

SERVICE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into by and between:

THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT – FIELD OFFICE X, a regional government agency established and existing under the laws of the Republic of the Philippines with principal office address at Masterson Ave., Cagayan de Oro City, herein represented by its Regional Director, **RAMEL F. JAMEN**, hereinafter referred to as “**DSWD FO X**”;

-and-

MACARTHUS SECURITY AGENCY, an entity duly established and existing under the laws of the Republic of the Philippines with principal office address at Marañon Village, Koronadal City, South Cotabato, herein represented by its Authorized Representative, **MARC CONEFFE F. CABUCAY, CSP**, hereinafter referred to as the “**CONTRACTOR**”.

WITNESSETH THAT:

WHEREAS, the DSWD FO X, through the Bids and Awards Committee, published through the PhilGEPS website an invitation to bid for the Supply and Delivery of Security Services for DSWD FO X;

WHEREAS, the CONTRACTOR, in response to said publication, has presented and warranted that it has the facility, equipment, and personnel, while being capable, competent, and duly licensed to service the DSWD FO X in accordance with the requirements and specifications of the latter;

WHEREAS, in accordance with rules and regulations, the required bidding process was undertaken by the Bids and Awards Committee wherein the CONTRACTOR has participated therein and has been adjudged as the Single Calculated and Responsive Bidder that passed the post-qualification process;

WHEREAS, on the basis of the foregoing representations and warranties by the CONTRACTOR, DSWD FO X has awarded the above-mentioned Agreement to herein CONTRACTOR;

NOW THEREFORE, for and in consideration of the foregoing premises and of the terms, conditions, covenants, and undertakings hereafter set forth, the parties hereto agree as follows:

SCOPE OF THE AGREEMENT

1. This Agreement obliges the CONTRACTOR to provide Security Services as well as the necessary and related equipments and supplies for DSWD FO X;
2. The CONTRACTOR hereby warrants that it has the competence, skill, and knowledge to provide the service;
3. The total consideration of this Agreement as provided herein represents the maximum amount to be paid by DSWD FO X for all services rendered by the CONTRACTOR.
4. The following documents shall be deemed to form and be read and construed as part of this Agreement, to wit:
 - a. General and Special Conditions of Contract;
 - b. Drawings/Plans;
 - c. Specifications;
 - d. Invitation to Bid;
 - e. Instructions to Bidders;
 - f. Bio-Data Sheet;
 - g. Supplemental Bid Bulletins;
 - h. Bid forms and other Bidding documents, including all the documents/statements contained in the Bidder's bidding envelopes;

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT – FIELD OFFICE X:

HANILYN A. TIAGO-CIMAFRANCA
Accountant III

RAMEL F. JAMEN
Regional Director

MACARTHUS SECURITY AGENCY:

MARC CONEFFE F. CABUCAY, CSP
Authorized Representative

- i. Eligibility requirements, Technical and Financial Proposals, and all other documents, and/or statements submitted;
- j. Performance Security;
- k. Credit line issued by a licensed bank, if applicable;
- l. Notice of Award of Contract and the Bidder's conforme thereto;
- m. Other contract documents required;
- n. The provisions of R.A. 9184 and its Implementing Rules and Regulations and all Annexes thereto, together with all issuances of the Government Procurement Policy Board shall be adopted and formed as integral part hereof.

CONTRACT PRICE

5. The DSWD FO X shall pay the CONTRACTOR, the total amount of **EIGHT MILLION TWO HUNDRED FORTY-SEVEN THOUSAND ONE HUNDRED SIXTY-SEVEN PESOS and 54/100 (P8,247,167.54)** only, in Philippine Currency, for all services agreed and rendered and for the full, faithful and complete performance of all the work/services under this Agreement are broken as shown on Annex "A" attached hereto which shall form part and parcel of the foregoing Agreement.
6. All payments made by DSWD FO X to the CONTRACTOR shall form part of the contract price.

PAYMENT

7. The DSWD FO X shall pay the CONTRACTOR semi-monthly upon presentment of the Statement of Account and proof of payment and/or Official Receipt of the previous month showing payments of mandatory monthly remittances to Philhealth, SSS premiums, Pag-ibig Fund, Retirement Benefit, State Insurance/Fund and other documents as may be required.
8. Notwithstanding the declared total contract price, it is hereby understood and agreed that DSWD FO X shall pay only the proportionate amount corresponding to actual services rendered and should there be reduction of period from which services are to be rendered by the CONTRACTOR for whatever reason, without prejudice to the provisions pertaining to violation of agreement, the total amount corresponding to the labor cost shall proportionately be reduced based on number of days actual services shall have rendered.
10. The total amount to be collected shall be net of taxes due.
11. No payment made hereto shall be construed as a waiver of any claims by DSWD FO X for any omission or ineffective performance of the work/service completed and that payments made from time to time shall not be construed as final acceptance of work/service.
12. All payments including any downpayment made, should it be required under this Agreement, shall be paid in the office of DSWD FO X. All billings received by DSWD FO X are subject to evaluation and accounting processing.
13. All payments made by DSWD FO X to the CONTRACTOR shall form part of the contract price.

OBLIGATIONS OF THE CONTRACTOR

14. The CONTRACTOR hereby undertakes to render the following, namely:
 - a. Provide forty-one (41) experienced, licensed, uniformed, bonded, and armed security guards who shall render security services according to the specifications and schedule as provided by DSWD FO X;
 - b. Provide a roving supervisor who shall regularly monitor the performance of the security guards they shall provide to DSWD FO X;
 - c. Security guards provided shall at all times be neat, with complete and identical uniform with firearms, ammunitions, night stick, and such other paraphernalia as may be necessary for effective service;
 - d. Provide for every security guard the following, namely:
 1. Twenty-Seven (27) units of medicine kits;
 2. Twenty-Seven (27) units of flashlights;

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3. Twenty-Seven (27) units rain coats;
4. Twenty-Seven (27) units rain boots;
5. Four (4) units licensed, brand new handheld radio;
6. Twenty (20) units of 0.9mm caliber pistols fully loaded with ammos to be distributed as follows:

- i. Two (2) units for the guards assigned at the DSWD, Masterson Ave., Cagayan de Oro City;
- ii. Two (2) units for the guards assigned at the RRCY, Gingoog City;
- iii. Two (2) units for the guards assigned at the DSWD Iligan Hub, Iligan City;
- iv. Five (5) units which shall be distributed to each of the DSWD Provincial Operations Office (POO); and
- v. One (1) unit for each of the nine (9) CIS offices in the field.

- e. Provide a Uniform Allowance of ONE HUNDRED PESOS (P 100.00) per month for each guard provided;
- f. Remit monthly contributions for the benefit of the security guards to Home Development Mutual Fund (Pag-ibig), Philhealth, Retirement Benefit, State Insurance/Fund, and the Social Security Services and proof of payments thereof shall be furnished and presented to DSWD FO X for verification and validation, with the understanding that violation hereof is a ground for rescission of this Agreement;
- g. Exercise full administration and supervision and instill utmost discipline over all guards consistent with rules and regulations mandated by DSWD FO X for the effectiveness of services to be rendered;
- h. All guards to be assigned shall require approval from DSWD FO X;
- i. Integrate the Retirement Benefit accruing to the Security Guards to their semi-monthly salaries; and
- j. Provide immediately relievers should absences occur with the regularly assigned guards.

WARRANTIES OF THE CONTRACTOR

15. The CONTRACTOR warrants the following, namely:

- a. All guards assigned to DSWD FO X shall at all times possess a validly issued and unexpired Security License with Certificate of Training;
- b. The Security Agency is fully compliant at all times with all laws, rules, and regulations required and possesses all permits necessary;
- c. All guards are disciplined and have no existing criminal records;
- d. Understands that DSWD FO X reserves the right to reduce or increase the number of guards as the exigency of the operation may require; and
- e. Understands and fully agrees that DSWD FO X may request for the immediate replacement of any guard assigned based on the ground of loss of confidence.

INDEPENDENT CONTRACTOR

16. It is expressly understood that the employees of the CONTRACTOR are in no way employees of the DSWD FO X, and as such, DSWD FO X shall not be responsible for any claim for personal injury or damages, including death caused either to any said employees or to any third person, and for claims of any nature arising of their duties as employees of the CONTRACTOR, and this Agreement shall not be construed to constitute contract of employment by and between DSWD FO X and any of the men hired or taken by the CONTRACTOR, it being clearly understood that this Agreement is solely between DSWD FO X and the CONTRACTOR.

OTHER UNDERTAKINGS OF THE CONTRACTOR

17. It is also hereby agreed between DSWD FO X and the CONTRACTOR that all equipments, tools, materials, and/or supplies required or used shall be borne solely by and at the cost of the CONTRACTOR.
18. Workmanship to be rendered shall be of the best known to the trade.

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Regional Director

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MARC CONEJO F. CABUCAY, CSP
Authorized Representative

19. Subcontract – Should subcontracting be allowed, the CONTRACTOR shall be held fully responsible for the work/service of any subcontractor performing work/service under this Agreement.
20. The CONTRACTOR shall be responsible for the losses or damages to the property of DSWD FO X stipulated and/or located within DSWD FO X compound except those enumerated in the subsequent paragraph occurring or taking place during the tour of duty of the guards and communicated to the CONTRACTOR within forty-eight (48) hours from the time of occurrence and after a formal investigation has been conducted by all parties concerned, provided that such losses or damages are due to the negligence of the security guards.
21. The CONTRACTOR shall be responsible for the losses or damages to the property whether or not there is a clear showing that any door, window, or other points of egress and ingress were subjected to force.
22. In case of loss or damage, the CONTRACTOR shall be liable for the replacement value of the lost or damaged property and DSWD FO X shall automatically deduct its claim for any payment due to the CONTRACTOR.
23. The CONTRACTOR shall not be liable for losses and/or damages on the following instances, namely:
 - a. Fortuitous events or force majeure;
 - b. Orders of DSWD FO X beyond the scope of this Agreement; and
 - c. Any losses or damages due to the negligence and/or fault of the employee of DSWD FO X.

VIOLATION OF CONTRACT

24. The provisions of RA 9184 and its Implementing Rules and Regulations shall be applicable.
25. Notwithstanding the foregoing, in the event of a breach of any of the provisions of this Agreement, DSWD FO X or Contractor shall give notice of breach and the other party shall immediately, within a period of three (3) working days to repair/correct/rectify the same. Otherwise, this Agreement shall be terminated and the party in breach shall be liable for all liabilities stipulated herein.
26. In case the CONTRACTOR, in the opinion of the DSWD FO X or his duly authorized representative, could not perform and/or finish the service under this Agreement despite due notice and reasonable time granted, DSWD FO X could waive the Agreement or stop the work and deduct from the Contract Price the cost of the remaining unfinished or unacceptable service.
27. Likewise, DSWD FO X shall, during the progress and/or term of this Agreement, have power to order in writing from time to time the proper re-execution of any work or service executed with workmanship/performance not in accordance with the specifications, warranties, or instructions, and the CONTRACTOR shall forthwith carry out such order at his own cost. In case of default on the part of the CONTRACTOR to carry out such order, DSWD FO X shall have the power to employ and pay other persons to carry out the same, and all expenses consequent thereon or incidental thereto shall be borne by the CONTRACTOR, and shall be recoverable from him by DSWD FO X, or may be deducted by the DSWD FO X from any money due, to the CONTRACTOR.
28. Failure to deliver/perform within the agreed period shall render the CONTRACTOR liable to DSWD FO X for liquidated damages at least equal to one-tenth of one percent of the cost of the unperformed portion of the total amount for every day of delay.
29. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the total amount, the DSWD FO X shall rescind the order and this Agreement without prejudice to other courses of action and remedies as may be available.
30. This agreement shall commence and take effect in accordance with the terms provided herein or upon the date of the signing of the parties hereof, whichever comes first.

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Authorized Representative

**SPECIAL WARRANTIES AND UNDERTAKING
FOR NON-INVOLVEMENT WITH TOBACCO INDUSTRY**

31. The Contractor hereby warrants and ensures that no private firm/company and/or individual connected with and/or belonging to the Tobacco Industry shall take active participation in the preparation, organization, promotion, and conduct of the activity as herein provided.
32. The Contractor further warrants that it is not part of the Tobacco Industry, nor is it engaged in business or practice, either in whole or in part, as a manufacturer, producer, distributor, wholesaler, or retailer of any Tobacco product or any component therein.
33. The Contractor further manifests that it is not engaged in any business dealings with any players of the Tobacco Industry.
34. The Contractor hereby undertakes and agrees that any violation of the foregoing warranties and representations shall immediately grant DSWD FO X the option without need of notice the pre-termination of this Agreement and all payments due to the Contractor shall immediately be deemed waived without need of any subsequent formalities.

EFFECTIVITY & TERM

35. This agreement shall take effect upon the signing of the parties hereof and the term shall be based from the provisions of the Notice to Proceed (NTP) and shall end on 28 February 2024.

TERMINATION AND VENUE OF ACTION

36. The CONTRACTOR hereby undertakes and agrees that any violation of the foregoing warranties and representations shall immediately grant DSWD FO X the option, without need of notice, the pre-termination of this Agreement and all payments due to the Contractor shall immediately be deemed waived without need of any subsequent formalities.
37. DSWD FO 10 and the Contractor hereto agree that all disputes, legal actions, suits and proceedings arising out of or relating to this agreement must be brought exclusively in courts located within the 10th judicial region (collectively known as the "exclusive courts"). Both parties hereby consent and submit to the exclusive jurisdiction of the exclusive courts. No legal action, suit or proceeding with respect to this agreement may be brought in any other forum.

ANTI-GRAFT AND CORRUPTION CLAUSE

38. Each party hereby undertakes that, at any time before and during the preparation, finalization and signing of this Agreement, itself, its directors, officers, or employees have not offered, promised, given, authorized, solicited or accepted any undue pecuniary or other advantage of any kind (or implied that they will or might do any such thing at any time in the future) in any way connected with the Agreement and that it has taken reasonable measures to prevent subcontractors, agents, or any other third parties, subject to its control or determining influence, from doing so.

End of terms and conditions.

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT – FIELD OFFICE X:

HANILYN A. TIAGO-CIMA-FRANCA
Accountant III

RAMEY F. JAMEN
Regional Director

MACARTHUS SECURITY AGENCY:

MARC CONEJFFE F. CABUCAY, CSP
Authorized Representative

IN WITNESS WHEREOF, the parties of this Agreement have hereunto set their hands at the bottom of this page and on left hand margin of all other pages of this agreement

FIRST PARTY:
THE DEPARTMENT OF SOCIAL WELFARE
AND DEVELOPMENT – FIELD OFFICE X
(DSWD FO X):



RAMEL F. JAMEN
Regional Director

SECOND PARTY:
MACARTHUS SECURITY AGENCY
(CONTRACTOR):



MARC CONEFFE F. CABUCAY, CSP
Authorized Representative

SIGNED IN THE PRESENCE OF:

Certification for funds availability:



HANILYN A. TIAGO-CIMAFRANCA
Accountant III

ACKNOWLEDGEMENT




REPUBLIC OF THE PHILIPPINES....)
CITY OF KORONADAR.....) S. S.

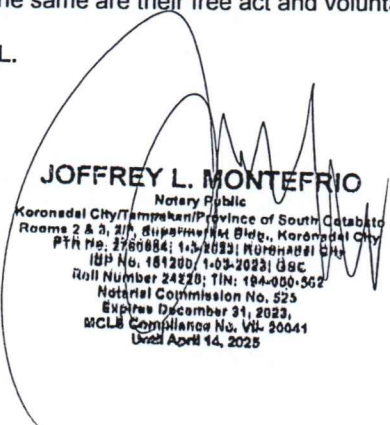
BEFORE ME, a Notary Public, this JUN 28 2023 in CITY OF KORONADAR, Philippines,
personally appeared the following:

Name:	Identification Card	Date/Place of Issuance:
Ramel F. Jamen	DSWD ID No. 16-00034	Manila City, Metro Manila
Marc Coneffe F. Cabucay, CSP	<u>OF - 21950475</u>	

known to me to be the same persons who executed the foregoing instrument composed of six pages, including this page, and they acknowledged to me that the same are their free act and voluntary deed.

WITNESSETH MY HAND AND SEAL.

Doc. No. : 
Page No. : 
Book No. : 
Series of 2023.


JOFFREY L. MONTEFRIO
Notary Public
Koronadal City/Tampakan/Province of South Cotabato
Rooms 2 & 3, 2/F, Suparinwatt Bldg., Koronadal City
PTh No. 3760884; 1-3-2023; KURSHADIL CHA
IBP No. 181200/ 1-03-2023; GSC
Roll Number 24220; TIN: 184-000-562
Notarial Commission No. 523
Expires December 31, 2023,
MCLB Compliance No. VII- 20041
Until April 14, 2025