

SECURITY SERVICES CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

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

The **CEBU NORMAL UNIVERSITY**, a higher education institution duly organized and existing under the laws of the Philippines created by virtue of Republic Act 8688 or otherwise known as "The CNU Charter", with principal office address at Osmeña Blvd., Cebu City, and represented herein by its President, **DR. JOSELITO B. GUTIERREZ** and hereinafter referred to as the "**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, represented by its President/General Manager, **JUSTO S. CAFÉ**, 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 Philippine 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**.

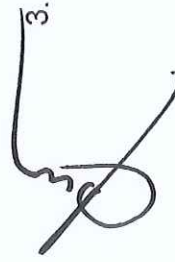
NOW, THEREFORE, for and in consideration of the premises and of the terms, conditions and stipulations hereunder set forth, the parties hereto have agreed and do hereby agree as follows:

A. SCOPE OF WORK

1. The **AGENCY** shall render security services at Cebu Normal University located at Osmeña Blvd., Cebu City and its external campuses situated in Balamban and Medellin, Cebu;
2. The **AGENCY** shall provide the **CLIENT** with qualified, bonded, uniformed and armed security guards and shall assign the corresponding number of security guards per area;
3. The **AGENCY** shall equip each detailed guard with uniform, licensed firearm, equipment and other paraphernalia 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 Blvd., Medellin and Balamban Campus;
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 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;

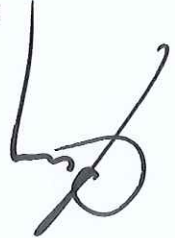
6. The AGENCY shall be responsible for compliance with RA 5487 as amended and shall be solely liable for any claim made by the guards assigned to the premises under the Labor Code of the Philippines, Social Security Law, various Presidential Decrees on Allowances and wage orders, all their implementing 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 students, 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 guard. 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 students, 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:
 - i. In case where the loss, 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 students, employees, guests 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 anytime 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 the 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 students, employees and/or guests suffers any loss, or damage to the property or in the event that any of the CLIENT's students, 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 incident. 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 five (5) members. The CLIENT and the AGENCY shall each appoint two (2) members and an independent party/person who shall act as Chairperson. The decision of the committee shall be binding upon the parties, unless, within a period of thirty (30) days from receipt of the 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. In consideration of the Services, the UNIVERSITY agrees to pay the AGENCY the billing rates as provided in the monthly statement of account within five (5) days after the submission of Statement of Account by the AGENCY. The rates quoted include government mandatory contribution and Administrative Service Fee of 10% plus 12% Value Added Tax (VAT). The rates, however, shall be increased in proportion to any mandated increase in the minimum wage, wage rates, wage related benefits, mandatory government premium contributions, tax rates.
2. The AGENCY shall likewise pay their guards in cash at rate stipulated at Café Security Agency Inc., Cafe-Gonzales Bldg, N. Bacalso Ave., Bulacao, Talisay City, Cebu premises not later than 25th day following the services rendered from 1-15 of the month and not later than 10th day of the succeeding month for services rendered from the 16th to end of the month. Training and other activities relevant to the guards 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 main Campus, Osmeña Blvd., Cebu City
- THREE (3) Security Guards for Day and Night shift for Medellin
- THREE (3) Security Guards for Day and Night shift for Balamban

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 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 Records, 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.
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 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 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.
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.

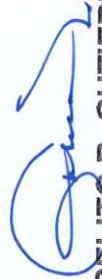
F. OTHER CONDITIONS.

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.
2. 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 Cebu City.

G. DURATION

1. This contract shall be effective beginning _____ to December 31, 2022. In the absence of formal renewal upon expiration of the term of this contract, the same is deemed to remain enforceable 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 the preceding paragraph, 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 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.


DR. JOSELITO B. GUTIERREZ
President


JUSTO S. CAFE
President/Gen. Manager

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

City of Talisay) S.S.

BEFORE ME, a Notary Public and in for the above jurisdiction on this 03 JUN, 2022
of _____, personally appeared:

NAME	GOVERNMENT ISSUED ID
JOSELITO B. GUTIERREZ	
JUSTO CAFE	Driver's License No. G06-04-007078

known to me and to me known to be the same persons who executed the foregoing instrument they acknowledged before as their free and voluntary act and deed.

This Contract Agreement, which consists of five (5) pages, is signed by the parties and their witnesses on each and every page thereof.

IN WITNESS WHEREOF, I hereby set my hand and seal on the date and at the place first above-written.

Doc. No. 270 ;
Page No. 55 ;
Book No. 01 ;
Series of 2022.


ATTY. JAIME O. GONZALES, MPA, JD
Notary Public, Talisay City, Cebu
Notarial Commission No. 6020-02 Until June 30, 2022
3F, CAFE - GOBAR, Talisay City, Becalso Ave.,
Bulacog, Talisay City, Cebu
PTR No. 4075595-1017078 Talisay City
IBP Lifetime No. 1059163-017078/17 - Cebu City
Roll No. 5994
MCLE Compliance No. VII-0005796