

Republic of the Philippines



Philippine Bidding Documents

Procurement of Security Services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon

____ July 2012

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Section I. Invitation to Bid

Republic of the Philippines

INVITATION TO BID FOR

Procurement of Security Services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon

1. The Power Sector Assets and Liabilities Management (PSALM) Corporation Bids and Awards Committee (BAC) invites prospective bidders duly registered with the Philippine Government Electronic Procurement System (PhilGEPS), to participate in and bid through public bidding for the Procurement of Security Services for Pulangui IV Hydroelectric Power Plants in Maramag, Bukidnon. Through its CY 2012 Corporate Operating Budget, PSALM intends to apply the sum of **TWELVE MILLION TWENTY TWO THOUSAND PESOS (Php12,022,000.00)** being the Approved Budget for the Contract (ABC).

Bids received in excess of the ABC shall be automatically rejected at bid opening.

2. Delivery of the Goods is required as indicated in the **Bid Data Sheet** of the Bidding Documents. Bidders should have completed, within three (3) years before the date of submission and receipt of bids, a contract similar to the Project. The description of an eligible bidder is contained in Section II of the Bidding Documents, Instructions to Bidders (ITB).
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 (RA) 9184, otherwise known as the “Government Procurement Reform Act”. Bidding is restricted to Filipino citizens/sole proprietorships, 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 or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA 5183 and subject to Commonwealth Act 138.
4. Interested bidders may obtain further information from PSALM and inspect the Bidding Documents at the address given below, from 9:00 AM to 5:00 PM, Monday to Friday.
5. A complete set of Bidding Documents may be purchased by interested Bidders beginning on **19 July 2012** from the address below and upon payment of a

nonrefundable fee of **Twelve Thousand Pesos (PhP12,000.00)** for the Bidding Documents. The method of payment will be either cash or check. The Bidding Documents shall be received personally by the prospective Bidder or his authorized representative.

The Bidding Documents may also be downloaded from the websites of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of PSALM, provided that Bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

6. The PSALM will hold a Pre-Bid Conference on **26 July 2012 at 10:00 AM** at the 6th Floor, Bankmer Building, 6756 Ayala Avenue, Makati City which shall be open to all interested parties who have purchased the Bidding Documents.
7. Bids must be delivered to the address below on or before **10 August 2012, 10:00 AM**. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in ITB Clause 18.
8. Bid opening shall be on **10 August 2012 at 10:30 AM** at the 6th Floor, Bankmer Building, 6756, Ayala Avenue, Makati City. Bids will be opened in the presence of the Bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.
9. The PSALM 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.
10. For further information, please refer to:

CONRAD S. TOLENTINO

Bids and Awards Committee

Power Sector Assets and Liabilities Management Corporation

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CONRAD S. TOLENTINO

BAC Chairperson

Publication on 19 July 2012 in BusinessMirror.

Section II. Instructions to Bidders

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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 defined in the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184 and described in Section I hereof (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 RA 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 of the 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 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) below 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:

- (c) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;

- 4.2.1 If the Bidder is a partnership, to all its officers and members;

- 4.2.2 If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and

- 4.2.3 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 percent (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 GPPB, 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 of RA 9184 in relation to other provisions of RA 3019; and
 - (j) Complying with existing labor laws and standards, in the case of procurement of 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.
 - 6.6.1 Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.
 - 6.6.2 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.

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 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 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.

Preparation of Bids

11. Language of Bid

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) kinds of Goods;
- (iii.4) amount of contract and value of outstanding contracts;
- (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 the 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 total costs 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 to (CIP), Delivered Duty Paid (DDP), and other trade 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 on 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 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 for 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 as 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 events 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 in 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%)

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(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 LGUs, 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 and 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 the 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(a);
 - (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 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 purposes 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 and 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 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 Clauses 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 and submit 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.

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 described 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 requirements 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 or motion for reconsideration with the BAC: Provided, however, that the motion 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 motion for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the motion 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.

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 otherwise allowed 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 a 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 Entity/Bidder 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 the 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 proprietorships), SEC (in

case of partnerships and 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 the 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 criteria. 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 and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications, if 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**.
- 29.3. 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.

- 29.4. 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.
- 29.5. 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.
- 29.6. 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 Responsive Bid is determined for contract award.
- 29.7. 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 as 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.

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.

32. 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 and 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.	
(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 the Notice to Proceed.

Section III. Bid Data Sheet

Bid Data Sheet

ITB Clause													
1.1	<p>The Procuring Entity is:</p> <p>Power Sector Assets and Liabilities Management (PSALM) Corporation</p>												
1.2	<p>The lot and reference is:</p> <p>Procurement of Security Services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon</p> <table><tr><th colspan="4">Number & Category of Security Personnel</th></tr><tr><th>Regular</th><th>SIC</th><th>Detachment Commander</th><th>Total</th></tr><tr><td>66</td><td>3</td><td>1</td><td>70</td></tr></table>	Number & Category of Security Personnel				Regular	SIC	Detachment Commander	Total	66	3	1	70
Number & Category of Security Personnel													
Regular	SIC	Detachment Commander	Total										
66	3	1	70										
2	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through PSALM’s 2012 Corporate Operating Budget in the total amount of TWELVE MILLION TWENTY TWO THOUSAND PESOS (PhP12,022,000.00).</p> <p>The name of the Project is:</p> <p>Procurement of Security Services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon</p>												
3.1	No further instructions.												
5.1	No further instructions.												
5.1 (e)	No further instructions.												
5.2	None of the circumstances mentioned in the ITB Clause exists in this Project. Foreign bidders, except those falling under ITB Clause 5.1(b), may not participate in this Project.												
5.4	Bidder must have been operating for at least three (3) years prior to bid submission deadline and actually posted at least two hundred (200) security personnel at any single time during the past three (3) years immediately preceding the submission of eligibility documents. A contract similar to the project shall be that equivalent to at least fifty percent (50%) of the ABC.												

ITB Clause	
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 26 July 2012 at 10:30 AM at the 6 th Floor Bankmer Building, 6756 Ayala Avenue, Makati City
10.1	<p>The Procuring Entity's address is:</p> <p><i>PSALM Corporation</i> <i>6th Floor Bankmer Building,</i> <i>6756 Ayala Avenue, Makati City</i> CONRAD S. TOLENTINO <i>Chairperson, Bids and Awards Committee</i> <i>Telefax: (02) 893-0699</i> <i>Email address: <u>cstolentino@psalm.gov.ph</u></i> <i>BAC Sec: <u>lemarquez@psalm.gov.ph</u></i></p>
12.1	In addition to 12.1 (a), Certificate of SSS registration as employer shall be submitted.
12.1(a)(i)	No further instructions.
12.1(a)(iii)	The statement of all ongoing and completed government and private contracts shall include all such contracts within the last three (3) years, including contracts awarded but not yet started, if any. The value of the prospective Bidder's largest single contract, adjusted to current prices using the wholesale consumer price index must be at least fifty percent (50%) of the ABC in order to be eligible to bid for the Contract.
13.1	No additional requirements.
13.1 (b)	No further instructions.
13.1 (c)	No additional requirements.
13.2 (a)	Any bid with financial component exceeding the ABC shall not be accepted.
13.2 (b)	No further instructions.
15.4(a)(iii)	No incidental services are required.
15.4(b)(i)	Not applicable.

ITB Clause	
15.4 (b) (ii)	Not applicable.
16.1(b)	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.
16.3	No further instructions.
17.1	Bids shall be valid for 120 calendar days from the date of opening of bids on 10 August 2012 or until 08 December 2012 .
18.1	<p>The bid security shall be in the following amount:</p> <ol style="list-style-type: none"> 1. If bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit, <i>[2% of ABC = PhP240,440.00]</i>; 2. If bid security is in Surety Bond, <i>[5% of ABC = PhP601,100.00]</i>; or 3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security. <p>If the bid security is in the form of cashier's/manager's check, the payee shall be "PSALM CORPORATION".</p> <p>If the bidder opts to submit a surety bond callable upon demand by a surety or insurance company, such surety or insurance company must be duly certified by the Insurance Commission as authorized to issue such security.</p> <p>In view of the intent of the GPPB to give bidders the freedom to choose any form of acceptable bid security, if the bidder opts to submit surety bond, the required certification to be submitted by the bidder together with the surety bond must:</p> <ol style="list-style-type: none"> i. Unequivocally state that the surety or insurance company is specifically authorized to issue surety bonds callable on demand, and ii. Must be issued by the Insurance Commission.
18.2	The bid security shall be valid until 08 December 2012 .
20.3	Each Bidder shall submit one (1) original and three (3) copies of the TECHNICAL COMPONENT (Eligibility Documents/Technical Proposal) and FINANCIAL COMPONENT. Each set of documents must be securely fastened in a folder.

ITB Clause	
21	<p>The address for submission of bids is:</p> <p><i>The BAC Chairperson PSALM Corporation 6/F Bankmer Building, 6756 Ayala Avenue, Makati City</i></p> <p>The deadline for Submission of Bids is 10 August 2012 at 10:00 AM.</p>
24.1	<p>The place of bid opening is:</p> <p><i>6/F Bankmer Building, 6756 Ayala Avenue, Makati City</i></p> <p>The date and time of Bid Opening is 10 August 2012 at 10:30 AM.</p>
24.2	No further instructions.
27.1	No further instructions.
28.3	No further instructions.
28.3(b)	Bid modification shall not be allowed.
28.4	No further instructions.
29.2(b)	<p>The bidder shall submit the Latest Annual Income Tax and Business Tax Returns (VAT or Percentage Tax) duly filed through electronic Filing System (eFPS) of the Bureau of the Internal Revenue (BIR) and duly validated confirmation evidencing the tax payments made or manual submission of Income Tax Return (ITR) duly stamped by the BIR;</p> <p><i>NOTE: The latest income and business tax returns are those filed within the last six (6) months preceding the date of bid submission.</i></p> <p><i>Latest Annual ITR shall refer to the ITR for the year 2011 filed in 2012. For new establishments which have no annual ITR yet, it shall refer to the most recent quarter's ITR. Further, for areas where e-filing is yet to be implemented, a Certification to that effect from BIR main office is acceptable.</i></p> <p><i>Latest Business Tax Return refers to Value Added Tax (VAT) and/or Percentage Tax Returns, whichever is applicable covering the last quarter and month prior to the bid opening. Bidders filing both the VAT and Percentage Tax Returns must submit both returns.</i></p>
29.2(d)	<p>Certified true copy or photocopy of the following:</p> <p>a. License to Operate issued by Security Agency and Guard Supervisory Division (SAGSD), Philippine National Police (PNP);</p>

ITB Clause	
	<ul style="list-style-type: none"> b. Taxpayer's Identification Number (TIN), Bureau of Internal Revenue (BIR) Registration Certificate; c. Affidavit of Commitment of Agency/Applicant; d. Clearance from Cluster Head Legal and Collection Group SSS that it is up-to-date in remitting its contribution, Salary/Calamity Loan amortization and that it has no pending case with SSS Branch Office near its business address issued within the three (3) month period prior to the bid opening date. (Social Security System Office Order No. 2011-055 Authorizing the Cluster Legal Heads to Sign and Issue SSS Clearance); e. Clearance from the Main Office of the Department of Labor and Employment and National Labor Relations Commission, Head Office, that the Agency of the bidder has no pending administrative case for violation of the SSS and minimum wage laws and regulations at the time of filing of eligibility; f. Certified true copy of the valid license to operate private agency issued by SAGSD, PNP; g. Certified copy of the latest disposition of Clients, Security Personnel and Firearms submitted to SAGSD, PNP; h. List of Key Personnel/Officials and Organizational Chart; i. List of Agency-Owned Motor Vehicles and Communications Equipment. Attach photocopies of proof of ownership; j. List of Agency-Owned Licensed Firearms. Attach photocopies of proof of ownership; k. Location map of business establishment (owned or rented), its address and telephone number; l. List of licensed Security Personnel; m. Certificate of SSS registration as employer.
32.4(g)	<p>Bidders are directed to prepare and submit Technical Specifications of firearms and communication equipment meeting the minimum specifications in Section VII. Technical Specifications and a Security Plan.</p> <p>The Security Plan shall be a description of the qualifications of personnel, duties and responsibilities of security personnel, composition and disposition/deployment of security personnel, communication and support equipment, training and any other security plans/program to be proposed by the Bidder for the</p>

ITB Clause	
	particular plant being bid out is concerned.

Section IV. General Conditions of Contract

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1. Definitions

1.1. 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, and Coercive Practices

2.1. The Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of such contracts. 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;
 - (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

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. Sub-Contracting

- 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 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

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, or if applicable, adjustments authorized in accordance with the price adjustment provisions specified in the SCC.

10. Payment

- 10.1. Unless otherwise specified in the SCC, 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

- 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, ten percent (10%) of the Contract price shall be paid within sixty (60) calendar days from signing of the contract and upon submission of a claim and a bank guarantee issued by a licensed bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
- 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. Unless otherwise specified in the SCC, 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 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. Unless otherwise specified in the SCC, the performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the final Certificate of 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

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.
- 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 design and/or material 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 every progress 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 the 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 the 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 the 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, a sum equivalent to the percentage specified in the **SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in the **SCC**. 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 (“RA 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 Subject to additional provisions, if any, set forth in the SCC, the Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.
- 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.
- 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

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

- 27.1. 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) afore-mentioned, 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) calendar 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 to 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

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

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

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 Contract

Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is: Power Sector Assets and Liabilities Management (PSALM) Corporation
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is: The Government of the Philippines (GOP) through PSALM's 2012 Corporate Operating Budget in the total amount TWELVE MILLION TWENTY TWO THOUSAND PESOS (Php12,022,000.00) .
1.1(k)	The Project Site is defined in Section VI. Schedule of Requirements.
5.1	The PSALM's address for Notices is: EMMANUEL R. LEDESMA, JR. President & CEO, PSALM Corporation 7th Floor Bankmer Building, 6756 Ayala Avenue, Makati City Telefax.: (02) 893-0699 The Supplier's address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i>
5.2	A party may change its address for notice through a written notice by mail or fax to the other party's address at least fifteen (15) days prior to the date when the change of address takes effect.
6.2	Delivery and Documents Delivery of goods shall be made by the Supplier in accordance with the terms specified in Section VI. Schedule of Requirements.
9	Prices shall be in accordance with Section VI. Schedule of Requirements.
10.1	No further instructions.
10.4	No further instructions.
13.1	No further instructions.
13.4	No further instructions.
13.4(c)	No further instructions.

16.1	Testing of handheld radio, metal detector, CCTV and firearms shall be conducted on site.
17.3	No further instructions.
17.4	No further instructions.
19	<p>The applicable rate is one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay.</p> <p>The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.</p>
21.1	No additional provision.

Section VI. Schedule of Requirements

1.0 General Requirements

The services included in this project consists of, but not limited to, the supply of security services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon, as indicated below:

POST/AREA	NO. OF SECURITY PERSONNEL POSTED			TOTAL
	Day Shift	Grave Shift	Swing Shift	
Main Gate	1	1	1	3
Main Gate (Assist)	1	1	1	3
Registration	1	-	-	1
Project Office	1	1	1	3
Back Gate	1	1	1	3
Administration Building	1	1	1	3
PH Main Door	1	1	1	3
PH Back Door	1	1	1	3
Power Intake	1	1	1	3
Access Gate	1	1	1	3
Dredging Machine	1	1	1	3
Surgepool Roving	1	1	1	3
Batching Plant	1	1	1	3
Kiosk	-	1	1	2
Kiuntod Creek	-	1	1	2
Dam Gate	1	1	1	3
Dam Gate Roving	1	1	1	3
Dam Control	1	1	1	3
Crystal Bridge	1	1	1	3
Crystal Roving	1	1	1	3
Nataylan Creek I	1	1	1	3
Nataylan Creek II	1	1	1	3
Power Channel	-	2	2	4
Shift-in-Charge	1	1	1	3
Detachment Commander	1	-	-	1
Total SGs				70

2.0 Contract Schedule

The contract period is for one (1) year unless sooner terminated for a cause, or if the plant or installation is abolished, sold, privatized or turned over to new owner. It may be extended on a month-to-month basis, but not to exceed six (6) months.

3.0 Shift Schedule

- A. The Regular Guard and Shift-in-Charge (SIC) shall have a regular eight (8) hour duty in the following schedules:
1. First Shift: Day (0600H-1400H)
 2. Second Shift: Swing (1400H-2200H)
 3. Third Shift: Grave (2200H-0600H)

4.0 Minimum Number of M16 Rifle

The minimum requirement of M16 rifle per shift shall be seven (7) units.

5.0 Category of Security Personnel Posted

Number & Category of Security Personnel			
Regular Guard	SIC	Detachment Commander	Total
66	3	1	70

6.0 Minimum Security Equipment/Monitoring Requirement

1. Assault rifle with a caliber not lower than 5.56 mm such as but not limited to M/16 A1, M/16 A2, M/16 A3 M/653 carbine, M/4 carbine, M14-A1 among others.
2. Every security personnel-on-duty shall be equipped with one (1) unit each of 9-mm pistol (with 18 rounds each), shotgun (with 18 rounds each), or M16 rifle provided that the minimum required number of M16 rifle as indicated in Item 4.0 of this section is complied with at any given shift. Provided, further, that shotgun or M16 rifle shall not be assigned at the Main Lobby and Office Posts.
3. Pick-up/Multicab 12 Valve A1 Condition and Motorcycle 125cc registered under the name of the Supplier.
4. Two (2) CCTV systems with monitor for the entrance at the main gate and warehouse for monitoring and recording purposes. Each CCTV system shall include desktop computer and capable of storing recordings at 24/7. **The Supplier shall submit monthly a copy of recordings in DVD format on the 10th day of the succeeding month.**
5. All Security Guard-on-duty, Shift-in-Charge, Detachment Commander and Base shall have one handheld radio each with reserve batteries and chargers.

Base shall mean the base radio or over-all command post which is the strategic location within the Plant to be identified by the Supplier subject to approval by PSALM.

6. Metal detector shall be available at the main entrance and lobby area.
7. One (1) set of handcuffs for each guard on duty.
8. Search Mirror shall be available at the main entrance/gate.
9. Whistle, baton, and flashlight per guard.
10. First aid kits (belt bag, one for each guard).
11. One (1) unit of digital camera.

Section VII. Technical Specifications

A. Scope of Works

- A.1 The services to be performed by the Supplier shall essentially consist of security services by sixty six (66) licensed and uniformed regular guards, three (3) Shifts-in-Charge and one (1) Detachment Commander with communication equipment, firearms and ammunitions, standard protective gear as may be required. Services shall also include the provision of security investigative and supervisory personnel.
- A.2 The services shall include the areas specified in Section VI. Schedule of Requirements.
- A.3 The Detachment Commander is required to do spot checking of all security personnel in each area for every shift as may be required by PSALM from time to time.

B. Manpower Requirements

- B.1 The Supplier shall assign and provide PSALM with qualified, acceptable, licensed, bonded, armed, and trained security personnel who possess the following minimum qualifications:
 - 1) Must have completed at least second year college;
 - 2) Must have the following attributes:
 - ❖ For Female - Must be physically and mentally fit, at least 5 feet and 2 inches in height; weight of no less than 100 lbs.; at least 22 years of age and not more than 50 years old; and, not addicted to or dependent on prohibited drugs or intoxicating liquor;
 - ❖ For Male - Must be physically and mentally fit, at least 5 feet and 4 inches in height; weight of no less than 120 lbs.; at least 22 years of age and not more than 50 years old; and, not addicted to or dependent on prohibited drugs or intoxicating liquor; and,
 - 3) Must be of good moral character and possess no derogatory records from the Philippine Law Enforcement Agencies.
- B.2 The Supplier shall provide a copy of the Bio-Data of each security guard enclosed with Security Guard License, Local Clearances, Medical Report, Drug Test Result, and Certificate of Training.

- B.3 The Supplier shall ensure that the security personnel are duly and currently licensed as private security personnel in accordance with Republic Act No. 5487. The Supplier must submit certified true copies of said licenses to PSALM before deployment of security personnel.
- B.4 PSALM has the right to vary at any time the security services requirements including but not limited to the number of security personnel, firearms, communication equipment, etc., which shall be in form of addendum to the Contract. Such variations may be in the form of extending security services to the other installation(s) of PSALM subject to the limitations as provided herein.
- B.5 Any violation of the foregoing provision shall be considered as substantial contractual breach and shall entitle PSALM to immediately terminate this Contract with forfeiture of any and all sums due or payable to the Supplier under the Contract.

C. Equipment/Materials Specifications

- C.1 The Supplier warrants that all security personnel shall be familiar with the use and care of the firearms/equipment entrusted to them, and shall undergo periodic training and practice to improve their proficiency in the use of the same.

- C.2 Minimum specifications of Service Pistol for Security Personnel:

Caliber	: 9 mm
Action	: Semi-Automatic
Capacity	: Seven (7) rounds minimum
Sights	: Fixed
Finish	: Blued
Magazines	: Two (2)

- C.3 Minimum specifications of Shotgun:

Action	: Pump action, side ejecting
Gauge	: 12 GA. 3" MAG
Choke	: Open Cylinder
Capacity	: 4 + 1 (3 shells)
Barrel Length	: 18 ½ inches
Weight (empty)	: 6 lbs. (2.8 kgs)
Finish	: Parkerized

- C.4 Minimum specifications of M-16 Rifle:

Caliber	: 5.56x45mm (.223 Remington), M193
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Action	:	gas operated, rotating bolt
Overall Length	:	986 mm
Barrel Length	:	508 mm
Weight, empty / loaded	:	2.89 kg / 3.6 kg
w. 30 rounds		
Magazine Capacity	:	20 or 30 rounds standard
Rate of Fire, Cyclic	:	650 - 750 rounds per minute
Muzzle Velocity	:	945 m/s
Maximum Effective Range	:	460 meters

C.5 Minimum Specifications of the Short Range Handheld Radio for Security Personnel:

VHF or UHF Scanning Portables; 4 watt output, 15 channels plus 1 scan channel; with busy channel lockout. All metal chassis and palm size compact design .38 CTCSS and 83 DCS tones enable users to have frequencies that others are using without hearing them. 6 volt/1300 mAH nickel metal hydride battery, with battery saver and low battery alert. Battery save function can be turned on/off by the dealer.

Features include:

- 16 Channels
- PC Programmable Software Options
- Battery Saver
- Busy channel Lockout
- 38 CTCSS Privacy Codes per channel
- Digital Coded Squelch programmable
- Up to 7 mile ranges
- Standard 1300mAh Ni-MH high capacity battery pack
- Channel spacing 25/12.5 kHz
- 150-174 mHz VHF or 450-470 mHz UHF
- Time out timer
- Priority scan function

D. Security Plan, Disaster Preparedness Plan and Security Reporting Manual

D.1 The Supplier shall submit the following to PSALM:

- 1) Security Plan describing the qualifications of personnel, duties and responsibilities of security personnel, composition and disposition/deployment of security personnel, communication and support equipment, training and any other program to be proposed by the Bidder; and
- 2) The Security Plan shall include a disaster preparedness plan (including but not limited to earthquake, fire, flood, bomb threat, or nay calamities or acts of God; and a manual or set of procedures regarding reporting to PSALM.

- D.2 The Supplier shall take steps to prevent the theft or pilferage of items in Pulangui IV HEPP. All reported losses of PSALM assets and properties owned by PSALM personnel or guests shall be investigated by PSALM and the Supplier. If after such investigation it is found that the loss is due in part to the negligence of Supplier or any of its security personnel, then such loss may be a ground for termination of security services without prejudice to the institution of appropriate criminal action against the persons concerned.
- D.3 The Supplier shall assume full responsibility for any loss, damages, theft, robbery, trespass or injury to life and/or property within its area under its security and protection due to the willful act or negligence of its security personnel.

E. Rights of PSALM to Terminate the Contract

- E.1 It is expressly understood herein that the relationship of Supplier with PSALM is based purely on the trust and confidence of the latter in the former and that PSALM shall have the right to terminate the Contract in case of loss of said trust and confidence in Supplier, upon thirty (30) days prior written notice therefore to Supplier.
- E.2 PSALM shall have the right to terminate the Contract after the lapse of thirty (30) days counted from the date of receipt by the Supplier of written notice from PSALM that any of the following circumstances has occurred:
- 1) Supplier's security personnel has willfully and intentionally or through negligence caused the death of, or has inflicted serious physical injury on any person or any PSALM personnel inside Pulangui IV HEPP's premises/installation while on official duty;
 - 2) Supplier's security personnel has willfully and intentionally through negligence caused irreparable damage to the prestige or any vital interest of PSALM, great destruction of PSALM's properties and equipment, or great economic loss by personal participation or non-performance of his duties and responsibilities;
 - 3) Supplier violated any obligation required under this Contract and refused to comply and/or remedy the violation within the reasonable period given by PSALM;
 - 4) Supplier fails to pay the salaries of any security personnel in accordance with PSALM Form Nos. 1-B, 1-C and 1-D for two consecutive billing periods without just cause;

- 5) Upon result of the audit findings, PSALM finds the Supplier resorting to unauthorized, illegal, involuntary and unreasonable deductions, resulting to short and underpayment of salaries of security personnel thereby affecting their state of morale and efficiency;
 - 6) PSALM finds the Supplier to have failed in its obligation to any of its security personnel based on the agency's contract with PSALM, thus, affecting the state of morale and efficiency of the entire force; and
 - 7) Supplier increased or decreased the number of security personnel without written approval of PSALM.
- E.3 PSALM, as its interest may require, shall have the right to cancel or terminate the award of this Contract when the Supplier, upon written notice, fails to comply any or all of the following, before the initial posting:
- 1) Open a Special Bank Account as provided under this Contract to be presented to PSALM;
 - 2) Present physically to PSALM (Head of Installation or his designee) all the equipage requirement under this Contract, including the list of names of security personnel to be posted; and/or
 - 3) Provide the performance bond as required under this Contract within the reasonable period prescribed by PSALM.
- E.4 PSALM may, without incurring any liability, and as its interest may require, terminate the contract in whole or in part, at any time, at its convenience by written notice sent to the agency. The notice of termination shall specify that such termination is for the PSALM's convenience and state the extent to which performance of work under the contract is terminated and the date upon which such termination becomes effective.
- E.5 The Supplier shall ensure a 24-hour posting of security personnel at all areas, scheduled in three (3) shifts per day, every day of the week, unless specified otherwise by PSALM.
- E.6 The Supplier shall ensure that the discipline and management of security personnel shall be in conformity with the rules and regulations of the Philippine National Police-Security Agencies and Guards Supervision Division (PNP-SAGSD) and other pertinent legal issuances, as well as those of the Supplier, other government agencies duly authorized for the purpose and/or rules and policies laid down by PSALM on the matter.

- E.7 The Supplier shall have the exclusive and absolute right, to select, suspend, terminate and/or impose disciplinary action over the security personnel assigned to PSALM. The Supplier shall assign security personnel based on a schedule of Post Assignments to be provided by PSALM. PSALM shall have the right to screen, refuse, seek replacement or substitute any security who fails the selection criteria or found guilty of acts inimical to PSALM's interest. The judgment of PSALM on such matters shall be final and binding and should the Supplier refuse to abide, the former may consider the same a valid cause for the immediate termination of the Contract.
- E.8 It is expressly agreed and understood that the security personnel of the Supplier are not employees of PSALM and as such, PSALM shall not in any way or manner be liable or responsible for any personal injury or damage to properties, including death sustained by or caused to or by any of the Supplier's employees or security personnel assigned to the premises of Pulangui IV HEPP during the performance of their duties. Insofar as any and all security personnel assigned to PSALM are concerned, the Supplier shall at all times stand solely liable and/or responsible for the enforcement and compliance with all existing laws, rules and regulations, including the Labor Code, Social Security Law, Employees' Compensation Act, Medicare Act, HDMF Law and other related welfare legislations/issuances, and the Supplier hereby further agrees and binds itself to save and hold PSALM free from any liability with respect thereto and/or which may arise there from.
- E.9 The Supplier hereby agrees to hold PSALM free and harmless from all and any damages and liabilities that may be filed against Supplier's security personnel by reason of their employment by the Supplier under decrees and/or law pertinent to employer-employee relationship.
- E.10 The determination of wages or compensation of the security personnel shall be the exclusive prerogative of the Supplier but shall not be lower than that prescribed under the Minimum Wage Law, as amended.

F. Billing Requirement

- F.1 The Supplier shall submit to PSALM the following documents:
- 1) Copy of the Bio-Data of each security personnel enclosed with Security Guard License, local clearances, Medical Report, Drug Test Result, Certificate of Training (first billing only);
 - 2) Copy of payroll or pay slips duly signed by the security personnel assigned every billing;

- 3) Daily time records of the security personnel shall be submitted every billing;
 - 4) Duly authenticated copy of SSS and Medicare premium remittances showing the names of the security personnel assigned to PSALM in monthly basis;
 - 5) Duly authenticated copy of PAG-IBIG Fund premium remittances showing the names of the security personnel assigned to PSALM;
 - 6) Copy of the Security Contract between PSALM and Supplier; and
 - 7) Authenticated copy of the security report as often as may be deemed by PSALM.
- F.2 Non-submission of the foregoing documents shall be a sufficient basis for PSALM to withhold payments to the Supplier under the contract, and/or immediately terminated this Contract by giving the Supplier a 30-day prior written notice therefore.
- F.3 It is understood and agreed upon that should there be new laws or issuances promulgated by the Government, which may increase the *minimum wage* or SSS, HDMF, Medicare, Employee's Compensation premium, PAG-IBIG Fund premium, bonuses or taxes presently applicable there shall be a corresponding adjustment in the contract price in the amount consistent with approved PNP-SAGSD/PADPAO adjusted rates on the effectivity date of such adjustment upon the request of the Supplier. The claim on such adjustment must be supported by a request by the Supplier and other documents requested by PSALM for the processing.

G. Billing and Manner of Payment

- G.1 The Supplier shall deposit thru an ATM Account the salaries of each security personnel assigned to Pulangui IV HEPP.
- G.2 The payment for the services rendered shall be billed semi-monthly and shall be paid by PSALM within fifteen (15) days from its receipt of the statement of account of the Supplier, unless there shall be any points of verification needed in the processing of the payment.
- G.3 The statement of account of billing for the services rendered by the Supplier shall include complete supporting documents i. e. properly accomplished daily attendance sheets, payroll or pay slips from each detachment, SSS & Medicare Premiums and log book entries for each detachment and other documents as may be required by PSALM.

- G.4 The Supplier shall submit a statement of deduction from the employees of the monthly SS contributions based on the schedule of contributions; pay their share of contributions including Employees' Compensation (EC) and remit these contributions to the SSS or accredited banks within the first ten (10) calendar days following the month when said contributions are due and applicable.
- G.5 The Supplier shall submit a summary of all employees' contributions through **SSS Form R-3's (Contribution Collection List)** together with a copy of the **Special Bank Receipt (SBR)** and **SSS Form R-5 (Payment Return Form)** within ten (10) days after the applicable quarter.
- G.6 The Supplier hereby agrees to undertake the appropriate compensatory action and/or effect payment of penalties for violations of any of the following:

SUPPLIER'S VIOLATIONS	PENALTY
a. Loss or damage of materials/equipment at the area of responsibility,	the actual value of the loss or extent of damages of such property and termination of Contract,
b. Incomplete equipment/facilities on site as committed under this Contract,	One Thousand Five Hundred Pesos (PhP1,500.00) per lacking item to be deducted from billing for the period,
c. Incomplete guard posting,	one day guard's pay deduction per absentee guard posting from the billing for the period,
d. Improper uniform, drunkenness, misbehavior of security personnel during their tour duty,	replacement of security personnel concerned and deduction of one day guard's pay per guard involved from the billing for the period
e. The Supplier failed to provide the required service vehicle as per Contract,	Deduction from the billing of PhP500.00 per vehicle per day.
f. The Supplier's service vehicle is unserviceable,	Deduction from the billing of PhP500.00 per vehicle per day.
g. The Supplier provided a service vehicle but not in accordance with the	Deduction from the billing of PhP400.00 per vehicle per day.

SUPPLIER'S VIOLATIONS	PENALTY
Contract,	
h. The Supplier failed to issue firearm to posted guard,	Deduction from the billing of PhP400.00 per post per day.
i. The Supplier issued a firearm without license,	Deduction from the billing of PhP300.00 per firearm w/o license per day.
j. The Supplier issued a defective firearm to a posted guard,	Deduction from the billing of PhP200.00 per firearm per day.
k. The Supplier issued a firearm to a posted guard not owned or licensed in the name of the Supplier,	Deduction from the billing of PhP200.00 per firearm per day.
l. The Supplier's radio/ communication equipment is defective or unserviceable.	Deduction from the billing of PhP200.00 per radio equipment per day.
m. The Supplier posted guard(s) that are not qualified as per Contract,	Deduction from the billing of PhP200.00 per day per guard and removal of the guard from any detail upon receipt of Corporation's notice.
n. The Supplier failed to provide the required number of radios or communications equipment as required by the Contract,	Deduction from the billing of PhP200.00 per radio or communications equipment per day.
o. The Supplier issued a firearm of lower caliber than required by the Contract,	Deduction from the billing of PhP100.00 per firearm per day.
p. The Supplier failed to issue the required equipment required by the Contract, like metal detectors, power source, antenna, etc. or has issued, but unserviceable,	Daily deduction from the billing of PhP100.00 each for lacking or unserviceable equipment per day.

SUPPLIER'S VIOLATIONS	PENALTY
q. The Supplier has not issued any magazine or holster for extra ammunition,	Deduction from the billing of PhP100.00 per magazine per day.
r. Abandonment of Post,	Deduction from the billing of PhP200.00/guard/day and termination of the guard's service upon receipt of the written notice from the installation head.
s. Posted security guard found drunk; drinking intoxicating liquor or found under the influence of drugs while on duty,	Deduction from the billing of PhP200.00 /guard/day and termination of the guard's service upon the receipt of the written notice from the installation head.
t. Providing confidential information or access to restricted areas to unauthorized person(s),	Termination of the security personnel's service upon written notice.
u. Security personnel firing or fired his firearm indiscriminately,	Termination of the security personnel's service upon written notice.
v. Posted security personnel observed playing with his service firearm or allowed others to play or tinker with his firearm,	Termination of the security personnel's service upon written notice.
w. Security personnel apprehended for alarm, scandal or disorderly conduct within the premise of the installation,	Termination of the security personnel's service upon written notice.
x. Security personnel engaging in mulcting or extortion activities,	Deduction from the billing of PhP100.00 per incident and termination of the guard's service upon receipt of written notice by the installation head.
y. Manifested or display of discourteous or rude manner or failure to render	Deduction from the billing of PhP100.00 per incident and termination of the security

SUPPLIER'S VIOLATIONS	PENALTY
appropriate respect or courtesy to PSALM's official or employee or visitor,	personnel's service upon receipt of written notice by the installation head.
z. Security personnel found sleeping on duty,	Deduction from the billing of PhP100.00 per incident and termination of the security personnel's service upon receipt of written notice by the installation head.
aa. Guard performing duty for more than eight (8) hours without written permission from the head of installations,	Deduction from the billing of PhP100.00 /guard/violation
bb. Failure of the security personnel to report to duty without prior notice,	Deduction from the billing of PhP100.00 per incident of failure to report to duty.
cc. Failure of the posted security guard to carry his license as Private Security Personnel,	Deduction from the billing of PhP100.00 per incident.
dd. Security personnel smoking while on duty,	Deduction from the billings the amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
ee. Security personnel reading newspaper, comics, and other unofficial reading materials while on duty,	Deduction from the billings the amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
ff. Security personnel sporting the non-regular haircut, beard/mustache or not in proper uniform while on duty,	Deduction from the billings the amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
gg. Security personnel engaging	Deduction from the billings the

SUPPLIER'S VIOLATIONS	PENALTY
in prolonged or unnecessary conversation over the telephone/cellphones or with visitors/employees or texting while on duty,	amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
hh. Security personnel without whistle, night stick and flashlight while on night duty and raincoat/umbrella during bad weather conditions, and	Deduction from the billings the amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
ii. Late in reporting to formation prior to posting.	Deduction from the billings the amount of PhP50.00 for 1 st offense, PhP100.00 for 2 nd offense, and PhP200.00 for 3 rd offense and for the 4 th offense, termination of the guard.
jj. Texting with cellphones	Deduction from the billings the amount of PhP100.00 for 1 st offense, PhP200.00 for 2 nd offense, and for the 3 rd offense, termination of the guard.

G.7 The amount due shall be deducted by PSALM from any money due to the Supplier under the Contract.

G.8 The tampering/falsification of individual time records of the security personnel shall be a ground for termination of the Contract.

H. Taxes

H.1 Pursuant to Executive Order 398 dated 12 January 2005, the Supplier shall regularly present, within the duration of this contract, a tax clearance from the BIR as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

H.2 All taxes due and payable by reason of this Contract shall be for the account of the Supplier.

I. Others

- I.1 In the event of failure by the Supplier to satisfactorily perform and render the service stated in this contract or declaration of a strike by the security personnel against either party or both, or of intervening legal impediments, PSALM shall have the right to terminate this Contract. If the Supplier is culpable, PSALM may likewise confiscate or forfeit the performance bond of the Supplier, without prejudice to payment by the Supplier of penalties as well as property losses or damages that the PSALM may have suffered as a result thereof.
- I.2 The Supplier warrants that it shall comply with all the existing pertinent laws, rules and regulations and any violation thereof which adversely affects the quality and efficiency of the service shall be a ground for termination of this Contract.

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Bid Form

Date: _____
Invitation to Bid No: _____

To: The BAC Chairperson
Power Sector Assets and Liabilities
Management Corporation
6/F Bankmer Building,
6756 Ayala Avenue, Makati City 1226

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 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.

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.

Dated this _____ day of _____ 20____.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

PSALM Form No. 1-A

For Goods Offered From Within the Philippines

Detailed Bid Price Schedule

Date: _____

Project: Procurement of Security Services for Pulangui IV Hydroelectric
Power Plant in Maramag, Bukidnon

Code:

Date of Bidding: _____

Time of Bidding: _____

(Supplier's Name/Address/Tel. No.)

Name of Bidder _____.

The category/rate per month/number of security personnel and price proposal for the installations are as follows:

Installation(s): _____

<u>Category</u>	<u>Rate/Month</u>	<u>No. of Security Personnel</u>	<u>Month Total</u>	<u>Year Total</u>
Regular Guards (Use PSALM Form No. 1-B)		66		
Shifts-in-Charge (Use PSALM Form No. 1-C)		3		
Detachment Commander (Use PSALM Form No. 1-D)		1		

Total for one (1) year (amount in words and figures):

(PhP _____).

Signature/Date
Authorized Official/Position

PSALM Form No. 1-B

Computation of Bid Price for Regular Guard (8-Hour Duty)

COST DISTRIBUTION OF SECURITY SERVICES		
Days worked per week	7 days	
No. of days per year	393.5 days	
Hours worked per day	8 hours	
A.	AMOUNT TO GUARD	
	Daily Wages (DW)	281.00
	Basic Pay	
	COLA	
	Inc. on Basic Pay	
	Average Pay/Month (DW x no. of days per year/12)	9,214.46
	Night Differential Pay (Ave. Pay/mo. x 10% x 1/3)	307.15
	13th Month Pay (DW x 365/12/12)	712.26
	5-day Incentive Pay (DW x 5/12)	117.08
	Uniform Allowance (R. A. 5487)	100.00
	TOTAL (A)	PhP
B.	AMOUNT TO GOV'T. IN FAVOR OF GUARD	
	Retirement Pay (RA 7641)	526.88
	SSS Premium	
	Philhealth Contribution	
	State Insurance Fund	10.00
	Pag-Ibig Fund	100.00
	TOTAL (B)	PhP
C.	TOTAL (A + B)	PhP
D.	AGENCY FEE*	PhP
E.	VAT (Agency Fee x 12% (VAT-RMC-039-2007))	PhP
F.	Monthly Rate (C+ D + E)	PhP

**Agency fee shall not be less than 10% of the amount stated in C.*

PSALM Form No. 1-C**Computation of Bid Price for Shifts-In-Charge (8-Hour Duty)**

COST DISTRIBUTION OF SECURITY SERVICES		
Days worked per week	7 days	
No. of days per year	393.5 days	
Hours worked per day	8 hours	
A.	AMOUNT TO GUARD	
	Daily Wages (DW)	281.00
	Basic Pay	
	COLA	
	Inc. on Basic Pay	
	Average Pay/Month (DW x no. of days per year/12)	9,214.46
	Night Differential Pay (Ave. Pay/mo. x 10% x 1/3)	307.15
	13th Month Pay (DW x 365/12/12)	712.26
	5-day Incentive Pay (DW x 5/12)	117.08
	Uniform Allowance (R. A. 5487)	100.00
	Additional Allowance*	
	TOTAL (A)	PhP
B.	AMOUNT TO GOV'T. IN FAVOR OF GUARD	
	Retirement Pay (RA 7641)	526.88
	SSS Premium	
	Philhealth Contribution	
	State Insurance Fund	10.00
	Pag-Ibig Fund	100.00
	TOTAL (B)	PhP
C.	TOTAL (A + B)	PhP
D.	AGENCY FEE**	PhP
E.	VAT (Agency Fee x 12% (VAT-RMC-039-2007))	PhP
F.	Monthly Rate (C+ D + E)	PhP

* The Additional Allowance shall be an amount of not less than PhP500.00/month and shall form part of the computation of financial bid.

** Agency fee shall not be less than 10% of the amount stated in C.

PSALM Form No. 1-D

Computation of Bid Price for Detachment Commander (8-Hour Duty)

COST DISTRIBUTION OF SERVICES		
Days worked per week	7 days	
No. of days per year	393.5 days	
Hours worked per day	8 hours	
A.	AMOUNT TO GUARD	
	Daily Wages (DW)	281.00
	Basic Pay	
	COLA	
	Inc. on Basic Pay	
	Average Pay/Month (DW x no. of days per year/12)	9,214.46
	Night Differential Pay (Ave. Pay/mo. x 10% x 1/3)	307.15
	13th Month Pay (DW x 365/12/12)	712.26
	5-day Incentive Pay (DW x 5/12)	117.08
	Uniform Allowance (R. A. 5487)	100.00
	Additional Allowance*	
	TOTAL (A)	PhP
B.	AMOUNT TO GOV'T. IN FAVOR OF GUARD	
	Retirement Pay (RA 7641)	526.88
	SSS Premium	
	Philhealth Contribution	
	State Insurance Fund	10.00
	Pag-Ibig Fund	100.00
	TOTAL (B)	PhP
C.	TOTAL (A + B)	PhP
D.	AGENCY FEE**	PhP
E.	VAT (Agency Fee x 12% (VAT-RMC-039-2007))	PhP
F.	Monthly Rate (C+ D + E)	PhP

* The Additional Allowance shall be an amount of not less than PhP1,000.00/month and shall form part of the computation of financial bid.

** Agency fee shall not be less than 10% of the amount stated in C.

PSALM Form No. 2

Financial Documents for Eligibility Check

- A. Summary of the Applicant Supplier's/Distributor's/Manufacturer's assets and liabilities on the basis of the attached income tax return and audited financial statement, stamped "RECEIVED" by the Bureau of Internal Revenue (BIR) or BIR authorized collecting agent, for the immediately preceding year and a certified copy of Schedule of Fixed Assets particularly the list of construction equipment.

		Year 20__
1.	Total Assets	
2.	Current Assets	
3.	Total Liabilities	
4.	Current Liabilities	
5.	Net Worth (1-3)	
6.	Net Working Capital (2-4)	

- B. The **Net Financial Contracting Capacity (NFCC)** based on the above data is computed as follows:

NFCC = K (current asset - current liabilities) minus value of all outstanding works under ongoing contracts including awarded contracts yet to be started

NFCC = PhP _____

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

or

Commitment from a licensed bank to extend to it a credit line if awarded the contract.

Name of Bank: _____

Amount: _____

Herewith attached are certified true copies of the income tax return and audited financial statement: stamped "RECEIVED" by the BIR or BIR authorized collecting agent for the immediately preceding year and NFCC Computation and/or certificate of commitment from a licensed bank to extend a credit line.

Submitted by:

Name of Supplier / Distributor / Manufacturer

Signature of Authorized Representative

Date : _____

NOTE:

- 1 If Partnership or Joint Venture, each Partner or Member Firm of Joint Venture shall submit the above requirements.*

PSALM Form No. 3

BANK LOGO

Form of Bid Security (Bank Guarantee)

WHEREAS, *[insert name of Bidder]* (hereinafter called the “Bidder”) has submitted his bid dated *[insert date]* for the *[insert name of contract]* (hereinafter called the “Bid”).

KNOW ALL MEN by these presents that We *[insert name of Bank]* of *[insert name of Country]* having our registered office at *[insert address]* (hereinafter called the “Bank” are bound unto PSALM Corporation (hereinafter called the “Entity”) in the sum of *[insert amount]*¹ for which payment well and truly to be made to the said Entity the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this ____ day of _____ 20__.

THE CONDITIONS of this obligation are:

1. If the Bidder:
 - (a) withdraws his Bid during the period of bid validity specified in the Form of Bid; or
 - (b) does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidder; or
2. If the Bidder having been notified of the acceptance of his bid by the Employer during the period of bid validity:
 - (a) fails or refuses to execute the Contract Form in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders.

We undertake to pay to the Entity up to the above amount upon receipt of his first written demand, without the Entity having to substantiate his demand, provided that in his demand the Entity will note that the amount claimed by him is due to him owing to the occurrence of one or both of the two (2) conditions, specifying the occurred condition or conditions.

The Guarantee will remain in force up to and including the date *[insert days]*² days after the deadline for submission of Bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE _____ SIGNATURE OF THE BANK _____

WITNESS _____ SEAL _____

(Signature, Name and Address)

² Usually 28 days after the end of the validity period of the Bid. Date should be inserted by the Entity before the Bidding Documents are issued.

PSALM Form No. 4

Form of Bid Security (Irrevocable Letter of Credit)

Date: _____

EMMANUEL R. LEDESMA, JR.
President and CEO
Power Sector Assets and Liabilities
Management Corporation
7th Floor Bankmer Building,
6756 Ayala Avenue, Makati City 1226

Irrevocable Letter of Credit No. _____
For Contract No. _____

WHEREAS, _____, hereinafter called "Supplier" has undertaken in pursuance to (name of Project and contract number), and whereas it has been stipulated by you in the said Contract that the Supplier shall furnish an irrevocable standby Letter of Credit for a sum specified therein as security for the faithful compliance of Supplier's obligations in accordance with the Contract.

WHEREAS, we have agreed to guarantee this obligation by Supplier.

THEREFORE, we hereby affirm that we are guarantors and responsible to you, on behalf of Supplier, up to the total amount of _____ and we undertake to pay you, upon first written demand declaring the Supplier to be in default under the Contract and without cavil, or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without you needing to prove or to show grounds or reasons for your demand for the sum specified therein.

This irrevocable guarantee is valid until the issuance by you of Notice of Final Acceptance.

This certification is being issued in favor of the said Supplier in connection with the requirements of bidding of (name of the procuring entity) for the above-mentioned contract. We are aware that any false statements issued by us makes us liable for perjury.

Name and Signature of Authorized

Financing Institution Officer : _____

Official Designation : _____

Concurred By:

Name & Signature of Supplier's

Authorized Representative : _____

Official Designation : _____

Note:

The amount committed should be machine validated.

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

_____)SS.

BEFORE ME, a Notary Public for and in _____, Philippines, this
_____ day of _____, 20_____, personally appeared:

<u>NAME</u>	<u>CTC NO.</u>	<u>ISSUED AT/ON</u>
_____	_____	_____
_____	_____	_____

known to me and known to be the same person who executed the foregoing instrument consisting of _____ () pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until 31 December 20_____
PTR No. _____
Issued at: _____
Issued on: _____
TIN No. _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

PSALM Form No. 5

List of all Ongoing Government & Private Contracts including Contracts Awarded but not yet Started

Business Name : _____

Business Address : _____

Name of Contract/ Project Cost	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Date Awarded b. Date Started c. Date of Completion	% of Accomplishment		Value of Outstanding Works / Undelivered Portion
			Description	%		Planned	Actual	

Note: The following documents shall be submitted upon post-qualification:

1. Notice of Award and/or Contract
2. Notice to Proceed issued by the owner
3. Certificate of Accomplishments signed by the owner or authorized representative.

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

PSALM Form No. 6

**Statement of all Government & Private Contracts Completed which are Similar in Nature during
the last Three (3) years**

Business Name : _____

Business Address : _____

Name of Contract	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Amount at Award b. Amount at Completion c. Duration	a. Date Awarded b. Contract Effectivity c. Date
			Description	%		

Note: The following documents shall be submitted upon post-qualification:

1. Contract
2. Certificate of Completion
3. Certificate of Acceptance

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

Credit Line Certificate

Date: _____

EMMANUEL R. LEDESMA, JR.
President and CEO
Power Sector Assets and Liabilities
Management Corporation
7th Floor Bankmer Building,
6756 Ayala Avenue, Makati City 1226

CONTRACT/PROJECT : _____

COMPANY/FIRM : _____
ADDRESS : _____

BANK/FINANCING INSTITUTION : _____
ADDRESS : _____

AMOUNT : _____

This is to certify that the above Bank/Financing Institution with business address indicated above, commits to provide the <Contractor/Distributor/Manufacturer/Supplier>, if awarded the above-mentioned Contract, a credit line in the amount specified above which shall be exclusively used to finance the performance of the above-mentioned contract subject to our terms, conditions and requirements.

The credit line shall be available within fifteen (15) calendar days after receipt by the <Contractor/Distributor/Manufacturer/Supplier> of the Notice of Award and such line of credit shall be maintained until the project is completed by the Supplier.

This Certification is being issued in favor of said <Contractor/Distributor/Manufacturer/Supplier> in connection with the bidding requirement of ____(Name of the Procuring Entity)____ for the above-mentioned Contract. We are aware that any false statements issued by us make us liable for perjury.

Name and Signature of Authorized Financing Institution Officer:

Official Designation: _____

Concurred By:

Name & Signature of <Contractor/Distributor/Manufacturer>

Authorized Representative : _____

Official Designation : _____

Note:

The amount committed should be machine validated.

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

_____)S.S.

BEFORE ME, a Notary Public for and in _____, Philippines, this
_____ day of _____, 20_____, personally appeared:

<u>NAME</u>	<u>CTC NO.</u>	<u>ISSUED AT/ON</u>
_____	_____	_____
_____	_____	_____

known to me and known to be the same person who executed the foregoing instrument consisting of _____ () pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until 31 December 20____
PTR No. _____
Issued at: _____
Issued on: _____
TIN No. _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

PSALM Form No. 8

Joint Venture Agreement

KNOW ALL MEN BY THESE PRESENTS:

That this JOINT VENTURE AGREEMENT is entered into By and Between _____, of legal age, (civil status), owner/proprietor of _____ and a resident of _____.

and -

_____, of legal age, (civil status), owner/proprietor of _____ a resident of _____.

That both parties agree to join together their manpower, equipment, and what is needed to facilitate the Joint Venture to participate in the Eligibility, Bidding and Undertaking of the here-under stated project to be conducted by the PSALM Corporation.

NAME OF PROJECT

CONTRACT AMOUNT

That both parties agree to be jointly and severally liable for the entire assignment.

That both parties agree that _____ and/or _____ shall be the Official Representative of the Joint Venture, and is granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Joint Venture in the bidding as fully and effectively and the Joint Venture may do and if personally present with full power of substitution and revocation.

That this Joint Venture Agreement shall remain in effect only for the above stated Project until terminated by both parties.

Done this _____ day of _____, in the year of our Lord _____.

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

_____)S.S.

BEFORE ME, a Notary Public for and in _____, Philippines, this
_____ day of _____, 20_____, personally appeared:

<u>NAME</u>	<u>CTC NO.</u>	<u>ISSUED AT/ON</u>
_____	_____	_____
_____	_____	_____

known to me and known to be the same person who executed the foregoing instrument consisting of _____ () pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Notary Public
Until 31 December 20_____
PTR No. _____
Issued at: _____
Issued on: _____
TIN No. _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

PSALM Form No. 9

Conformity with Section VI (Schedule of Requirements) and Section VII (Technical Specifications)

Section VI. Schedule of Requirements

Particulars	Remarks
1.0 General Requirements	
2.0 Contract Schedule	
3.0 Shift Schedule	
4.0 Minimum Number of M16 Rifle	
5.0 Category of Security Personnel Posted	
6.0 Minimum Security Equipment/Monitoring Requirement	

Name and Signature of Authorized Official

Position

Date

Section VII (Technical Specifications)

Particulars	Remarks
A. Scope of Work	
B. Manpower Requirements	
C. Equipment/Materials Specifications	
D. Security Plan/Disaster Preparedness & Security Reporting Manual	
E. Rights of PSALM to Terminate the Contract	
F. Billing Requirement	
G. Billing and Manner of Payment	
H. Taxes	
I. Others	

Name and Signature of Authorized Official

Position

Date

Note: 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 ITB Clause 3.1(a)(ii) and/or GCC Clause 2.1(a)(ii).

Contract Agreement

Signed in the Presence of:

THIS AGREEMENT made the _____ day of _____ 2012 between *Power Sector Assets and Liabilities Management Corporation* 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 SECURITY SERVICES FOR PULANGUI IV HYDROELECTRIC POWER PLANT IN MARAMAG, BUKIDNON** 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:

SUPPLIER:

(Name)
(Designation)

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract herein 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, Bid 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;
- (f) the Entity’s Notification of Award; and
- (g) the Supplemental Bid Bulletins.

PSALM Corporation:

EMMANUEL R. LEDESMA, JR.
President and CEO

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, and delivered by **EMMANUEL R. LEDESMA, JR.**, the President and CEO of PSALM Corporation (for the Entity).

EMMANUEL R. LEDESMA, JR.

Signed, sealed, and delivered by _____, the
_____ (for the Supplier).

(SUPPLIER)

Witnessed by:

Certification of funds availability:

YOLANDA D. ALFAFARA
Manager
Controllership Department

Republic of the Philippines)
_____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____, Philippines, this ____ day
of _____, 2012, personally appeared:

Name	Government ID & No.	Issued on	Issued at
EMMANUEL R. LEDESMA, JR.	Passport No. EB1769939	11 January 2011	DFA Manila
(SUPPLIER)			

known to me and to me known to be the same person who executed the foregoing instrument consisting of three (3) pages, including the page whereon this Acknowledgment is written, all pages signed by both parties and their instrumental witnesses, and they acknowledged before me that the same is their free and voluntary act and deed and that of the Corporation they represents.

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

Notary Public

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2012.

PSALM Form No. 11

Republic of the Philippines)
City/Municipality of _____) S.S.

Omnibus Sworn Statement

A F F I D A V I T

I, (Name of Bidder's Authorized Representative), of legal age, (Civil Status), (Nationality), and residing at (Address of the Signatory), after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of (Name of Bidder) with office address at _____;
2. 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 stated in the duly notarized Secretary's Certificate hereto attached (if applicable)];
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 (GPPB);
4. In connection with the bidding for **PROCUREMENT OF SECURITY SERVICES FOR PULANGUI IV HYDROELECTRIC POWER PLANT IN MARAMAG, BUKIDNON**, I am responsible for:
 - (i.1) Having taken steps to carefully examine all of the Bidding Documents;
 - (i.2) Having acknowledged all conditions, local or otherwise, affecting the implementation of the Contract;
 - (i.3) Having made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - (i.4) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under Instructions to Bidders Clause 11.3.

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;

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

(Name of Bidder) is 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; and

(Name of Bidder) complies with existing labor laws and standards.

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

Bidder's Representative/Authorized Signatory

SUBSCRIBED AND SWORN TO before me this ___ day of _____ 20___, Philippines.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of 2012

PSALM Form No. 12

Bank Guarantee Form for Warranty Coverage

EMMANUEL R. LEDESMA, JR.
President and CEO
Power Sector Assets and Liabilities
Management Corporation
7th Floor Bankmer Building,
6756 Ayala Avenue, Makati City 1226

WHEREAS, [insert name and address of Supplier] (hereinafter called the "Supplier") has undertaken, in pursuance of Contract No. [insert number] dated [insert date] to execute the contract for Procurement of Security Services for Pulangui IV Hydroelectric Power Plant in Maramag, Bukidnon (herein called the "Contract");

WHEREAS, it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a recognized bank for the sum equivalent to (10% of the Contract price) as security for compliance with the Contract;

WHEREAS, we have agreed to give the Supplier such a Bank Guarantee;

NOW THEREFORE, we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Supplier, in an amount equivalent to (10% of the contract price), and we undertake to pay you, upon your first written demand and without cavil or argument, the aforesaid amount without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Supplier before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there under or of any of the Contract documents which may be made between you 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 be valid until the expiration of the warranty period(s) for the GOODS provided for under the said Contract.

SIGNATURE AND SEAL OF THE GUARANTOR _____
NAME OF BANK _____
ADDRESS _____
DATE _____

PSALM Form No. 13

List of Key Personnel/Officials

Name of Officials	Present Position/ Designation	Education	Military/Police/ Security Background & Years of Experience	No. of Years in the Firm	PSALM Remarks

Note:

1. Attached personnel history/functional statements and curriculum vitae.
2. Use additional sheets if necessary.

Signature of authorized Representative: _____

Name of Representative: _____

Designation: _____

Date: _____

Page ____ of ____

Organizational Chart



Note:

1. Indicate the name of key official underneath each position.
2. Use additional sheets if necessary.

Signature of authorized Representative: _____

Name of Representative: _____

Designation: _____

Date: _____

Page _____ of _____

PSALM Form No. 15

List of Supplier-Owned Motor Vehicles & Communication Equipment

A. Motor Vehicles

No. of Units	Brand of Equipment	Type	Model No.	Serial No.	Conditions	Present Location	PSALM Remarks

B. Communication Equipment

No. of Units	Brand of Equipment	Type	Model No.	Serial No.	Conditions	Present Location	PSALM Remarks

List of Supplier-Owned Firearms

[illegible]

Note:

1. Attached proof of ownership.
2. Use additional sheets if necessary.

Signature of authorized Representative: _____

Name of Representative: _____

Designation: _____

Date: _____

Page ____ of ____

List of Licensed Security Personnel

[illegible]

Note:

1. Attached personnel history/functional statements and curriculum vitae.
2. Use additional sheets if necessary.

Signature of authorized Representative: _____

Name of Representative: _____

Designation: _____

Date: _____

Page ____ of ____

Annex A

Social Security Service (SSS) Range of Compensation

RANGE OF COMPENSATION	MONTHLY SALARY CREDIT*	EMPLOYER-EMPLOYEE							SE / VM / OFW	
		SOCIAL SECURITY			EC	TOTAL CONTRIBUTION			TOTAL CONTRIBUTION	
		ER	EE	Total		ER	EE	Total		
1,000 - 1,249.99	1,000	70.70	33.30	104	10	80.70	33.30	114	104	
1,250 - 1,749.99	1,500	106.00	50.00	156	10	116.00	50.00	166	156	
1,750 - 2,249.99	2,000	141.30	66.70	208	10	151.30	66.70	218	208	
2,250 - 2,749.99	2,500	176.70	83.30	260	10	186.70	83.30	270	260	
2,750 - 3,249.99	3,000	212.00	100.00	312	10	222.00	100.00	322	312	
3,250 - 3,749.99	3,500	247.30	116.70	364	10	257.30	116.70	374	364	
3,750 - 4,249.99	4,000	282.70	133.30	416	10	292.70	133.30	426	416	
4,250 - 4,749.99	4,500	318.00	150.00	468	10	328.00	150.00	478	468	
4,750 - 5,249.99	5,000	353.30	166.70	520	10	363.30	166.70	530	520	
5,250 - 5,749.99	5,500	388.70	183.30	572	10	398.70	183.30	582	572	
5,750 - 6,249.99	6,000	424.00	200.00	624	10	434.00	200.00	634	624	
6,250 - 6,749.99	6,500	459.30	216.70	676	10	469.30	216.70	686	676	
6,750 - 7,249.99	7,000	494.70	233.30	728	10	504.70	233.30	738	728	
7,250 - 7,749.99	7,500	530.00	250.00	780	10	540.00	250.00	790	780	
7,750 - 8,249.99	8,000	565.30	266.70	832	10	575.30	266.70	842	832	
8,250 - 8,749.99	8,500	600.70	283.30	884	10	610.70	283.30	894	884	
8,750 - 9,249.99	9,000	636.00	300.00	936	10	646.00	300.00	946	936	
9,250 - 9,749.99	9,500	671.30	316.70	988	10	681.30	316.70	998	988	
9,750 - 10,249.99	10,000	706.70	333.30	1,040	10	716.70	333.30	1,050	1,040	
10,250 - 10,749.99	10,500	742.00	350.00	1,092	10	752.00	350.00	1,102	1,092	
10,750 - 11,249.99	11,000	777.30	366.70	1,144	10	787.30	366.70	1,154	1,144	
11,250 - 11,749.99	11,500	812.70	383.30	1,196	10	822.70	383.30	1,206	1,196	
11,750 - 12,249.99	12,000	848.00	400.00	1,248	10	858.00	400.00	1,258	1,248	
12,250 - 12,749.99	12,500	883.30	416.70	1,300	10	893.30	416.70	1,310	1,300	
12,750 - 13,249.99	13,000	918.70	433.30	1,352	10	928.70	433.30	1,362	1,352	
13,250 - 13,749.99	13,500	954.00	450.00	1,404	10	964.00	450.00	1,414	1,404	
13,750 - 14,249.99	14,000	989.30	466.70	1,456	10	999.30	466.70	1,466	1,456	
14,250 - 14,749.99	14,500	1,024.70	483.30	1,508	10	1,034.70	483.30	1,518	1,508	
14,750 - over	15,000	1,060.00	500.00	1,560	30	1,090.00	500.00	1,590	1,560	

Annex B**PhilHealth Premium Contribution Table**

Salary Bracket	Salary Range	Salary Base	Total Monthly Premium	Employee Share	Employer Share
1	4,999.99 and below	4,000.00	100.00	50.00	50.00
2	5,000.00 - 5,999.99	5,000.00	125.00	62.50	62.50
3	6,000.00 - 6,999.99	6,000.00	150.00	75.00	75.00
4	7,000.00 - 7,999.99	7,000.00	175.00	87.50	87.50
5	8,000.00 - 8,999.99	8,000.00	200.00	100.00	100.00
6	9,000.00 - 9,999.99	9,000.00	225.00	112.50	112.50
7	10,000.00 - 10,999.99	10,000.00	250.00	125.00	125.00
8	11,000.00 - 11,999.99	11,000.00	275.00	137.50	137.50
9	12,000.00 - 12,999.99	12,000.00	300.00	150.00	150.00
10	13,000.00 - 13,999.99	13,000.00	325.00	162.50	162.50
11	14,000.00 - 14,999.99	14,000.00	350.00	175.00	175.00
12	15,000.00 - 15,999.99	15,000.00	375.00	187.50	187.50
13	16,000.00 - 16,999.99	16,000.00	400.00	200.00	200.00
14	17,000.00 - 17,999.99	17,000.00	425.00	212.50	212.50
15	18,000.00 - 18,999.99	18,000.00	450.00	225.00	225.00
16	19,000.00 - 19,999.99	19,000.00	475.00	237.50	237.50
17	20,000.00 - 20,999.99	20,000.00	500.00	250.00	250.00
18	21,000.00 - 21,999.99	21,000.00	525.00	262.50	262.50
19	22,000.00 - 22,999.99	22,000.00	550.00	275.00	275.00
20	23,000.00 - 23,999.99	23,000.00	575.00	287.50	287.50
21	24,000.00 - 24,999.99	24,000.00	600.00	300.00	300.00
22	25,000.00 - 25,999.99	25,000.00	625.00	312.50	312.50
23	26,000.00 - 26,999.99	26,000.00	650.00	325.00	325.00
24	27,000.00 - 27,999.99	27,000.00	675.00	337.50	337.50
25	28,000.00 - 28,999.99	28,000.00	700.00	350.00	350.00
26	29,000.00 - 29,999.99	29,000.00	725.00	362.50	362.50
27	30,000.00 and up	30,000.00	750.00	375.00	375.00

*Employee share represents half of the total monthly premium while the other half is shouldered by the employer.

