

# SECURITY SERVICES CONTRACT

## KNOW ALL MEN BY THESE PRESENTS:

This Security Service Agreement made and entered into by and between:

**CEBU NORMAL UNIVERSITY**, an educational institution duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Osmeña Boulevard, Cebu City herein represented in this instrument by its **OIC-President Dr. FILOMENA T. DAYAGBIL** hereinafter referred to as "**CLIENT**".

-and-

**CAFÉ SECURITY AGENCY, INC.**, duly organized and existing under and by virtue of the laws of the Philippines, with office address at Café-Gonzales Bldg., N. Bacalso Ave., Bulacao, Talisay City, Cebu with **JUSTO S. CAFÉ, President/General Manager**, hereinafter referred to as "**AGENCY**".

## WITNESSETH

WHEREAS, the CLIENT contemplates to engage the services of a private security services agency, for the purpose of preventing unauthorized persons from entering the premises, safeguarding and protecting the perimeter, buildings, vehicles, machineries, equipment, supplies, materials and other properties, and such other offices and facilities of the CLIENT as may be determined from time to time against theft, robbery, pilferage, sabotage and other unlawful acts including the protection of all personnel and its clients within the guarded premises.

WHEREAS, the AGENCY is engaged in the business of rendering private security services throughout the Philippines and is duly licensed as such by the Philippines National Police in accordance with Republic Act No. 5487, as amended, and has offered to provide the CLIENT with private security guards for the purpose above mentioned and the offer of the AGENCY has been accepted by the CLIENT.

NOW THEREFORE, for and in consideration of the premises and of the terms, conditions and stipulations hereunder set forth, the parties hereto have agreed, and do hereby agree as follows:

## SCOPE OF WORK

1. The AGENCY shall render security services at Cebu Normal University located at Osmeña Boulevard, Cebu City
2. The AGENCY shall provide the CLIENT with qualified, bonded, uniformed and armed security guards in a number as may be required by the CLIENT from time to time;
3. The AGENCY shall equip each detailed guard with uniform, licensed firearm, equipment and other paraphernalia's for the use of the guards when actually on post as prescribed by pertinent laws and regulations.
4. The AGENCY shall provide well-groomed and mindful of proper hygiene security guards to be posted at the Client's establishment at Osmeña Boulevard, Cebu City.



5. To ensure that guard posts are always manned during the time required and observed, the AGENCY shall maintain and make available the guard relievers or replacements when the need arises, such as, in case of absence, but in case of shortage of relievers, the AGENCY shall have the option to extend the working hours of any guard or guards present at the premises to cover temporarily the post of the absent guard provided that in the event of such extension, the total working hours of the guard shall not extend beyond eight (8) hours for any single tour of duty.

6. The AGENCY shall be responsible for compliance with Republic Act 5487, as amended and shall be solely liable for any claim made by the guards assigned to the premises under the Labor Code of the Philippines, Social Security Law, various Presidential Decrees on Allowances and Wage Orders, all their Implementing Rules and Regulations which are presently existing or which may hereafter be promulgated by governing authorities;

## **B. PERFORMANCE RESPONSIBILITIES**

1. The AGENCY shall assign their guards' post duties on rotation basis following their duty schemes to avoid familiarity and shall furnish the CLIENT a monthly report of incidences and observations affecting campus security and all related matters.
2. The AGENCY shall assume full responsibility for any loss, damage, personal injury or death due to theft, robbery, pilferage, trespass, misconduct or connivance of the guards and other unlawful acts which the CLIENT, its employees, patrons and any other persons may suffer during watch hours of detailed security guards, provided that it shall have been established after due investigation that said loss, damage, personal injury, or death, was principally due to the negligence or fault of the guards. The investigation shall be conducted by the Committee constituted under paragraph B (7) and shall be completed within forty-eight (48) hours.

3. The AGENCY shall assume complete responsibility and liability for any loss or damage or injury to the CLIENT properties, its employees, guest, third person and their properties which have been duly turned over and received by the AGENCY; or its authorized representative except in case of force majeure or fortuitous events or under following circumstances; 1 case where the loss or damage occurs inside a closed office and/or building into which AGENCY or its agents have no access, the AGENCY shall not be liable except when it is shown that the door or any part of the building/facilities or office was forcibly opened and that such loss or damage is reported to the AGENCY within 24 hours from the discovery thereof. The AGENCY shall not be liable when the item(s) reported lost were small and can easily be hidden inside the pocket and where the CLIENT had not expressly required and authorized the searching of all personnel and personnel vehicles and or any kind of visitor(s) of the CLIENT, who enter and leave the establishments and premises.

4. The AGENCY agrees to hold the CLIENT, its officers, directors, stockholders and employees, free and harmless from any accident, damage claims or suit of whatever nature that may be brought or filed by any of the CLIENT's guest, customers and members arising from the operation of the Agency's security services. In the event that the CLIENT is held liable for any such accidents, loss, claim or damage by court or administrative action or other proceeding, AGENCY shall reimburse the CLIENT for such loss, claim or damage which the CLIENT may be required



to pay. This is in addition to such reasonable amount of attorney's fees and other costs and expenses incurred by the CLIENT in defending itself.

5. The AGENCY guards are not employees of the CLIENT and as such, the CLIENT shall not be responsible for any claim for personal injury or damage including death caused to any of the guards or to any third party where such injury or death arises out of or sustained in the course of the performance of guard duties by said guards.

6. The AGENCY shall faithfully serve the interest of the CLIENT in rendering services and shall not, during the period of this Agreement, or any time thereafter, use or disclose to any unauthorized person, firm or entity, any information, derogatory or otherwise, concerning the business affairs of the CLIENT or any other information which the members of the security force of the AGENCY may have acquired by reason of their assignment to the CLIENT; Commission of dishonest acts perpetrated by Agency Personnel directly against the CLIENT, regardless of value, same shall be a ground for outright contract termination, forfeiture of appropriate bond and exclusion from joining future bidding.

7. In the event that the CLIENT, its employees and/or its guest suffers any loss or damage to the property, or in the event that any of the CLIENT's employees, guests or any other persons legitimately within the CLIENT's premises suffer physical injury or death, the CLIENT shall inform the AGENCY thereof within forty-eight (48) hours from the happening of the event. In case of loss or damage to property, the notice to the AGENCY and shall include, whenever possible, an enumeration of the items lost or damaged, together with their corresponding values. The CLIENT shall have the right to withhold or suspend payments due to the AGENCY and or automatically deduct from any amount due to the AGENCY that value of such loss or damage without prejudice to the CLIENT's right to seize the surety bond mentioned in paragraph 8 thereof, until the losses and/or damages suffered by the CLIENT shall have been fully compensated.

8. In the event of controversy or disagreement between the CLIENT and the AGENCY regarding liability for the loss, damage, physical injury or death referred to in the preceding paragraphs hereof, the parties shall constitute a Committee, which shall be composed of three (3) members. The CLIENT and the AGENCY shall each appoint one (1) member, who shall act as Chairman. The decision of the Committee shall be binding on the parties, unless, within a period of thirty (30) days from receipt of such decision, a party shall institute the proper legal proceeding relating to the dispute.

9. To guarantee the faithful execution of the AGENCY's obligation under this Agreement, and the proper performance of the duties by its security guards, the AGENCY agrees to provide surety bond to be obtained from a surety company acceptable to the CLIENT.

#### C. CONTRACT RATE & TERMS OF PAYMENT

1. The CLIENT agrees to pay the AGENCY the monthly contract rate of **TWENTY THOUSAND NINE HUNDRED NINETY ONE PESOS & 72/100 (Php 20,991.72)** for the guards posted at Osmeña Boulevard, Cebu City per guard; a monthly contract rate of **EIGHTEEN THOUSAND FIVE HUNDRED THIRTY ONE & 71/100 (Php 18,531.71)** for the guards posted at Medellin and Balamban, Cebu City per guard for an eight (8) hours tour of duty daily



included Monday to Sunday. The Cost Distribution hereto attached and marked as Annex "A".

2. Payment for the services rendered shall be made by the CLIENT on a monthly basis and shall be paid five (5) days after receipt of the Agency's statement of account.
3. The AGENCY shall likewise pay their guards in cash at rate stipulated at CAFÉ SECURITY AGENCY, INC, Café-Gonzales Bldg., N. Bacalso Ave., Bulacao, Talisay City, Cebu premises not later than the 25<sup>th</sup> day following the services rendered from 1 to 15 of the month and not later than 10<sup>th</sup> day of the succeeding month for services rendered from the 16th to the end of the month. Training and other activities relevant to the guard's shall likewise be held at the said premises. Ammunitions spent for legitimate warning shots and expenses for repair of AGENCY'S equipment due to fair wear and tear without the contributory fault or negligence of the guard shall be at the account of the AGENCY.

#### **D. NUMBER AND QUALIFICATION OF GUARDS**

1. The numbers of security guards the AGENCY shall post are as follows :
  - \* EIGHTEEN (18) Security Guards for Day and Night shift for Osmeña Boulevard, Cebu City;
  - \* THREE (3) Security Guards for Day and Night shift for Medellin Cebu;
  - \* THREE (3) Security Guards for Day and Night shift for Balamban Cebu;


The number shall decrease or increase at the discretion of the CLIENT when the exigency of the service so requires or when the situation demands.

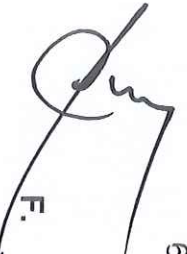
2. All security guards shall possess the qualification prescribed in Section No. 5 of Republic Act No. 5487 and Presidential Decree No. 11 dated October 3, 1972 and Presidential Decree 11-A dated January 1973 as well as the Implementing Rules and Regulations promulgated by the Philippine National Police.
3. The AGENCY shall, prior to actual posting of guards, submit to CLIENT the Biodata, NBI Clearance, Medical Record, PNP License and Behavior Analysis Report (Neuro-Psychological Exam) of each guard who will be assigned to the CLIENT.
4. The CLIENT shall have the right to refuse any employment and/or substitution of any guard prior to the assignment or during his tour of duty.

#### **E. SUPERVISION AND ADMINISTRATION**

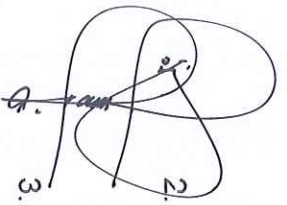
1. The guards and the Agency are in no sense employees of the CLIENT. The CLIENT shall not be responsible for any of the guards or to any third person where such damage, injury or death arises of said guards. Neither shall the CLIENT be liable or responsible for any claim of the guards under labor laws and social legislation.



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2. Security guards shall be hired by the AGENCY itself and this Contract shall not be deemed in any way to constitute a contract of employment between the CLIENT and any of the security guards hired by the AGENCY but merely as a contract specifying the conditions under which the security guards of the AGENCY shall render services to the CLIENT;
  3. The discipline and administration of the guards shall conform to RA 5487 and its Implementing Rules and Regulations. Upon loss of confidence and without liability whatsoever on the part of the CLIENT, any of the guards provided by the AGENCY may be changed immediately upon written request to that effect by the CLIENT to the AGENCY.
  4. The CLIENT shall have the right to assign a Security Officer as overall supervisor over Agency's guards at any time in order to determine the quality and acceptability of the service being performed by the guards and to give policy instructions through designated AGENCY's representative on the proper safeguarding and protection of persons, places and things covered by this Agreement;
  5. For ready reference, the AGENCY shall provide the CLIENT copies of unexpired license such as agency license, firearms license, individual security guards license and any related licenses as far as security contracting is concerned.

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6. The CLIENT agrees to notify the AGENCY of any deficiency in the performance of guard's duties. The AGENCY shall take appropriate steps to correct the defects.

**OTHER CONDITIONS**

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1. The terms and conditions herein set forth shall be deemed modified by the applicable provisions of any subsequent law or decree, specifically with reference to an increase in the minimum wage and the grant of statutory occupational benefits to the workers by the Government; and, in the event of a suit arising from this contract, the parties hereto agree that the venue of the action shall be in the Courts of Justice of Cebu City Philippines.
  3. In the event of legislative increase in the minimum age, the contract is deemed amended as to consideration by increasing the wage

**G DURATION**

1. This contract shall be effective for a period from **April 1, 2021 to December 31, 2021** and may be renewed for the same period upon mutual Agreement of the parties; provided, that in the absence of formal renewal upon expiration of this Contract, the same is deemed to remain in force on a month to month basis subject to termination upon thirty (30) days prior written notice by one party to the other.
2. Notwithstanding the provisions of sub-paragraph 1 hereof, the CLIENT may terminate this CONTRACT, at its sole discretion, upon thirty (30) days prior written notice to the AGENCY.

**IN WITNESS WHEREOF**, the parties have hereunto signed and executed this Agreement at Cebu City, Philippines, on this 31<sup>st</sup> day of March 2021.



CEBU NORMAL UNIVERSITY

CAFÉ SECURITY AGENCY, INC.

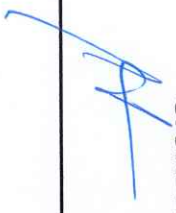
By :

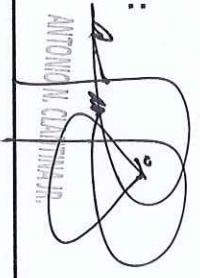
  
DR. FILOMENA T. DAYAGBIL  
OIC-President

By :

  
JUSTO S. CAFE  
President/General Manager

SIGNED IN THE PRESENCE OF:



  
ANTONIO N. CLARIN, JR.  
NOTARY PUBLIC

### ACKNOWLEDGEMENT:

Republic of the Philippines)  
City of Cebu )

31 MAR 2021

At above-mentioned place, this 31<sup>st</sup> day of March 2021 personally appeared before me **DR. FILOMENA T. DAYAGBIL**, SUC President III with Community Tax Certificate No. \_\_\_\_\_ issued at Cebu City on \_\_\_\_\_ and **MR. JUSTO S. CAFE**, President/General Manager of CAFÉ SECURITY AGENCY, INC., with Community Tax Certificate 3828356 Issued at the City of Talisay, Cebu on January 07, 2021 both known to me and to me known to be the same persons who executed the foregoing document and acknowledged to me that the same as well as the free act and deed of the entities they represent.

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

Doc. No. 161  
Page No. 10  
Book No. 1590  
Series of 2021

  
**ATTY. RAUL L. PATUA**  
NOTARY PUBLIC - CEBU  
UNTIL JUNE 2021  
PTR NO. 1979510  
ROLL NO. 44641  
NOTARY COMMISSION 0121  
LIFETIME NO. 07936  
OFF. D. JAKOSA EM ST. CENQUE  
BAYANWANG BLDG. PROV. OF CEBU  
MCLE COMPLIANCE NO. 00-11





# CAF SECURITY AGENCY INC.

Café-Gonzales Bldg., N. Bacalso Ave.,  
Bulacao, Talisay City, Cebu  
Tel. No.: 2737368 local 101 Fax No.: 2737364  
Email Address: [casia\\_04@yahoo.com](mailto:casia_04@yahoo.com)

## ADJUSTED CONTRACT PRICE

One Lot One Year Contract to Provide Security Guard Services for the CNU Buildings, Premises and Facilities  
for CY 2021

Itemized Breakdown for Proposal:	Regular Class A	Regular Class C
* Number of Days Factor per Year	393.5	393.5
* Number of Hours Duty	8 hours	8 hours
1 Applicable Daily Wage	404.00	356.00
2 Equivalent Monthly Rate Class A (404.00 x 393.5/12); Class C (356.00 x 393.5/12)	13,247.83	11,673.83
3 Night Shift Differentials pay Class A (13,247.83x10%/3); Class C (11,673.83 x10%/3)	441.59	389.13
4 13th Month Pay (*PD 851), Class A (404.00 x 365/12/12); Class C (356.00 x 365/12/12)	1,024.03	902.36
5 5-Days Service Incentive Leave Class A (404.00 x 5/12); Class C (356.00 x 5/12)	168.33	148.33
6 Monthly Uniform Allowance (R.A. 5487)	100.00	100.00
7 Total Monthly Salary Due to Guard (#2+#3+#4+#5+#6)	14,981.78	13,213.65
8 SSS Employer's Share( per SSS Table, effective January 2021)	1,105.00	977.50
9 PHIC Employer Share ( per Philhealth Table, based on 365 effective 2021 (3.5%)	215.04	189.49
10 ECC	10.00	10.00
11 HDMF Employer Share ( Salary Bracket P5,000.00 & above @2% per RA 9679	100.00	100.00
12 Retirement Benefit RA 7641 Class A (404.00 x 22.5/12); Class C (356.00 x 22.5/12)	757.50	667.50
13 Total Amount Due to Guard and Government (#8+#9+#10+#11+#12)	17,169.32	15,158.14
14 Add: Agency Share (Based on DOLE DO #150-2016) (# 13 x20%)	3,412.86	3,012.12
15 VAT of 12% based on Admin. Margin # 14	409.54	361.45
16 Minimum Contract Rate per Month/Guard	20,991.72	18,531.71
17 No. of Guards	18	6
18 No. of Guards ( ( Cont. Rate Per Guard x No. of Guards ) x 12 mos.)	4,534,211.52	1,334,283.12
19 Total Contract Rate for 24 Guards for One (1) year	5,868,494.64	

