17. Bid Validity.....	23-ITB
18. Bid Security.....	23-ITB
19. Format and Signing of Bids.....	25-ITB
20. Sealing and Marking of Bids.....	25-ITB
<b>D. SUBMISSION AND OPENING OF BIDS.....</b>	<b>26-ITB</b>
21. Deadline for Submission of Bids.....	26-ITB
22. Late Bids.....	26-ITB
23. Modification and Withdrawal of Bids.....	26-ITB
24. Opening and Preliminary Examination of Bids.....	26-ITB
<b>E. EVALUATION AND COMPARISON OF BIDS.....</b>	<b>28-ITB</b>
25. Process to be Confidential.....	28-ITB
26. Clarification of Bids.....	28-ITB
27. Domestic Preference.....	28-ITB
28. Detailed Evaluation and Comparison of Bids.....	288-ITB

---

29.	Post Qualification.....	30-ITB
30.	Reservation Clause .....	31-ITB
<b>F.</b>	<b>AWARD OF CONTRACT.....</b>	<b>32-ITB</b>
31.	Contract Award.....	32-ITB
32.	Signing of the Contract .....	32-ITB
33.	Performance Security .....	33-ITB
34.	Notice to Proceed .....	33-ITB

## A. General

### 1. Scope of Bid

- 1.1. The Procuring Entity named in the **BDS** (hereinafter referred to as the "Procuring Entity"), wishes to receive bids for supply and delivery of the goods, as described in Section VII. Technical Specifications (hereinafter referred to as the "Goods").
- 1.2. The name, identification, and number of lots specific to this bidding are provided in the **BDS**. The contracting strategy and basis of evaluation of lots is described in ITB Clause 28.

### 2. Source of Funds

The Procuring Entity has a budget or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the contract.

### 3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. Unless otherwise specified in the **BDS**, the Procuring Entity as well as the bidders and suppliers, shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
  - (a) defines, for purposes of this provision, the terms set forth below as follows:
    - (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019;
    - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to

the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition;

(iii) “collusive practices” means a scheme or arrangement between two or more bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels;

(iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) “obstructive practice” is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/ foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation, or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any practices mentioned in this Clause for purposes of competing for the contract.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under the applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in **ITB** Clause 3.1(a).

3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the **GCC** Clause 3.

#### **4. Conflict of Interest**

4.1. All bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests

---

with another Bidder in any of the events described in paragraphs (a) through (c) and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (f) below:

- (a) A Bidder has controlling shareholders in common with another Bidder;
- (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
- (c) A Bidder has the same legal representative as that of another Bidder for purposes of this Bid;
- (d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;
- (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid; or
- (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid.

4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:

- (a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
- (b) If the Bidder is a partnership, to all its officers and members;
- (c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and
- (d) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

## 5. Eligible Bidders

5.1. Unless otherwise provided in the **BDS**, the following persons shall be eligible to participate in this Bidding:

---

- (a) Duly licensed Filipino citizens/sole proprietorships;
  - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
  - (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
  - (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty (60%) of the interest belongs to citizens of the Philippines; and
  - (e) Unless otherwise provided in the **BDS**, persons/entities forming themselves into a JV, i.e., a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that, Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).
- 5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:
- (a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its IRR allow foreign bidders to participate;
  - (b) Citizens, corporations, or associations of a country, included in the list issued by the GPBB, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;
  - (c) When the Goods sought to be procured are not available from local suppliers; or
  - (d) When there is a need to prevent situations that defeat competition or restrain trade.
- 5.3. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.
- 5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed at least one contract similar to the Project the value of which, adjusted to current prices using the National Statistics Office consumer price index, must be at least equivalent to a percentage of the ABC stated in the **BDS**.
- For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the relevant period stated in the Invitation to Bid and **ITB** Clause 12.1(a) (iii).
- 5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) or a commitment from a Universal or Commercial bank to extend a credit line in its favor if awarded the contract for this project (CLC).
- The NFCC, computed using the following formula, must be at least equal to the ABC to be bid:
-

NFCC = [(Current assets minus current liabilities) (K)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract for this Project.

Where:

K = 10 for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.

The CLC must be at least equal to ten percent (10%) of the ABC for this Project. If issued by a foreign bank, it shall be confirmed or authenticated by a Universal or Commercial Bank. In the case of local government units (LGUs), the Bidder may also submit CLC from other banks certified by the *Bangko Sentral ng Pilipinas* (BSP) as authorized to issue such financial instrument.

## 6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in **ITB** Clause 12.1(b) (iii).
  - 6.2. The Bidder is responsible for the following:
    - (a) Having taken steps to carefully examine all of the Bidding Documents;
    - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
    - (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
    - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under **ITB** Clause 10.3.
    - (e) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
    - (f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
    - (g) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
    - (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
    - (i) Complying with the disclosure provision under Section 47 RA 9184 in relation to other provisions of Republic Act 3019; and
-



- (j) Complying with existing labor laws and standards in the case of procuring services.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration and execution or implementation of this Project.
- 6.5. The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.
- 6.6. The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.7. Before submitting their bids, the Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the Project in any way.
- 6.8. The Bidder should note that the Procuring Entity will accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

## 7. **Origin of Goods**

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to **ITB** Clause 27.1

## 8. **Subcontracts**

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
  - 8.2. Subcontractors must comply with the eligibility criteria and the documentary requirements specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
  - 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.
-

## **B. Contents of Bidding Documents**

### **9. Pre-Bid Conference**

9.1. (a) If so specified in the **BDS**, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.

*(b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission of and receipt of bids. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.*

9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.

9.3. Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

### **10. Clarification and Amendment of Bidding Documents**

10.1 Bidders who have purchased the Bidding Documents may request for clarification on any part of the Bidding Documents for an interpretation. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.

10.2 Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents shall be identified as an amendment.

10.3 Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITB** Clause 23.

## **C. Preparation of Bids**

### **11. Language of Bids**

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation in English certified by the appropriate embassy or consulate in the

---

Philippines, in which case the English translation shall govern for purposes of interpretation of the bid.

**12. Documents Comprising the Bid: Eligibility and Technical Components**

12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the following eligibility and technical documents:

(a) Eligibility Documents –

Class "A" Documents:

- (i) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **BDS**;
- (ii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- (iii) Statement of all its ongoing and completed government and private contracts within the period stated in the **BDS**, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:
  - (iii.1.) name of the contract;
  - (iii.2.) date of the contract;
  - (iii.3.) kind of Goods;
  - (iii.4.) amount of contract and value of outstanding contract;
  - (iii.5.) date of delivery; and
  - (iii.6.) end user's acceptance or official receipt(s) issued for the contract, if completed.
- (iv) Audited financial statements, stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission;
- (v) NFCC computation or CLC in accordance with **ITB** Clause 5.5; and

Class "B" Document:

- (vi) If applicable, the JVA in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.
- (b) Technical Documents –
- (i) Bid security in accordance with **ITB** Clause 18. If the Bidder opts to
-

submit the bid security in the form of:

- (i.1.) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or
- (i.2.) a surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;
- (ii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents, and
- (iii) Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

**13. Documents Comprising the Bid: Financial Component**

13.1. Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:

- (a) Financial Bid Form, which includes bid prices and the bill of quantities and the applicable Price Schedules, in accordance with **ITB** Clauses 15.1 and 15.4;
- (b) If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from DTI, SEC, or CDA issued in accordance with **ITB** Clause 27, unless otherwise provided in the **BDS**; and
- (c) Any other document related to the financial component of the bid as stated in the **BDS**.

13.2. (a) Unless otherwise stated in the **BDS**, all bids that exceed the ABC shall not be accepted.

- (b) Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met
    - (i) Bidding documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.
    - (ii) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.
    - (iii) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances.
-

- (iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.
- (v) The procuring entity has established a system to monitor and report bid prices relative to ABC and procuring entity's estimate. The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual cost of goods and works.

#### **14. Alternative Bids**

Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

#### **15. Bid Prices**

- 15.1. The Bidder shall complete the appropriate Price Schedules included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Bill of Quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid (CIP), Delivered Duty Paid (DDP), and other terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.
- 15.4. Prices indicated in the Price Schedule shall be entered separately in the following manner:
  - (a) For Goods offered from within the Procuring Entity's country:
    - (i) The price of the Goods quoted as EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable;
      - (i.1) on the components and raw material used in the manufacture or assembly of Goods quoted ex works or ex factory; or
      - (i.2) on the previously imported Goods of foreign origin quoted ex warehouse, ex showroom, or off-the-shelf and any

Procuring Entity country sales and other taxes which will be payable on the Goods if the contract is awarded.

- (ii) The price of inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.
  - (iii) The price of other (incidental) services, if any listed in the **BDS**.
- (b) For Goods offered from Abroad:
- (i) Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted DDP with the place of destination in the Philippines specified in the **BDS**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.
  - (ii) The price of other (incidental) services, if any, listed in the **BDS**.

- 15.5 Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 24.

All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Extraordinary circumstances refer to event that may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

## **16. Bid Currencies**

- 16.1. Prices shall be quoted in the following currencies:
- (a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.
  - (b) For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency (ies) stated in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published by the BSP reference rate bulletin on the day of the bid opening.
- 16.2. If so allowed in accordance with **ITB** Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.
- 16.3. Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.
-

**17. Bid Validity**

- 17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 17.2. In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in **ITB** Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

**18. Bid Security**

- 18.1. The bid security in the amount stated in the **BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)  Two percent (2%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

For biddings conducted by LGU's, the Bidder may also submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.
  - 18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in **ITB** Clause 18.2.
-

18.4. Upon signing and execution of the contract, pursuant to **ITB** Clause 32, and the posting of the performance security, pursuant to **ITB** Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in **ITB** Clause 18.2.

18.5. The bid security may be forfeited:

(a) if a Bidder:

- (i) withdraws its bid during the period of bid validity specified in **ITB** Clause 17;
- (ii) does not accept the correction of errors pursuant to **ITB** Clause 28.3(b);
- (iii) fails to submit the requirements within the prescribed period, or a finding against their veracity, as stated in **ITB** Clause 29.2;
- (iv) submission of eligibility requirements containing false information or falsified documents;
- (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of the eligibility screening or any other stage of the public bidding;
- (vi) allowing the use of one's name, or using the name of another for purpose of public bidding;
- (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the bidder had been adjudged as having submitted the lowest Calculated Responsive Bid;
- (viii) refusal or failure to post the required performance security within the prescribed time;
- (ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
- (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
- (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared as successful; or
- (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons

(b) if the successful Bidder:

- (i) fails to sign the contract in accordance with **ITB** Clause 32; or
-



- (ii) fails to furnish performance security in accordance with **ITB** Clause 33;

**19. Format and Signing of Bids**

- 19.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the **ITB** Clause 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 12.1, and the second shall contain the financial component of the bid.
- 19.2. Forms as mentioned in **ITB** Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 19.3. The Bidder shall prepare an original of the first and second envelopes as described in **ITB** Clauses 12 and 13. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 19.4. The bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- 19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

**20. Sealing and Marking of Bids**

- 20.1. Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 12, in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".
  - 20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. \_\_\_ - TECHNICAL COMPONENT" and "COPY NO. \_\_\_ - FINANCIAL COMPONENT" and the outer envelope as "COPY NO. \_\_\_", respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
  - 20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
  - 20.4. All envelopes shall:
    - (a) contain the name of the contract to be bid in capital letters;
    - (b) bear the name and address of the Bidder in capital letters;
    - (c) be addressed to the Procuring Entity's BAC in accordance with **ITB** Clause 1.1;
    - (d) bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; and
-

- (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of bids, in accordance with **ITB** Clause 21.

20.5 If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

## **D. Submission and Opening of Bids**

### **21. Deadline for Submission of Bids**

Bids must be received by the Procuring Entity’s BAC at the address and on or before the date and time indicated in the **BDS**.

### **22. Late Bids**

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 21, shall be declared “Late” and shall not be accepted by the Procuring Entity.

### **23. Modification and Withdrawal of Bids**

23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as “TECHNICAL MODIFICATION” or “FINANCIAL MODIFICATION” and stamped “received” by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.

23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder’s bid security, pursuant to **ITB** Clause 18.5, and the imposition of administrative, civil, and criminal sanctions as prescribed by RA 9184 and its IRR.

### **24. Opening and Preliminary Examination of Bids**

24.1. The BAC shall open the first bid envelopes of Bidders in public as specified in the **BDS** to determine each Bidder’s compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary “pass/fail” criterion. If a bidder submits the required

---

document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".

- 24.2. Unless otherwise specified in the BDS, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in **ITB** Clause 13.2, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
  - 24.3. Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the Bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
  - 24.4. If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (i) to (v).
  - 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class "A" Documents enumerated in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.
  - 24.6. Each partner of a joint venture agreement shall likewise submit the documents required in **ITB** Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under **ITB** Clauses 12.1(a)(iii) to 12.1(a)(v) by any of the joint venture partners constitutes compliance.
  - 24.7. A Bidder determined as "failed" has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification within which to file a request for reconsideration with the BAC: Provided, however, that the request for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a request for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the request for reconsideration or protest has been resolved.
  - 24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.
-

## **E. Evaluation and Comparison of Bids**

### **25. Process to be Confidential**

- 25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless in the case of **ITB** Clause 26.
- 25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

### **26. Clarification of Bids**

To assist in the evaluation, comparison and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered

### **27. Domestic Preference**

- 27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:
    - (a) The preference shall be applied when (i) the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder, or (ii) the lowest bid offered by non-Philippine national is lower than the lowest bid offered by a Domestic Entity
    - (b) For evaluation purposes, the lowest Foreign Bid or the bid offered by a non-Philippine national shall be increased by fifteen percent (15%).
    - (c) In the event that (i) the lowest bid offered by a Domestic Entity does not exceed the lowest Foreign Bid as increased, or (ii) the lowest bid offered by a non-Philippine national as increased, then the Procuring Entity shall award the contract to the Domestic Bidder/Entity at the amount of the lowest Foreign Bid or the bid offered by a non-Philippine national, as the case may be.
    - (d) If the Domestic Bidder/Entity refuses to accept the award of contract at the amount of the Foreign Bid or bid offered by a non-Philippine national within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid or non-Philippine national, as the case may be, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.
  - 27.2. A Bidder may be granted preference as a Domestic Entity subject to the certification from the DTI (in case of sole proprietorship), SEC (in case of partnerships or corporations), or CDA (in case of cooperatives) that the (a) sole proprietor is a citizen of the Philippines or the partnership, corporation, cooperative, or association is duly organized under the laws of the Philippines with at least seventy five percent (75%) of its interest or outstanding capital stock belonging to citizens of the Philippines, (b) habitually established in business and habitually engaged in the manufacture or sale
-

of merchandise covered by his bid, and (c) the business has been in existence for at least five (5) consecutive years prior to the advertisement and/or posting of the Invitation to Bid for this Project.

- 27.3. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

**28. Detailed Evaluation and Comparison of Bids**

- 28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.
- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
  - (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary "pass/fail" criterion. Unless otherwise specified in the **BDS**, the BAC shall consider the following in the evaluation of bids:
- (a) Completeness of the bid. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Procuring Entity; and
  - (b) Arithmetical corrections. Consider computational errors, omissions to enable proper comparison of all eligible bids. It may also consider bid modifications if expressly allowed in the **BDS**. Any adjustment shall be calculated in monetary terms to determine the calculated prices.
- 28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in the **BDS**.
- 28.5. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form
-

28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

## 29. Post Qualification

29.1. The Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in **ITB** Clauses 5, 12 and 13.

29.2. Within a non-extendible period of three (3) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:

- (a) Tax clearance per Executive Order 398, Series of 2005;
- (b) Latest income and business tax returns in the form specified in the **BDS**;
- (c) Certificate of PhilGEPS Registration; and
- (d) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as Lowest Calculated Bid to duly submit the requirements under this Clause or a finding against the veracity of such shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to **ITB** Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.

29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.

29.5. A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated and Responsive Bid is determined for contract award.

29.6. Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation. In the case of GOCCs and GFIs, the period provided herein shall be fifteen (15) calendar days.

---

**30. Reservation Clause**

- 30.1. Notwithstanding the eligibility or post-qualification of a bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
- 30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all Bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
- (a) if there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
  - (b) if the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
  - (c) for any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP follows:
    - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;
    - (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
    - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.
- 30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:
- (a) No bids are received;
  - (b) All prospective bidders are declared ineligible;
  - (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
  - (d) The bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.
-

## F. Award of Contract

### 31. Contract Award

- 31.1. Subject to **ITB** Clause 29, the Procuring Entity shall award the contract to the Bidder whose bid has been determined to be the LCRB.
- 31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.
- 31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:
  - (a) Submission of the Valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the BAC that the Bidder has the LCRB;
  - (b) Posting of the performance security in accordance with **ITB** Clause 33;
  - (c) Signing of the contract as provided in **ITB** Clause 32; and
  - (d) Approval by higher authority, if required.
- 31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

### 31. Signing of the Contract

- 32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which Contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
  - 32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.
  - 32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
  - 32.4. The following documents shall form part of the contract:
    - (a) Contract Agreement;
    - (b) Bidding Documents;
    - (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
    - (d) Performance Security;
-



- (e) Credit line in accordance with **ITB** Clause 5.5, if applicable;
- (f) Notice of Award of Contract; and
- (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

**33. Performance Security**

- 33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 33.2. The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	Five percent (5%)
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 33.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award. However, if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

**34. Notice to Proceed**

- 34.1. Within three (3) calendar days from the date of approval of the Contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.

- 34.2. The contract effectivity date shall be provided in the Notice to Proceed by the Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of Notice to Proceed.

# **SECTION III**

## **BID DATA SHEET**



## BID DATA SHEET

ITB Clause													
1.1	The Procuring Entity is <b>BCDA Management and Holdings, Inc.</b>												
1.2	<p>The lot(s) and reference(s) is/are:</p> <p><b>Bidding for Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila comprising of Twenty Four (24) Licensed Security Guards for the following Areas of Responsibility (AOR):</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Area of Responsibility (AOR)</th> <th style="text-align: center;">Area Covered</th> <th style="text-align: center;">No. of Security Guards</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">AOR # 1 (BCO Area)</td> <td>BMHI Corporate Center Complex ( BCC Complex)</td> <td style="text-align: center;">6</td> </tr> <tr> <td style="text-align: center;">AOR # 2 (BCDA Area)</td> <td>- Main Gate - PDS Commercial Complex - Lot 5</td> <td style="text-align: center;">9</td> </tr> <tr> <td style="text-align: center;">AOR # 3 (NAPOLCOM Area)</td> <td>- Block 1 (MB18-MB21) - Block 3 (MB23-MB34) - Block 4 (MB01-MB17) - Block 5 (MC20-MC28)</td> <td style="text-align: center;">9</td> </tr> </tbody> </table>	Area of Responsibility (AOR)	Area Covered	No. of Security Guards	AOR # 1 (BCO Area)	BMHI Corporate Center Complex ( BCC Complex)	6	AOR # 2 (BCDA Area)	- Main Gate - PDS Commercial Complex - Lot 5	9	AOR # 3 (NAPOLCOM Area)	- Block 1 (MB18-MB21) - Block 3 (MB23-MB34) - Block 4 (MB01-MB17) - Block 5 (MC20-MC28)	9
Area of Responsibility (AOR)	Area Covered	No. of Security Guards											
AOR # 1 (BCO Area)	BMHI Corporate Center Complex ( BCC Complex)	6											
AOR # 2 (BCDA Area)	- Main Gate - PDS Commercial Complex - Lot 5	9											
AOR # 3 (NAPOLCOM Area)	- Block 1 (MB18-MB21) - Block 3 (MB23-MB34) - Block 4 (MB01-MB17) - Block 5 (MC20-MC28)	9											
2	The funds for the Project subject of this bidding with the total amount of <b>One Million Seven Hundred Twenty Seven Thousand two Hundred Eighty Pesos (Php1,727,280.00)</b> shall be sourced from the approved <b>Corporate Operating Budget of BMHI for CY 2013</b> per <b>BMHI Board Resolution No. 11-21-02 Series of 2012..</b>												
3.1	"No further instructions".												
5.1	"No further instructions".												
5.2	None of the circumstances mentioned in the <b>ITB Clause</b> exists in this project. Foreign bidders, except those falling under ITB Clause 5.2 (b) may not participate in this Project												
5.4	The Bidder must have completed, within the period specified in the Invitation to Bid and <b>ITB Clause 12.1 (a) (iii)</b> , a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.												
7	"No further instructions"												
8.1	Subcontracting is not allowed.												
8.2	"Not applicable"												
9.1	The Procuring Entity will hold a pre-bid conference for this Project on <b>09 September 2013, 2:00 pm</b> at the <b>BMHI Conference Room, BMHI Corporate Center, C-5 Road, Pamayanang Diego Silang, Taguig City, Metro Manila</b>												
10.1	The Procuring Entity's address is:												

	<p><b>BCDA MANAGEMENT and HOLDINGS, Inc. (BMHI)</b>  BMHI Corporate Center  C-5 Road, Pamayanang Diego Silang  Taguig City, Metro Manila  <a href="http://www.bmhi.com.ph">www.bmhi.com.ph</a></p> <p><b>Atty. Karla May Temporosa</b> <a href="mailto:karla.temporosa@bmhi.com.ph">karla.temporosa@bmhi.com.ph</a>  <b>Mr. Sherwin R. Solano</b> <a href="mailto:sherwin.solano@bmhi.com.ph">sherwin.solano@bmhi.com.ph</a>  <b>Ms. Rizza R. Arenas</b> <a href="mailto:rizza.arenas@bmhi.com.ph">rizza.arenas@bmhi.com.ph</a></p> <p><b>BMHI-BAC Secretariat</b>  <b>Tel. No. 519-9959, 869-4319 loc 707, 721 or 722</b></p>
12.1(a)	"No further instructions".
12.1(a)(i)	No other acceptable proof of registration is recognized.
12.1 (a)(iii)	The statement of all ongoing and completed government and private contracts shall include such contracts within <b>Five (5) years</b> prior to the deadline for the submission and receipt of bids.
13.1	"No additional requirements".
13.1(b)	No further instructions.
13.2	<p>The <b>Approved Budget for the Contract (ABC)</b> is <b>One Million Seven Hundred Twenty Seven Thousand two Hundred Eighty Pesos (Php1,727,280.00)</b></p> <p>Any bid with a financial component exceeding this amount shall not be accepted.</p>
15.4(a) (iii)	"No incidental services are required".
15.4(b)	<p>Not Applicable.</p> <p>"No incidental services are required".</p>
16.1(b)	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.
16.3	"Not applicable"
17.1	Bids will be valid <b>120 days from the opening of bids.</b>
18.1	<p>The bid security shall be in the following amount:</p> <ol style="list-style-type: none"> <li>1. The amount of <b>Thirty Four Thousand Five Hundred Forty Five Pesos and 60/100 Centavos (Php34, 545.60)</b>, if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit;</li> <li>2. The amount of <b>Eighty Six Thousand Three Hundred Sixty Four Pesos (Php86, 364.00)</b>, if bid security is in Surety Bond; or</li> <li>3. Any combination of the foregoing proportionate to share of form with respect to the total amount of security.</li> </ol>

	<p>4. Bidders shall also have the option to the use of the <b>Bid-Securing Declaration</b>, pursuant to the provisions of Appendix 24 "Guidelines on the Use of Bid Securing Declaration" of the R.A. 9184. Standard format of which are attached at Section VIII. Bidding Documents</p>
<b>18.2</b>	The bid security shall be valid <b>120 days from the opening of bids.</b>
<b>20.3</b>	Each bidder shall submit <b>one (1) original</b> and <b>two (2) copies of the first and second components</b> of its bid.
<b>21</b>	<p>The address for submission of bids is at :</p> <p style="text-align: center;"><b>BCDA MANAGEMENT and HOLDINGS, Inc. (BMHI)</b>  BMHI Corporate Center  C-5 Road, Pamayanang Diego Silang  Taguig City, Metro Manila</p> <p>The deadline for submission of bids is on <b>20 September 2013 at 12:00 noon.</b></p>
<b>24.1</b>	<p>The place of bid opening is at:</p> <p style="text-align: center;"><b>BCDA MANAGEMENT and HOLDINGS, Inc. (BMHI)</b>  BMHI Corporate Center  C-5 Road, Pamayanang Diego Silang  Taguig City, Metro Manila</p> <p>The date and time of bid opening is on <b>20 September 2013 at 1:30 pm.</b></p>
<b>24.2</b>	"No further instructions".
<b>27.1</b>	"No further instructions".
<b>28.3</b>	<p><b>Grouping and Evaluation of Lots</b></p> <p>All Security Services are grouped in a single lot and the lot shall not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.</p>
<b>28.3 (b)</b>	Bid modification is allowed.
<b>28.4</b>	"No further instructions".
<b>29.2 (a)</b>	"No further instructions".
<b>29.2 (b)</b>	<p><b>Bidders are required to submit manually filed tax returns or tax returns filed through the Electronic Filing and Payments System (EFPS).</b></p> <p>NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission.</p>
<b>29.2 (d)</b>	<p>"All licenses required of a Security agency pursuant to the following pertinent provisions of RA 5487</p> <p style="padding-left: 40px;">a. <b>License to Operate-</b> pursuant to Rule IV, The 2003 revised Rules and Regulations implementing RA 5487 as amended.</p>

	<p>b. <b>License to Exercise Private Security Profession</b> – pursuant to Rule V, The 2003 revised Rules and Regulations implementing RA 5487 as amended.</p>
<p><b>32.4 (g)</b></p>	<p>List of additional contract documents relevant to the Project</p> <ul style="list-style-type: none"> <li>a. Authority of the Signing Official;</li> <li>b. Supplemental Notices/Bid Bulletins, if any;</li> <li>c. Letter of Authorization for the BMHI-BAC to verify all documents submitted;</li> <li>d. Certificate from the bidder declaring that the Bid Proposal submitted has been <b>“READ AND ACCEPTED AND GOOD FOR AGREEMENT”</b>;</li> <li>e. Confidential Statement of Eligibility;</li> <li>f. Copy of the OGCC Contract Review No.____, Series of _____;</li> <li>g. Certificate of Availability of Funds;</li> <li>h. Approved Budget for the Contract per BMHI-BAC Resolution;</li> <li>i. Abstract of Bids;</li> <li>j. Resolution of the BAC or the BAC recommendation for award;</li> <li>k. Approval of Award by Approving Authority; and</li> <li>l. <b>BMHI’s</b> Secretary’s Certificate;</li> <li>m. PADPAO Security Services Rate for the Region;</li> <li>n. Comprehensive Security Plan</li> <li>o. Affidavit of Site Inspection;</li> <li>p. Comprehensive Security Plan</li> <li>q. Bid price and derivation of price per security guard;</li> <li>r. Medical/Insurance Coverage of Guards;</li> <li>s. Other pertinent documents as may be reasonably required by existing laws/COA, and/or the Entity.</li> </ul>

## **SECTION IV**

# **GENERAL CONDITIONS OF THE CONTRACT**

---



# TABLE OF CONTENTS

1. DEFINITIONS .....	41-GCC
2. CORRUPT, FRAUDULENT, COLLUSIVE AND CORECIVE PRACTICES .....	42-GCC
3. INSPECTION AND AUDIT BY THE FUNDING SOURCE .....	43-GCC
4. GOVERNING LAW AND LANGUAGE .....	43-GCC
5. NOTICES .....	43-GCC
6. SCOPE OF CONTRACT .....	44-GCC
7. SUBCONTRACTING .....	44-GCC
8. PROCURING ENTITY'S RESPONSIBILITIES .....	44-GCC
9. PRICES .....	44-GCC
10. PAYMENT .....	44-GCC
11. ADVANCE PAYMENT AND TERMS OF PAYMENT .....	45-GCC
12. TAXES AND DUTIES .....	46-GCC
13. PERFORMANCE SECURITY .....	46-GCC
14. USE OF CONTRACT DOCUMENTS AND INFORMATION .....	46-GCC
15. STANDARDS .....	47-GCC
16. INSPECTION AND TEST .....	47-GCC
17. WARRANTY .....	47-GCC
18. DELAYS IN THE SUPPLIER'S PERFORMANCE .....	47-GCC
19. LIQUIDATED DAMAGES .....	48-GCC
20. SETTLEMENT OF DISPUTES .....	49-GCC
21. LIABILITY OF THE SUPPLIER .....	49-GCC
22. FORCE MAJEURE .....	50-GCC
23. TERMINATION FOR DEFAULT .....	50-GCC
24. TERMINATION FOR INSOLVENCY .....	51-GCC
25. TERMINATION FOR CONVENIENCE .....	51-GCC
26. TERMINATION FOR UNLAWFUL ACTS .....	52-GCC
27. PROCEDURES FOR TERMINATION OF CONTRACTS .....	52-GCC

---

<b>28. ASSIGNMENT OF RIGHTS .....</b>	<b>53-GCC</b>
<b>29. CONTRACT AMENDMENT .....</b>	<b>53-GCC</b>
<b>30. APPLICATION .....</b>	<b>53-GCC</b>

## 1. Definitions

In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) "SCC" means the Special Conditions of Contract.
- (g) "The Procuring Entity" means the organization purchasing the Goods, as named in the [SCC](#).
- (h) "The Procuring Entity's country" is the Philippines.
- (i) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the [SCC](#).
- (j) The "Funding Source" means the organization named in the [SCC](#).
- (k) "The Project Site," where applicable, means the place or places named in the [SCC](#).
- (l) "Day" means calendar day.
- (m) The "Effective Date" of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.
- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

## 2. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 2.1 Unless otherwise provided in the [SCC](#), the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the
-

procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

(iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.

(iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) "obstructive practice" is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government / foreign or international financing institution into allegations of corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government / foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

---

- 2.2 Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in **GCC** Clause 2.1(a).

### **3. Inspection and Audit by the Funding Source**

- 1.1. The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

### **4. Governing Law and Language**

- 4.1 This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.
- 4.2 This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

### **5. Notices**

- 5.1 Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the [SCC](#), which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.
- 5.2 A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the [SCC](#) for **GCC** Clause 5.1.

### **6. Scope of Contract**

- 6.1 The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2 This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the [SCC](#).

### **7. Subcontracting**

- 7.1 Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2 Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

### **8. Procuring Entity's Responsibilities**

- 8.1 Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
-

- 8.2 The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with **GCC** Clause 6.

## 9. Prices

- 1.2. 91. For the given scope of work in this contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of RA 9184 and its IRR or except provided in this clause.
- 1.3.
- 1.4. 9.2 Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **GCC** Clause 29.

## 10. Payment

- 10.1 Payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2 The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the **SCC** provision for **GCC** Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3 Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4 Unless otherwise specified in the **SCC**, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

## 11. Advance Payment and Terms of Payment

- 11.1 Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2 For Goods supplied from abroad, the terms of payment shall be as follows:
- (a) On Contract Signature: Ten percent (10%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
  - (b) On Delivery: Seventy percent (70%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the **SCC** provision on Delivery and Documents.
  - (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring
-

- Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procurement Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the **SCC** provision on Delivery and Documents.
- 11.3 All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

## **12. Taxes and Duties**

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

## **13. Performance Security**

- 13.1 Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any of the forms prescribed in the **ITB** Clause 33.2.
- 13.2 The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3 The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4 The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
  - (b) The Supplier has no pending claims for labor and materials filed against it; and
  - (c) Other terms specified in the **SCC**.
- 13.5 In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

## **14. Use of Contract Documents and Information**

- 14.1 The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2 Any document, other than this Contract itself, enumerated in **GCC** Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

## **15. Standards**

- 1.5. The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.
-

## 16. Inspection and Tests

- 16.1 The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The [SCC](#) and [Section VII](#). Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2 If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.
- 16.3 The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4 The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to **GCC** Clause 5.
- 16.5 The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

## 17. Warranty

- 17.1 The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2 The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3 In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the [SCC](#). The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least ten percent (10%) of the final payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price or other such amount if so specified in the [SCC](#). The said amounts shall only be released after the lapse of the warranty period specified in the [SCC](#); provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4 The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the [SCC](#) and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5 If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in **GCC** Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without
-



prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

### **18. Delays in the Supplier's Performance**

- 18.1 Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2 If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under **GCC** Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3 Except as provided under **GCC** Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to **GCC** Clause 19, unless an extension of time is agreed upon pursuant to **GCC** Clause 29 without the application of liquidated damages.

### **19. Liquidated Damages**

Subject to **GCC** Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for everyday of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to **GCC** Clause 23, without prejudice to other courses of action and remedies open to it.

### **20. Settlement of Disputes**

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

### **21. Liability of the Supplier**

---

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the [SCC](#).
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **22. Force Majeure**

- 22.1 The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2 For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fire, floods, epidemics, quarantine restrictions, and freight embargoes
- 22.3 If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

## **23. Termination for Default**

- 23.1 The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
  - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of *force majeure* is deemed to have ceased; or
  - (c) The Supplier fails to perform any other obligation under the Contract.
- 23.2 In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under **GCC** Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.3 In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

## **24. Termination for Insolvency**

---

- 1.6. The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

## **25. Termination for Convenience**

- 25.1 The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.
- 25.2 The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
  - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.
- 25.3 If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

## **26. Termination for Unlawful Acts**

- 26.1 The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:
- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
  - (b) Drawing up or using forged documents;
  - (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
  - (d) Any other act analogous to the foregoing.

## **27. Procedures for Termination of Contracts**

The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
-

- (b) Upon recommendation by the Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
  - (i) that this Contract is being terminated for any of the ground(s) aforementioned, and a statement of the acts that constitute the ground(s) constituting the same;
  - (ii) the extent of termination, whether in whole or in part;
  - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
  - (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at anytime before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

## **28. Assignment of Rights**

- 1.7. The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.
-

## **29. Contract Amendment**

- 1.8. Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

## **30. Application**

- 1.9. These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.
-

## **SECTION V**

# **SPECIAL CONDITIONS OF THE CONTRACT**

---

## Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is <b>BCDA Management and Holdings, Inc.</b>
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The funds for the Project subject of this bidding with the total amount <b>One Million Seven Hundred Twenty Seven Thousand Two Hundred Eighty Pesos (Php1,727,280.00)</b> shall be sourced from the approved <b>Corporate Operating Budget of BMHI for CY 2012 per BMHI Board Resolution No. 11-21-02 Series of 2012.</b>
1.1(k)	The Project Site is at <b>C-5 Road, Pamayanang Diego Silang, Ususan, Taguig City, Metro Manila.</b>
5.1	<p>The Procuring Entity's address for Notices is:</p> <p style="text-align: center;"><b>BCDA MANAGEMENT and HOLDINGS, INC. (BMHI)</b>  <b>BMHI Corporate Center</b>  <b>C-5 Road, Pamayanang Diego Silang</b>  <b>Taguig City, Metro Manila</b>  <a href="http://www.bmhi.com.ph">www.bmhi.com.ph</a></p> <p style="text-align: center;"><b>Atty. Karla May Temporosa</b> <a href="mailto:karla.temporosa@bmhi.com.ph">karla.temporosa@bmhi.com.ph</a>  <b>Mr. Sherwin R. Solano</b> <a href="mailto:sherwin.solano@bmhi.com.ph">sherwin.solano@bmhi.com.ph</a>  <b>Ms. Rizza R. Arenas</b> <a href="mailto:rizza.arenas@bmhi.com.ph">rizza.arenas@bmhi.com.ph</a></p> <p style="text-align: center;"><b>BMHI BAC Secretariat</b>  <b>Tel. No. 519-9959, 869-4319 loc 707 or 721</b></p> <p>The Supplier's address for Notices is: _____</p>
6.2	<p>The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:</p> <p>a. <b>Personnel</b> – <i>Twenty Four (24) Security Guards (AOR # 1-BCO Area= 6; AOR # 2- BCDA Area= 9; NAPOLCOM Area=9 ), additional Security Guards shall be provided if required</i></p> <p>b. <b>Communication Equipment</b> - <i>as stated in Section VII. Technical Specifications/ Terms of Reference</i></p> <p>c. <b>Transportation</b> -<i>as stated in Section VII. Technical Specifications/ Terms of Reference</i></p> <p>d. <b>Firearms</b> - <i>as stated in Section VII. Technical Specifications/ Terms of Reference</i></p> <p>e. <b>Individual Equipment</b> - <i>as stated in Section VII. Technical Specifications/ Terms of Reference</i></p>

9.1	<p><b>Prices</b></p> <p>All bid prices for the duration of the contract shall be fixed and shall not be adjusted, during contract implementation, except for the following pursuant to Appendix 14, Section 5.0 of R.A. 9184:</p> <ul style="list-style-type: none"> <li>a. Increase in minimum daily wage pursuant to law or new wage order issued after date of bidding,</li> <li>b. Increase in taxes, and</li> <li>c. If during the term of the contract, the procuring entity sees the need for an increase or decrease in the number of security guards, the resulting cost of said increase or decrease, provided that the ABC for the relevant year is not exceeded.</li> </ul>
10.4	"Not applicable."
13.4(c)	"No further instructions."
16.1	<p>Inspections shall be conducted at the Project Site for the following:</p> <p><b>(a). Pre-posting Inspection</b></p> <ul style="list-style-type: none"> <li>(i). Personnel – Preparedness of the Officers and Security Guards to perform their mandated duties and responsibilities.</li> <li>(ii). Completeness of the organizational and individual equipments as stipulated in Section VII. Technical Specifications.</li> </ul> <p><b>(b). Quarterly Inspection and Performance Evaluation</b></p>
17.3	"Not Applicable"
17.4	"Not Applicable"
21.1	"No additional provision".



# **SECTION VI**

## **SCHEDULE OF REQUIREMENTS**

## SCHEDULE OF REQUIREMENTS

No.	ACTIVITIES	DATE/TIME
	<b><i>PRIOR TO DEPLOYMENT</i></b>	
1	Site Survey (Before the Pre-bid Conference)	09 September 2013 8:00 AM
2	Submission of Final Comprehensive Security Plan	10 October 2013 8:00 AM
3	Submission of List of Officers together with respective personal data with attached photo, copies of licenses and required clearances tacked in individual folders. a. Detachment Commander (DC) b. Shift-In-Charge	30 September 2013 8:00 AM
4	Submission of List of Equipment as stipulated in the TOR a. Vehicle – with photo copy of OR/CR b. Firearms – with photo copy of corresponding licenses c. Radios – with corresponding registration certificates/licenses	30 September 2013 8:00 AM
5	Interview of Security officers (DC/SIC)	30 September 2013 8:00 AM
6	Inventory of PDS Properties (This will be participated by the PDS-EMO Inventory Team, the Outgoing Security Provider authorized representative and the authorized representative of the winning bidder).	30 September 2013 8:00 AM-5:00 PM
7	Radio Signal Propagation Test (The new Security Provider)	01 October 2013 6:00 AM
	<b><i>DEPLOYMENT OF GUARDS</i></b>	
8	Pre-Posting Formation at the Security Detachment (Outgoing and Incoming Security Provider)	01 October 2013 5:00 AM
9	Turn-Over of Responsibility (From the Outgoing Security Provider to PDS-EMO; From PDS-EMO to the new Security Provider)	01 October 2013 6:00 AM
10	Posting of the New Security Provider with equipment as per TOR.	01 October 2013 6:00 AM

# **SECTION VII**

## **TECHNICAL SPECIFICATIONS**

<b>ANNEX NO.</b>	<b>PARTICULARS</b>
<b>A</b>	<b>PERSONNEL AND EQUIPMENT REQUIREMENT</b>
<b>B.</b>	<b>TERMS OF REFERENCE</b>

---

“ANNEX A”

PERSONNEL AND EQUIPMENT REQUIREMENTS

ITEM	SPECIFICATIONS	Statement of Compliance
		<p>Bidders must state here either “Comply” or “Not Comply” against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of “Comply” or “Not Comply” must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer’s un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of <b>ITB</b> Clause 3.1(a)(ii) and/or <b>GCC</b> Clause 2.1(a)(ii).</p>
<p><b>Personnel Requirement</b></p>	<p>a. Area 1 ----- 6 Security Guards            b. Area 2 ----- 9 Security Guards            c. Area 3 ----- 9 Security Guards            Total - - - - - 24 Security Guards            (Individual Licenses to Exercise Security Profession must not be expiring within the next six (6) months after the issuance of the Notice to Proceed).</p> <p>a. <b>Security Guards</b> – Must have satisfied the basic requirements prescribed in the RA 5487.</p> <p>b. <b>Security Officers</b> Must have satisfied the basic requirements prescribed in the RA 5487 and the following requirements from the client:</p> <p>b.1. Must be a computer literate            b.2. Must be a licensed driver of motorized vehicle under restrictions 1 and 2.</p>	
<p><b>Firearms</b></p>	<p>a. Type &amp; caliber:            a.1. 12 Gauge Shot Gun - - - - 5</p>	

	<p>a.2. 9MM Pistol ----- 5</p> <p>b. Licenses for the firearms shall not be expiring within the next six (6) months after the initial posting. (Attached photo copies of firearm licenses)</p>	
<b>Communication Equipment</b>	<p>a. Handheld radio - - - - - 13 Units</p> <p>(Licenses of the radios shall not expire within the next (6) months after the initial posting.</p> <p>b. Extra rechargeable Battery packs - 13 Units</p> <p>c. Battery chargers - 13 Units</p>	
<b>Vehicle Requirement</b>	<p>Registration of vehicles shall be current. (Attached CR &amp; OR)</p> <p>a. L300FB with at least 6 liters fuel support per day (Brand New) - 1 Unit</p> <p>b. Motorcycle with side car ( Brand New with adequate fuel supply - 1 Unit</p>	
<b>Other Equipment</b>	<p>a. Computer with complete accessories &amp; Printer</p> <p>b. Digital Camera (at least 3.2 MP) with rechargeable battery and charger</p> <p>c. Cell phone with at least 500.00 load/month</p> <p>d. Reflectorized Traffic Vest - 9 Sets</p> <p>e. Rechargeable Searchlight 6 Volts - 9 Sets</p> <p>f. One (1) CCTV Monitor with 13 deployed and 2 reserve surveillance cameras</p> <p>g. Network Video Recorder (NVR) Control with appropriate equipment and peripherals capable of simultaneous monitoring and viewing of images from each installed camera as follows:</p> <ul style="list-style-type: none"> <li>- 22" LED Monitors compatible with installed cameras -- 3 Units</li> <li>- 16 Ch NVR Units – 3 Units</li> <li>- 2TB HDD –</li> </ul>	

	<ul style="list-style-type: none"> <li style="text-align: right;">3 Units</li> <li>- Desktop PC –</li> <li style="text-align: right;">2 Units</li> <li>- UPS –</li> <li style="text-align: right;">1 Unit</li> <li>h. Point to Multi-point Wireless Antenna (Additional repeater if needed) - 16 Units</li> <li>i. Fixed Outdoor Type Wireless Camera, 2 Mega-pixel sensor capable of capturing 1600 x 1200 pixels resolution - 24 Units</li> <li>j. PTZ Outdoor Type Wireless Camera, 2 Mega-pixel sensor capable of capturing 1600 x 1200 pixels resolution - 9 Units</li> <li>k. Metal Detector - 2 Sets</li> <li>l. Utility Umbrella ( big canopy) - 4 Sets</li> </ul>	
<b>Security Guard Individual Equipment</b>	<ul style="list-style-type: none"> <li>a. Flash Light (4.5 volts capacity) - 24 Sets</li> <li>b. Baton/Hand Cuff - 24 Sets</li> <li>c. Leather belt with pouches and medicine kit - 24 Sets</li> </ul>	

## “ANNEX B”

### TERMS OF REFERENCE (TOR)

#### PROCUREMENT OF SERVICES- SECURITY SERVICES FOR PAMAYANANG DIEGO SILANG

##### 1. BACKGROUND INFORMATION

PAMAYANANG DIEGO SILANG (PDS) is a housing facility located along C5 Road at Brgy Ususan, Taguig City. It is divided into five (5) blocks. BLOCK 1 (six (6) MC models and five (5) MB models); BLOCK II (thirteen (13) MC buildings); BLOCK III (twelve (12) MB buildings); BLOCK IV (seventeen (17) MB buildings); and BLOCK V (nine (9) MC buildings). All in all, it has a total of twenty eight (28) MC buildings with eight hundred forty (840) units and thirty four (34) MB buildings with two thousand forty (2, 040) units.

The Estate Management function over MC1 to MC6 and MB22 of Block I and the whole Block II (MC7 to MC 19) has been turned over to the PDS CONDOMINIUM II ASSOCIATION, INC (PDSCIIAI) in 2009. The Safety and Security responsibility over of the reconstituted Block II Area of Responsibility (AOR) shall be taken care of by the Security Unit of PDSCIIAI.

MB 18 to 21 of Block I, the whole of Blocks III, IV and V comprising the NAPOLCOM housing facility including other BCDA facilities and properties within PDS and the open areas remained under the administrative control and supervision of EMO, PDS.

Block	MB		MC	
	Bldg.	Unit	Bldg.	Unit
I	04	0240	0	0
III	12	0720	0	0
IV	17	1020	0	0
V	0	0	09	270
TOTAL	33	1980	09	270

PDS Security Unit shall continue to protect the NAPOLCOM housing facilities, BCDA facilities and properties within AOR and the BMHI Corporate Office against theft, vandalism, sabotage, arson, or any other act prejudicial to the interest of the community. The protection of BMHI employees and visitors on official transaction with the BCO against threat and intimidation is likewise of paramount importance.

For these reasons, **BMHI invites eligible Security Agencies to submit their Bid Proposal** for the **Security Services** of area 1, 2 and 3 and the facilities therein.

##### 2. AREAS SUBJECT TO BID

###### 2.1. AREA 1 – BMHI Corporate Office (BCO).

2.2. **AREA 2 – (BCDA AREA)**, The commercial complex, Lot 4 near the SMART & GLOBE tower, Pump Houses at Lots 10 & 12, Former KANLAON Lot 5-A and Lot 6-A, Multi-Purpose Building & Basketball court, Lot 15 (back of Multi-purpose Building) gates 1 & 2 and the road Lot 20 & 28 as AOR 2. (Please see sketch map)

2.3. **AREA 3 - (NAPOLCOM AREA)**, The common area facilities and equipment of the Medium Rise Buildings (MRB) at Block I (MB 18 to 21), Block III (MB23 to 34), Block IV (MB1 to 17) and Block V (MC20 to 28) (e.g. landings, stairwells, fire

exits, corridors, external pathways and open parking areas) as defined in the Master Deed and gates 3 and 4 as AOR 3; and

### 3. MANPOWER REQUIREMENT

- 3.1. As activities increase or decrease due to changes in priority needs of BMHI, the number of contracted guards may be increase or decrease any time upon the written instruction of **BMHI**.
  - (3.1.a) Should the need arise, the AGENCY should be able to increase or decrease the number of security guards including necessary and appropriate equipment deployable to other areas of responsibility as designated by **BMHI** upon written notice.
  - (3.1.b) The guard force may also be decreased at any given time for any of the AOR upon written instructions of BMHI.
- 3.2. The Security Agency to be selected shall render security services twenty four (24) hours a day, seven (7) days a week in their respective AOR. However, individual guards shall be deployed eight (8) hours per day, six (6) days a week, in consonance with the provisions of the Labor Code.

### 4. PERSONNEL AND EQUIPMENT REQUIREMENT:

The security personnel requirement for these areas of responsibility shall be **Twenty Four (24)** security guards with corresponding organizational and individual equipment as prescribed in Section VII. Technical Specifications of the Bidding Documents.

### 5. SCOPE OF WORK

The Agency shall undertake the following functions and responsibilities:

- 5.1. Secure, protect and guard BCDA-BMHI-NAPOLCOM Officers, employees and visitors from assault, harassment, threat and intimidation within the Agency's AOR;
  - 5.2. Preserve the AOR and prevent the intrusion of squatters and building of illegal/unauthorized structures therein. The Agency shall notify BMHI of any such intrusion, illegal structures within forty eight (48) hours from occurrence of such incidents;
  - 5.3. Remove or demolish at its own cost on-going illegal constructions within the AOR appearing or built during the effectivity of the Contract for Security Services at its own initiative, within seventy-two (72) hours upon discovery by actual posted guards/officers or from date of formal notification by BMHI;
  - 5.4. Compensate BMHI for the cost of demolition/eviction of illegal residential structures and such other cost and damages as BMHI may incur or suffer arising from, or consequent to the Agency's failure to comply with its obligation under Sections 5.2 and 5.3 hereof;
  - 5.5. Notwithstanding Sections 5.3 and 5.4, the AGENCY shall be liable for the penalty of **TEN THOUSAND PESOS (P10, 000.00)** per illegal structure constructed during the effectivity of the Contract;
-



- 5.6. Secure, protect and guard the facilities/properties within the AOR from theft, robbery, arson, destruction and damage and other related crimes punishable by law;
- 5.7. Assist the PNP in maintaining peace and order within the Agency's AOR;
- 5.8. Implement/comply with BMHI rules and regulations and other Standard Operating Procedures (SOP) promulgated by BMHI relative to the maintenance of security and safety. Provide BMHI the Security Agency's Code of Personnel Policy for reference.
- 5.9. Prevent the improper dumping of garbage of any form in its AOR. Waste materials shall be placed in the garbage bins provided for the purpose and located at designated points readily accessible to residents. Failing to discharge this duty, the Agency shall be required to remove said garbage at its own expense immediately with or without notification from BMHI. Should the Agency fail to do its duty herein stated, BMHI shall remove or dispose the garbage and the expenses incurred therefrom shall be chargeable to the account of the Security Agency.
- 5.10. Ensure strict implementation of all policies, guidelines and agreements, such as but not limited to Lease to Own Agreement (LOA), Master Deed etc.
- 5.11. Upon order or notice of BCDA, provide or reinforce the security force in any of the other AOR in case of emergency that necessitates the services or assistance of other agencies such as, but not limited to, the termination of the Contract for Security Services of another agency;

## **6. QUALIFICATIONS OF OFFICERS AND SECURITY GUARDS**

- 6.1. The Agency shall submit the Curriculum Vitae and work experiences in security operations of the nominated Detachment Commander and Shifts-in-Charge for review by the BMHI Management.
  - 6.2. Acceptance/denial of the nominated Security Officers and Security Guards shall be determined by the Security Unit of PDS.
  - 6.3. The security guards to be deployed must possess the following minimum qualifications:
    - (a) Must be at least a High School Graduate;
    - (b) Must be of good moral character and reputation;
    - (c) Must be courteous, alert and without any criminal or derogatory police record;
    - (d) Must be physically and mentally fit, between twenty-one (21) to forty five (45) years of age, and at least five (5) feet and five (5) inches in height for male and five (5) feet and two (2) inches in height for female respectively, except those who are occupying officer level positions;
    - (e) Must have passed a Neuro-psychiatric examination and standard drug test conducted by any authorized/accredited agency/entity;
    - (f) Must be duly licensed, properly screened, and cleared by the Supervisory Office for Security and Investigation Agencies (SOSIA) of the Philippine National Police (PNP), the National Bureau of Investigation (NBI) and Barangay Chairman;
-

- (g) All Security Officers must be a qualified and licensed driver for two (2) or four wheeled vehicles.
- (h) All Security Officers must be computer literate or must know (at least) the basic operations of the computer.
- (i) Such other qualifications as BMHI may deem necessary in the course of the implementation of this Contract.

## 7. COMPREHENSIVE SECURITY PLAN

The Comprehensive Security Plan of the selected agency shall be subject to further review by BMHI after the bidding. Should there be revisions; said plan shall be immediately returned to the winning agency for finalization. The revised Security Plan must be submitted within ten (10) calendar days from receipt of the Notice of Award for approval.

## 8. POSTING OF PERFORMANCE AND WAGE SECURITIES

- 8.1. To guarantee payment for losses and/or damages to property, the Agency shall post a performance bond in favor of BMHI from a Universal or Commercial Banks or Surety Bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security in the amount indicated at Section II. Instruction to Bidders; paragraph 33 of The Bidding Documents.
- 8.2. Similarly, to answer for wages due the security guards should the Agency fail to pay the same, a wage security from the GSIS or other government banks such as: Land Bank of the Philippines (LBP), Postal Bank and Development Bank of the Philippines (DBP) shall be posted by the Agency in favor of BMHI in an amount equivalent to **three (3) months of Labor cost of their personnel in their respective AOR.**
- 8.3. The wage securities shall be callable on demand and shall have a validity period equivalent to the duration of the pertinent Contract including its renewal or extension, if any, plus three (3) months; and
- 8.4. In case of change in Contract price arising from additional deployment of guard force, the aforementioned sureties shall be accordingly upgraded.

## 9. MEDICAL AND RISK INSURANCE

The security guards to be deployed shall have full coverage of medical and risk insurance by the Agency

## 10. DURATION OF CONTRACT

The agency shall provide security services to BMHI for a period of fifteen (15) months (October 01, 2013-December 31, 2014), unless either party sooner terminates the Contract. The Security Agency, upon assumption of its duty in PDS, shall be subject to quarterly performance evaluation to determine the need for the retention of its services. The contract may likewise be extended by BMHI for a maximum of one (1) year, subject to the result of the performance evaluation of the security agency, exigency of the services, availability of funds and upon mutual agreement of the parties.

## 11. TERMINATION

---

Either party may, at any given time, terminate the CONTRACT for Security Services for breach of any of the provisions thereof and other legal causes by serving a written notice to the other party at least thirty (30) days before the intended date of termination pursuant to Section IV, General Conditions of the Contract; paragraph 23-27 of the Bidding Documents.



## **SECTION VIII**

### **BIDDING FORMS**



# TABLE OF CONTENTS

<b>BID FORMS</b> .....	70-BF
<b>CONTRACT AGREEMENT FORM</b> .....	74-BF
<b>OMNIBUS SWORN STATEMENT</b> .....	75-BF
<b>BANK GUARANTEE FORM FOR ADVANCE PAYMENT</b> .....	77-BF
<b>BID-SECURING DECLARATION</b> .....	78-BF

# Bid Form

Date: \_\_\_\_\_

Invitation to Bid<sup>1</sup> No: \_\_\_\_\_

To: **BMHI - BAC**  
BCDA MANAGEMENT and HOLDINGS, INC. (BMHI)  
BCDA Corporate Center  
C-5 Road, Pamayanang Diego Silang  
Taguig City, Metro Manila

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to *[supply/deliver/perform]* *[description of the Goods]* in conformity with the said Bidding Documents for the sum of *[total Bid amount in words and figures]* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in [BDS](#) provision for **ITB** Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:<sup>2</sup>

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

(if none, state "None")

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per **ITB** Clause 5 of the Bidding Documents.

<sup>1</sup> If ADB, JICA and WB funded projects, use IFB.

<sup>2</sup> Applicable only if the Funding Source is the ADB, JICA or WB.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
*[signature]*

\_\_\_\_\_  
*[in the capacity of]*

Duly authorized to sign Bid for and on behalf of \_\_\_\_\_

\_\_\_\_\_

## For Goods Offered From Abroad

Name of Bidder \_\_\_\_\_, Invitation to Bid<sup>3</sup> Number \_\_\_\_\_, Page \_\_\_\_\_ of \_\_\_\_\_.

1	2	3	4	5	6	7	8	9
Item	Description	Country of origin	Quantity	Unit price CIF port of entry (specify port) or CIP named place (specify border point or place of destination)	Total CIF or CIP price per item (col. 4 x 5)	Unit Price Delivered Duty Unpaid (DDU)	Unit price Delivered Duty Paid (DDP)	Total Price delivered DDP (col 4 x 8)

---

<sup>3</sup> If ADB, JICA and WB funded projects, use IFB.

---



## For Goods Offered From Within the Philippines

Name of Bidder \_\_\_\_\_, Invitation to Bid<sup>4</sup> Number \_\_\_\_\_. Page \_ of \_\_\_\_\_.

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of origin	Quantity	Unit price EXW per item	Cost of local labor, raw material, and component <sup>2</sup>	Total price EXW per item (cols. 4 x 5)	Unit prices per item final destination and unit price of other incidental services	Sales and other taxes payable per item if Contract is awarded	Total Price delivered Final Destination (col 8 + 9) x 4

<sup>4</sup> If ADB, JICA and WB funded projects, use IFB.

# Contract Agreement Form

---

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ between **BCDA Management and Holdings, Inc. (BMHI)** of the Philippines (hereinafter called "the Entity") of the one part and *[name of Supplier]* of *[city and country of Supplier]* (hereinafter called "the Supplier") of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., **Procurement of Services, Re-Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila** and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of *[contract price in words and figures]* (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement 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 shall be deemed to form and be read and construed as part of this Agreement, viz.:
  - (a) the Bid Form and the Price Schedule submitted by the Bidder;
  - (b) the Schedule of Requirements;
  - (c) the Technical Specifications;
  - (d) the General Conditions of Contract;
  - (e) the Special Conditions of Contract; and
  - (f) the Entity's Notification of Award.
3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the Entity)

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the Supplier).

---

# Omnibus Sworn Statement

---

REPUBLIC OF THE PHILIPPINES )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

## AFFIDAVIT

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. **Select one, delete the other:**

*If a sole proprietorship:* I am the sole proprietor of *[Name of Bidder]* with office address at *[address of Bidder]*;

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

2. **Select one, delete the other:**

*If a sole proprietorship:* As the owner and sole proprietor of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for the **Procurement of Services, Re- Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila.**

*If a partnership, corporation, cooperative, or joint venture:* I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Bidder]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. *[Name of Bidder]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat,

---

the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a partnership or cooperative:* None of the officers and members of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. [Name of Bidder] complies with existing labor laws and standards; and
8. [Name of Bidder] is aware of and has undertaken the following responsibilities as a Bidder:
  - a) Carefully examine all of the Bidding Documents;
  - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
  - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
  - d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the **Procurement of Services, Re-Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila.**

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of \_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Bidder's Representative/Authorized Signatory

[JURAT]

---

# Bank Guarantee Form for Advance Payment

---

To: **BMHI - BAC**  
BCDA MANAGEMENT and HOLDINGS, INC. (BMHI)  
BCDA Corporate Center-PDS  
C-5 Road, Pamayanang Diego Silang  
Taguig, Metro Manila

**Procurement of Services, Re-Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila**

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends Clause 10 of the General Conditions of Contract to provide for advance payment, *[name and address of Supplier]* (hereinafter called the "Supplier") shall deposit with the PROCURING ENTITY a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[bank or financial institution]*, as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the PROCURING ENTITY on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding *[amount of guarantee in figures and words]*.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the PROCURING ENTITY and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[date]*.

Yours truly,

Signature and seal of the Guarantors

---

*[name of bank or financial institution]*

---

*[address]*

---

*[date]*

---

# Bid-Securing Declaration

---

REPUBLIC OF THE PHILIPPINES )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

**Invitation to Bid for the Procurement of Services, Re- Security Services for Pamayanang Diego Silang located at C-5 Road, Ususan, Taguig City, Metro Manila**

To: **BMHI - BAC**  
BCDA MANAGEMENT and HOLDINGS, INC. (BMHI)  
BCDA Corporate Center  
C-5 Road, Pamayanang Diego Silang  
Taguig City, Metro Manila

I/ We <sup>140</sup>, the undersigned, declare that:

1. I / We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I / We accept that: (a) I / we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and (b) I / we will pay the applicable fine provided under section 6 of the Guidelines on the Use of Bid securing Declaration<sup>142</sup>, if I / we have committed any of the following actions:
  - (i). Withdrawn my / our Bid during the period of validity required on the Bidding Documents; or
  - (ii) Fail or refuse to accept the award and enter into contract or perform any and all acts necessary for the execution of the Contract, in accordance with the Bidding Documents after having been notified of your acceptance of our Bid during the period of bid validity.
3. I / We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
  - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
  - (b) I am / we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I / we failed to timely file a request for reconsideration or (ii) I / we filed a waiver to avail of said right;
  - (c) I am / we are declared as the bidder with the Lowest Calculated and Responsive Bid/ Highest Rated and Responsive Bid<sup>143</sup>, and I / we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I / We have hereunto set my / our hand/s this \_\_\_\_ day of [month] {year} at [place of execution].

---

<sup>140</sup> Select one and delete the other

<sup>141</sup> Select one and delete the other, Adopt same instruction for similar terms throughout the document.

<sup>142</sup> Issued by the GPBB through GPBB resolution 03-2012 on January 27 2012.

<sup>143</sup> Select one and delete the other

---

# CONTRACT

## SO THE PUBLIC IS INFORMED

This contract is entered between:

**BCDA MANAGEMENT & HOLDINGS INCORPORATED**, a Corporation created under and by virtue of the laws of the Republic of the Philippines with office address at BMHI Corporate Center, C-5 Road, Pamayanang Diego Silang, Ususan, Taguig City, Metro Manila represented herein by its **General Manager, RAFAEL L. LLAVE**, whom is duly authorized for the purpose, as evidenced by a certified true copy of the Secretary's Certificate dated \_\_\_\_\_, hereto attached as (**Annex "A"**) and made an integral part hereof, hereinafter referred to as "**BMHI**";

and

\_\_\_\_\_  
*[Name of Security Agency]*, a Corporation created under and by virtue of the laws of the Republic of the Philippines with office address at \_\_\_\_\_  
*[Address of Security Agency]* represented herein by its *[Name and Designation of Authorized Representative]*, hereinafter referred to as the "**AGENCY**";

**BMHI and CONTRACTOR** may hereinafter be referred to collectively as "**Parties**" and individually as "**Party**".

## ANTECEDENTS

**Bases Conversion and Development Authority (BCDA)** was created by virtue of R.A. 7227, to accelerate the sound and balanced conversion into alternative productive civilian uses of the former US Baselands and their extensions;

Consistent with the same law, the President of the Philippines issued Executive Order No. 40, Series of 1992, transferring major portions of Fort Bonifacio and Villamor Air Base, among other Metro Manila Camps, to **BCDA** for disposition and/or development in order to raise funds for the conversion program as well as for the relocation and modernization of the Armed Forces of the Philippines;

BCDA Management and Holdings, Inc (**BMHI**) was created to be the implementing arm of BCDA in the disposition and/or privatization of its properties;

On 14 May 1998, **BCDA** and **National Police Commission (NAPOLCOM)** entered into a value for value land swap agreement of their respective properties in Bago Bantay and Forth Bonifacio.

On 18 May 1999, **BCDA** and **NAPOLCOM** entered into a MOA wherein **BCDA** provided **NAPOLCOM** with 2,250 housing units in **Pamayanang Diego Silang (PDS)** in lieu of constructing **DILG/NAPOLCOM** complex in Camp Bago Bantay.

By virtue of Special Order No. 031. Series of 2004, **BMHI** was tasked to undertake Estate Management of PDS;

Executive Order No. 70 in relation to Republic Act 7227 mandates **BCDA** to undertake and implement the development, administration and turn-over of the PDS Community;

**BCDA** has entered into an Estate Management Agreement with **BMHI** authorizing and designating **BMHI** as the estate manager and operator of the PDS Estate;

---





obligations of the Parties, except as otherwise modified by the terms and conditions of the Contract, or by mutual agreement of both Parties in writing, and by provisions of relevant laws, codes, ordinances, rules and regulations of the government:

- Annex "A" - **BMHI's** Secretary's Certificate;
- Annex "B" - **AGENCY's** Secretary's Certificate;
- Annex "C" - Terms of Reference (TOR);
- Annex "D" - Items to be provided by the **AGENCY**;
- Annex "E" - PADPAO Security Services Rate for the Region;
- Annex "F" - Notice of eligibility/Invitation to submit proposal;
- Annex "G" - Instruction to Eligible Bidders;
- Annex "H" - Bid Security;
- Annex "I" - Affidavit of Site Inspection;
- Annex "J" - Bid Letter;
- Annex "K" - Bid price and derivation of price per security guard;
- Annex "L" - Comprehensive security plan for the AOR;
- Annex "M" - Verified and validated structural map of the AOR;
- Annex "N" - Guarantee bond for losses and damages;
- Annex "O" - Guarantee bond for salaries and wages of security personnel;
- Annex "P" - Medical/Insurance Coverage of Guards;
- Annex "Q" - Notice of Award with **AGENCY's** "Conforme";
- Annex "R" - **AGENCY's** Certification under oath that it is free and clear of all tax liabilities to the government as required under EO 398, dated 12 January 2005;
- Annex "S" - Copy of latest income and business tax returns duly stamped and received by the Bureau of Internal Revenue (BIR) and duly validated with the tax payments made thereon; and
- Annex "T" - Bid Price and Derivation of Price per Security Guard
- Annex "U" - Other pertinent documents as may be required by **BMHI** and the Commission on Audit (COA).

- All contract documents are and shall remain the property of **BMHI**.
- All documents which have been or may hereinafter be executed by the "**Parties**" shall likewise form integral parts of this Contract.
- It is expressly agreed and understood that in case of conflict between this Contract and the provisions of the Contract Documents incorporated as forming integral parts hereof, the former shall prevail.

### **ARTICLE III**

#### **FUNCTIONS AND DUTIES OF THE SECURITY GUARDS**

The **AGENCY**, through the security guards deployed in the AOR, shall have the following responsibilities, functions and duties:

- 3.1 Secure, protect and guard the properties within the AOR from theft, robbery, arson and other forms of destruction and damage and other related crimes punishable by law;
-

- 3.2 Preserve the AOR and prevent intrusion by squatters and building of illegal structures and similar acts therein. The **AGENCY** shall notify **BMHI** of any such intrusion, illegal structure or similar acts within forty-eight (48) hours from occurrence of such incidents;
- d. Remove or demolish at its own cost on-going and new illegal constructions within the **AOR** appearing or built during the effectivity of the Contract for Security Services at its own initiative, or failing to do so, within seventy-two (72) hours from formal notification by **BMHI**;
- 3.4 Compensate **BMHI** for the cost of eviction/demolition of such structures and such other costs and damages as **BMHI** may incur or suffer arising from, or consequent to the **AGENCY**'s failure to comply with its obligations under Sections 3.2 and 3.3 hereof;
- 3.5 Notwithstanding Sections 3.3 and 3.4, the **AGENCY** shall be liable for the penalty of **PESOS: TEN THOUSAND AND 00/100 (P10,000.00)** per illegal structure constructed during the effectivity of the Contract as provided for in Paragraph 11.6 hereof;
- 3.6 Secure, protect and guard **BMHI** officers, employees and visitors from assault, harassment, threat and intimidation within the **AOR** and its immediate surroundings;
- 3.7 Maintain peace and order within the **AOR** and its immediate surroundings;
- b. Implement/comply with **BMHI** rules and regulations and other Standard Operating Procedures (SOP) promulgated by **BMHI** relative to the maintenance of security and safety; and provide **BMHI** the Security Agency Code of Personnel Policy as reference;
- c. Upon order or notice of **BMHI**, provide or reinforce the security force in any of the other AORs in case of emergency that necessitates the services or assistance of other agencies such as, but not limited to, the termination of the Contract for Security Services of another agency;
- d. Prevent dumping of garbage of any form in its AOR and failing to discharge this duty, remove said garbage at its own expense immediately with or without notification from **BMHI**; and
- e. Prevent vandalism in the form of graffiti, paintings, stickers on **BMHI** fences and walls of structures, and failing to prevent the same, remove such graffiti, painting, sticker and the like and restore the fence or wall to its original form at its own expense with or without notice from **BMHI**.

#### **ARTICLE IV**

#### **GUARD FORCE**

The **AGENCY** shall deploy **Twenty Four (24)** security guards in the AOR who shall each render eight (8) hours of work daily, seven (7) days a week; provided, however, that **BMHI** reserves the right to require the security guards to render a maximum of twelve (12) hours of work as necessity therefore arises; provided further that the number of contracted guards may be increased or decreased any time upon the written instruction of **BMHI**. The guards shall be deployed and utilized in accordance with the attached Terms of Reference (TOR).

#### **ARTICLE V**

---

## QUALIFICATIONS OF SECURITY GUARDS

- c. The Agency shall submit the Curriculum Vitae and work experiences in security operations of the nominated Detachment Commanders and Shift-in-Charge for the AOR to enable BMHI to determine if they satisfy its requirements.
- d. The security guards to be deployed must possess the following minimum qualifications:
- (a) Must be at least a High School Graduate;
  - (b) Must be of good moral character and reputation;
  - (c) Must be courteous, alert and without any criminal or derogatory police record;
  - (d) Must be physically and mentally fit, between twenty-one (21) to forty five (45) years of age, and at least five (5) feet and five (5) inches in height for male and five (5) feet and two (2) inches in height for female respectively, except those who are occupying officer level positions;
  - (e) Must have passed a Neuro-psychiatric examination and standard drug test conducted by any authorized/accredited agency/entity;
  - (f) Must be duly licensed, properly screened, and cleared by the Supervisory Office for Security and Investigation Agencies (SOSIA) of the Philippine National Police (PNP), the National Bureau of Investigation (NBI) and Barangay Chairman;
  - (g) All Security Officers must be a qualified and licensed driver for two (2) or four wheeled vehicles.
  - (h) All Security Officers must be computer literate or must know (at least) the basic operations of the computer.
  - (i) Such other qualifications as BMHI may deem necessary in the course of the implementation of this Contract.

## ARTICLE VI

### PRESCRIBED ATTIRE OF SECURITY GUARDS

The security guards deployed by the **AGENCY** in the AOR must be in proper uniform prescribed by specific provisions of RA No. 5487 at all times while on duty.

## ARTICLE VII

### EQUIPMENT AND ADDITIONAL SERVICES TO BE PROVIDED BY THE AGENCY

---

The **AGENCY** shall provide the equipment, vehicles and additional services as contained in the “**TERMS OR REFERENCE**” (Personnel and Equipment Requirement).

## **ARTICLE VIII**

### **CONSIDERATION**

For purposes of billing for services to be rendered under this Contract, **BMHI** shall pay the **AGENCY** the amount of **PESOS: \_\_\_\_\_ (P )** per guard actually deployed per month, for eight-hour work daily, seven (7) days a week, which amount shall be inclusive of all charges, including taxes to be paid to Government.

## **ARTICLE IX**

### **MANNER OF PAYMENT**

- 9.1 The **AGENCY** shall bill **BMHI** twice a month, preferably every 15<sup>th</sup> and 30<sup>th</sup> day of every month for services actually rendered by the security guards. For this purpose, the **AGENCY** shall submit the payroll records of the guards with their names, hours of work rendered and a certification that the guards, whose names appear therein, actually and truly rendered the services for the particular billing period. Non-compliance therewith gives **BMHI** the right to disallow payment of the bill; and any falsehood or misrepresentation in the certification shall constitute breach of the Contract, which is a ground for termination thereof.
- 9.2 It is understood that a portion of the amount to be paid to the **AGENCY** represents the salaries of the security guards deployed in the AOR and shall be received by the **AGENCY** only in trust for the said security guards. In this regard, the **AGENCY** shall strictly adhere to the Bid Price and Derivation of Price per Security Guard hereto attached as Annex “T” and made an integral part hereof.
- 9.3 The **AGENCY** shall be entitled to request for corresponding adjustment of the stipulated contract price herein in the event the minimum wage is increased or where there is increased fringe benefit in favor of the employees pursuant to law, executive order, decree or wage order subsequent to the execution of this Contract; provided the **AGENCY** presents proof thereof, which proof shall be certified to by the President of the Philippine Association of Detective and Protective Agency Operators, Inc. (PADPAO).

## **ARTICLE X**

### **SUPERVISION AND CONTROL**

The **AGENCY** shall exercise and provide direct supervision, control and administration over its guards to be deployed in the AOR in accordance with laws, ordinances and pertinent government rules and regulations, as well as policies, rules and regulations prescribed by **BMHI**.

## **ARTICLE XI**

---

## **OBLIGATIONS/LIABILITIES OF THE AGENCY**

The Parties hereto hereby agree to assume and be guided by the following principles under this Contract:

- 11.1 The **AGENCY** shall faithfully comply with its obligations to the guards and to Government as reflected in Annex "E".
  - 11.2 The **AGENCY** is neither an agent nor an employee of **BMHI** and the security guards to be deployed by the **AGENCY** in the AOR are not in any manner to be considered as employees of **BMHI**. Accordingly, **BMHI** shall not be responsible for any and all claims for personal injury or death, or damage to, or loss of properties, caused to any security guard or to any third party by such guard.
  - 11.3 The **AGENCY** shall ensure that the security guards to be deployed in the AOR are fully covered by medical and All-Risk Insurance at the **AGENCY's** own cost.
  - 11.4 No employer-employee relationship shall exist between **BMHI** and the **AGENCY** and the security guards to be deployed by the **AGENCY** in the AOR. Accordingly, the **AGENCY** alone is responsible for compliance with laws, rules and regulations governing employer-employee relationship and payment of employees' wages, benefits and other remunerations including all other consequences of such relationship. The **AGENCY** shall submit to **BMHI** true copies of payrolls of the security guards and other proof of payment of their wages and other monetary benefits satisfactory to **BMHI** and under COA rules. The **AGENCY** undertakes to do on a bi-monthly basis, and non-compliance therewith shall be a ground for disallowance of the payment of the bill for said billing period without need of notice.
  - 11.5 The **AGENCY** shall be responsible for any loss of, or damage to, any property within its AOR occurring or taking place during the tour of duty of the security guards of the **AGENCY**, and made known in writing to the **AGENCY** within forty-eight (48) hours from the time of discovery of the loss or damage, unless the **AGENCY** is able to prove in a joint investigation conducted by representatives of the **AGENCY** and **BMHI** that there was no fault or negligence on the part of the **AGENCY's** security guard; provided, however, that such loss or damage is not attributable to **BMHI**. This stipulation does not apply in the following cases:
    - a. If the loss or damage occurred in an enclosed room or compartment to which the security guard of the **AGENCY** has no access, except when doors/windows/locks/walls are broken or destroyed to gain entry; and
    - b. If the property lost or damaged (being guarded) was kept in storage and has not been properly turned-over to the **AGENCY**.
  - 11.6 The Agency shall be liable to **BMHI** for the cost of demolition in addition to the penalty of **PESOS: TEN THOUSAND (P10,000.00)** for every structure illegally built during the term of its contract. For this purpose, the **AGENCY** hereby authorizes **BMHI** to deduct such cost and penalty from its billing.
-

11.7 **BMHI** shall neither deduct its claim for losses and/or damages from the payments to be made to the **AGENCY** for guard services, nor withhold payment to the **AGENCY** without prior notice except for non-compliance with the **AGENCY**'s obligations as provided under paragraph 9.1 of Article IX and paragraph 11.4 of Article XI hereof.

11.8 The **AGENCY** shall not be liable for losses and/or damages due to:

- (a) Fortuitous events or force majeure beyond the control of the security guards to prevent despite exercise of due diligence; provided that the same is reported to **BMHI** within twenty-four (24) hours from occurrence thereof so that **BMHI** can verify the same. For this purpose, fortuitous events or force majeure shall mean any of the following:
  - a.1 Acts of war or the public enemy whether war be declared or not;
  - a.2 Public disorders, insurrection, rebellion, sabotage or violent demonstrations;
  - a.3 Fires, earthquakes, volcanic eruption or other destructive natural calamities; and
  - a.4 Any other event which under Philippine law is defined as force majeure and/or fortuitous event.
- d. Except upon prior written approval of **BMHI** as provided in Article III hereof, no guard shall render overtime nor shall each guard's schedule of duty overlap with that of another. Otherwise, **BMHI** shall have no obligation to pay the **AGENCY** for the overtime rendered.
- e. Consistent with the requirements of Executive Order No. 398 dated 12 January 2005, the **AGENCY** shall pay taxes in full and on time, and as proof thereof submit regularly the following:
  - a) Copy of the latest income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon; and
  - b) Valid Tax Clearance from the BIR.

The **AGENCY**'s failure to submit aforesaid proofs of payment of taxes shall entitle **BMHI** to suspend payment of the **AGENCY**'s billings.

## **ARTICLE XII**

### **REPLACEMENT OF SECURITY GUARDS**

**BMHI** shall have the exclusive right to have the security guards assigned thereto changed or replaced, if in its opinion or standard, their performance is considered below par or unsatisfactory, or where their actions tend to prejudice the interest of

---

**BMHI.** **BMHI's** decision on the matter shall be final and binding. Failure on the part of the **AGENCY** to take appropriate action thereon within forty-eight (48) hours from receipt of formal advice from **BMHI** shall be considered a cause for the termination of the Contract.

### **ARTICLE XIII**

#### **PREPARATION OF COMPREHENSIVE SECURITY PLAN**

The **AGENCY** shall prepare and submit to **BMHI** a Comprehensive Security Plan for the AOR within ten (10) days after the issuance of Notice of Award. The Plan, once formally approved by **BMHI** shall be strictly observed and implemented by the **AGENCY**.

### **ARTICLE XIV**

#### **POSTING OF BONDS**

To guarantee faithful performance of the **AGENCY** of its responsibilities and obligations under the Contract for Security Services, and the payment to **BMHI** for losses and/or damages suffered thereby, including penalties for illegal structures and the cost of their demolition, and such other liabilities that the **AGENCY** may have incurred during its tour of duty arising from unsatisfactory performance or non-performance under the Contract, the **AGENCY** shall post a bond in favor of **BMHI** from the Government Service Insurance System (GSIS) or other insurance companies duly accredited by the Office of the Insurance Commissioner in an amount equal to the percentage of the total contract price in accordance with the schedule prescribed in Section II. Instruction to Bidders of the Bidding Documents.

Similarly, to answer for the wages due the security guards should the **AGENCY** fail to pay the same, another bond from the GSIS or an insurance company duly accredited by the Office of the Insurance Commissioner shall be posted by the **AGENCY** in favor of **BMHI** in an amount equal to three (3) months' cost of labor in the AOR equal to (PhP \_\_\_\_\_). The bonds shall be callable on demand and shall have a validity period equal to the duration of the contract including its renewal or extension, if any, plus three (3) months.

### **ARTICLE XV**

#### **EFFECTIVITY**

- 15.1 This Contract shall be effective for Fifteen (15) months from the date of actual deployment of guards in the AOR, unless sooner terminated in accordance with the provisions of Article XVII hereof. For said purpose, the **AGENCY** shall inform **BMHI** in writing of the exact date of such deployment of guards.
- 15.2 This Contract may be extended by **BMHI** for a maximum of One (1) Year, subject to the result of the performance evaluation of the **AGENCY**, necessity for the services, availability of funds, and upon mutual agreement of both Parties.

### **ARTICLE XVI**

#### **LIQUIDATED DAMAGES**

---

**BMHI** shall, without prejudice to its other remedies under this Contract and under applicable law, deduct from the Contract Price, as liquidated damages, a sum equal to one-tenth of one percent (1/10 of 1%) of the Contract for each week or part thereof of delay until the actual deployment of security guards, up to a maximum deduction of fifteen percent (15%). Once the maximum is reached, **BMHI** may consider termination of the Contract pursuant to Article XVII hereof.

## **ARTICLE XVII**

### **TERMINATION**

Either party may, at any given time, terminate the **CONTRACT** for Security Services for breach of any of the provisions thereof and other legal causes by serving a written notice to the other party at least thirty (30) days before the intended date of termination pursuant to Section IV, General Conditions of the Contract; paragraph 23-27 of the Bidding Documents.

## **ARTICLE XVIII**

### **DISPUTE RESOLUTION**

- 18.1 Any dispute or controversy between the Parties in connection with or arising from this Contract shall, as far as practicable, be settled by the Parties amicably.
- 18.2 During the pendency of any such dispute, the **AGENCY** shall proceed diligently with the performance of its obligations and undertakings under this Contract as directed by **BMHI**.
- 18.3 Should **BMHI** be constrained to resort to court action to enforce or safeguard its rights and interest under this Contract, the **AGENCY** shall be liable to **BMHI** for attorney's fees in an amount equal to twenty percent (20%) of the total sum claimed in the Complaint, but in no case less than P50,000.00, whichever is higher, exclusive of damages and the expenses of litigation. Any and all disputes arising out of this contract shall be filed by the Parties in the proper court of Taguig City, Metro Manila, to the exclusion of all other courts, bodies and tribunals.

## **ARTICLE XIX**

### **AMENDMENT**

No modification of the terms and conditions or any of the provisions hereof shall be made except by a written instrument which shall be signed by both Parties hereto.

## **ARTICLE XX**

### **AGENCY'S WARRANTY**

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

---



**IN WITNESS WHEREOF**, the Parties hereto and their principal witnesses hereby set their hands on this document on the \_\_\_\_ day of \_\_\_\_\_, 2013 at \_\_\_\_\_.

**BCDA MANAGEMENT AND HOLDINGS, INCORPORATED**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By:

By:

\_\_\_\_\_  
General Manager, BMHI

\_\_\_\_\_  
(Name of Authorized Representative)

Signed in the Presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_

Republic of the Philippines ) S.S.  
\_\_\_\_\_ City )

### ACKNOWLEDGEMENT

**BEFORE ME**, a Notary Public for and in the City of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ in the year 2013, personally appeared the following:

Name	Competent Evidence of Identity	Place and Date of Issuance
<b>RAFAEL L.LLAVE</b> <i>[Authorized Representative of the _____ Security Agency]</i>	_____	_____

Both known to me and to me known to be the same persons who caused the preparation of the foregoing Agreement, consisting of 13 pages including this page, and they acknowledged to me that they have read and understood the Agreement and that they signed every page, including the page in whereon this is written.

They likewise acknowledged that the instrument is their free act and deed, and the entities they represent.

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

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2013

**NOTARY PUBLIC**

---

### CERTIFICATION

I hereby certify that I have **READ AND ACCEPTED** this proposed contract and it is **GOOD FOR AGREEMENT**.

\_\_\_\_\_  
Signature over printed name  
of Authorized Personnel

---