



**SUPPLEMENTAL/BID BULLETIN NO. 2
For LBP-HOBAC-ITB-GS-20210527-01**

PROJECT : Three (3) Years Lease of Armored Vehicle Services for
LANDBANK Region 5 (Bicol)

IMPLEMENTOR : Procurement Department

DATE : August 20, 2021

This Supplemental/Bid Bulletin is issued to modify, amend and/or clarify certain items in the Bid Documents. This shall form an integral part of the Bid Documents.

Modifications, amendments and/or clarifications:

- 1) The bidder/s are encouraged to use the Bid Securing Declaration as Bid Security.
- 2) The Terms of Reference (Annex D), Technical Specifications (Section VII), and Checklist of Bidding Documents (Item No. 12 of the Eligibility and Technical Components) have been revised. Please see attached revised Annexes D-1 to D-13 and specific sections of the Bidding Documents.
- 3) The deadline for the submission of electronic bids for the above project is re-scheduled on **August 27, 2021** at **10:00 A.M.** Submission of physical bids (hard copy) shall **not** be accepted.


ALWIN I. REYES
Assistant Vice President
Head, Procurement Department and
HOBAC Secretariat

Technical Specifications

Specifications	Statement of Compliance
Three (3) Years Lease of Armored Vehicle Services for LANDBANK Region 5 (Bicol) 1. Specifications and other requirements per attached Revised Terms of Reference (TOR) [Revised Annexes D-1 to D-13]. 2. The following documents shall be submitted in support of the compliance of the Bid to the technical specifications and other requirements: 2.1. Certificate of Registration from the Land Transportation Office (LTO) for the engine or a Certification as proof of engine overhaul and that the vehicle passed the smoke emission testing. 2.2. Copy of License to Operate from PNP-SOSIA (SAGSD). 2.3. Self-certification that they will comply with the Bank's Environmental Management System (EMS). 2.4. Copy of Revised TOR duly signed (all pages) by an authorized representative of the service provider.	Bidders must state below either "Comply" or "Not Comply" against each of the individual parameters of each Specification preferably stating the corresponding performance parameter of the product 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 applicable laws and issuances. Please state here either "Comply" or "Not Comply"

Non-submission of above documents/requirements may result in bidder's post-disqualification.	Please state here either "Comply" or "Not Comply"
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Conforme:

Name of Bidder

Signature over Printed Name of
Authorized Representative

Position

Checklist of Bidding Documents for Procurement of Goods and Services

The documents for each component should be arranged as per this Checklist. Kindly provide guides or dividers with appropriate labels.

Eligibility and Technical Components (PDF File)

- ***The Eligibility and Technical Component shall contain documents sequentially arranged as follows:***

- **Eligibility Documents – Class “A”**

Legal Eligibility Documents

1. Valid PhilGEPS Registration Certificate (Platinum Membership) (all pages); or all of the following:

- Registration Certificate from 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 Bidding Documents;
- Valid and current mayor's/business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or equivalent document for Exclusive Economic Zones or Areas; and

In cases of recently expired Mayor's/Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit: Provided, That the renewed permit shall be submitted as a post-qualification requirement in accordance with Section 34.2 of this IRR;

- Tax Clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

Technical Eligibility Documents

2. Duly notarized Secretary's Certificate attesting that the signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, if the prospective bidder is a corporation, partnership, cooperative, or joint venture or Original Special Power of Attorney of all members of the joint venture giving full power and authority to its officer to sign the OSS and do acts to represent the Bidder. (sample form - Form No. 7).

3. Statement of the prospective bidder of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the last five (5) years from the date of submission and receipt of bids. The statement shall include all information required in the sample form (Form No. 3).
4. Statement of the prospective bidder identifying its Single Largest Completed Contract (SLCC) similar to the contract to be bid within the relevant period as provided in the Bidding Documents. The statement shall include all information required in the sample form (Form No. 4).

Financial Eligibility Documents

5. The prospective bidder's audited financial statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.
6. The prospective bidder's computation for its Net Financial Contracting Capacity (NFCC) following the sample form (Form No. 5), or in the case of Procurement of Goods, a committed Line of Credit from a Universal or Commercial Bank in lieu of its NFCC computation.

o **Eligibility Documents – Class "B"**

7. Duly signed valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, 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 shall be included in the bid. Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security. Each partner of the joint venture shall submit its legal eligibility documents. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance, provided, that the partner responsible to submit the NFCC shall likewise submit the statement of all its ongoing contracts and Audited Financial Statements.
8. For foreign bidders claiming by reason of their country's extension of reciprocal rights to Filipinos, Certification from the relevant government office of their country stating that Filipinos are allowed to participate in government procurement activities for the same item or product.
9. Certification from the DTI if the Bidder claims preference as a Domestic Bidder or Domestic Entity.

- **Technical Documents**

10. Bid Security (if in the form of a Surety Bond, submit also a certification issued by the Insurance Commission).
11. Section VI – Schedule of Requirements with signature of bidder's authorized representative.
12. **Revised Section VII – Specifications with response on compliance and signature of bidder's authorized representative.**
13. Duly notarized Omnibus Sworn Statement (OSS) (sample form - Form No. 6).

- **Post-Qualification Documents – [The bidder may submit the following documents within five (5) calendar days after receipt of Notice of Post-Qualification]:**

14. Business Tax Returns per Revenue Regulations 3-2005 (BIR No.2550 Q) VAT or Percentage Tax Returns for the last two (2) quarters filed manually or through EFPS.
15. Latest Income Tax Return filed manually or through EFPS.
16. Original copy of Bid Security (if in the form of a Surety Bond, submit also a certification issued by the Insurance Commission).
17. Original copy of duly notarized Omnibus Sworn Statement (OSS) (sample form - Form No. 6).

Financial Component (PDF File)

- ***The Financial Component shall contain documents sequentially arranged as follows:***

1. Duly filled out Bid Form signed by the Bidder's authorized representative (sample form - Form No.1)
2. Duly filled out Schedule of Prices signed by the Bidder's authorized representative (sample form - Form No.2)

**TERMS OF REFERENCE
THREE (3) YEARS CONTRACT FOR LEASED ARMORED VEHICLE SERVICES
OF LAND BANK OF THE PHILIPPINES**

A. VEHICLE, CREW AND EQUIPMENT

1. The **SUPPLIER** shall provide the **PROCURING ENTITY** with fully secured armored vehicles duly provided with competent and duly licensed professional drivers and security personnel for the exclusive use of the **PROCURING ENTITY** within the agreed Region of service. The armored vehicles and their personnel equipment shall be continuously available to service the armored vehicle requirements of the **PROCURING ENTITY** in accordance with the schedule, routes and specifications stated in the Invitation to Apply for Eligibility and To Bid and its attachments. The schedules and routes are subject to change by the **PROCURING ENTITY** as may be required by its operational needs.
2. The engine of the armored vehicle unit/s to be supplied by the **SUPPLIER** shall not be more than five (5) years old or shall have been overhauled within five (5) years inclusive of the term of the contract. The **SUPPLIER** shall submit a Certificate of Registration from the Land Transportation Office (LTO) for the engine or a Certification as proof of engine overhaul. The body must be resistant to multiple impact rifle shots of 5.56 mm rifle, 7.62 mm rifle and Cal. 30 rifle and shall be equipped with the following:
 - 2.1. Amphibian/Diamond shape/Flat nose body type armored vehicle;
 - 2.2. Vault which can accommodate at least six (6) fully loaded 14"x14"x24" duffle bags;
 - 2.3. Chute, unless otherwise specified;
 - 2.4. Partition/Barrier between front seats and vault area;
 - 2.5. Cushioned armored car interior;
 - 2.6. Equipped with at least 2MP resolution cameras with at least 5-day storage capacity composed of the following:
 - one (1) rear view camera;
 - one (1) dash board camera; and
 - one (1) security camera covering the vault area.Use and maintenance of the cameras, as well as the handling of footages shall be in accordance with the prescribed duties and responsibilities **(ANNEX A)**:
 - 2.7. Handle bar which shall be placed inside the armored car rear door jamb;
 - 2.8. Dual type air-con;
 - 2.9. First-aid kit and basic mechanical tools;
 - 2.10. Captain's Chair with seat belt (for the teller);
 - 2.11. Fire extinguisher; and
 - 2.12. Step board with rubber pads.
3. Violation for the above cited requirements is subject for penalty amounting to five hundred pesos (Php500.00) of each violation per day.
4. The armored vehicle units to be supplied by the **SUPPLIER** shall be provided with a complement of qualified, highly efficient, highly trained, well-disciplined and duly licensed security personnel as follows:

- 4.1. 4-Wheeler-Three-Crew: one (1) driver escort guard, one (1) team leader escort guard and one (1) escort guard;
- 4.2. 6-Wheeler Three-Crew: one (1) driver escort guard, one (1) team leader escort guard and one (1) escort guards;
- 4.3. 6-Wheeler-Four-Crew: one (1) driver escort guard, one (1) team leader escort guard and two (2) escort guards;
- 4.4. Should the armored vehicle driver becomes incapacitated during fund transfer operations /while in transit because of emergency situations, a crew member shall be able to drive the vehicle to the nearest hospital /police station/ LBP Branch or unit (considering the vehicle is still drivable and there are no immediately available ambulance or back-up vehicle).
5. The driver/escort guards shall at all times protect and safeguard the **PROCURING ENTITY's** personnel, assets, cash and valuables (the "CARGO") that will be or are being loaded to, transported in or unloaded from the armored vehicles.
6. In case of absence of armored vehicle crew member/s, the **SUPPLIER** shall provide immediate replacement of equally qualified crew member/s based on the operational need/s of the **PROCURING ENTITY**.
7. The **SUPPLIER** shall have at least two (2) units reserve armored vehicle per Region to immediately address urgent operational requirements of the **PROCURING ENTITY**.
8. The **SUPPLIER** shall provide armored vehicle units within thirty (30) days after receipt of a notice in the event that the **PROCURING ENTITY** necessitates deployment of additional armored vehicle units in the area/region being served. The rate shall be the same as the bid rate.
9. The **SUPPLIER** shall have at least one (1) Supervisor or Coordinator per Region of the **PROCURING ENTITY** to immediately address all concerns of the **PROCURING ENTITY** pertaining to the performance of its armored services. Escort guards may be assigned /designated by the **SUPPLIER** as Supervisor/Coordinator per Area/Region of the **PROCURING ENTITY**.
10. The **SUPPLIER** shall comply with the **PROCURING ENTITY's** Environmental Management System (EMS) policy. Smoke belching and with oil leaks vehicles shall not be allowed entry to the **PROCURING ENTITY's** premises and shall immediately be replaced by the **SUPPLIER**. However, if the use of the smoke belching and with oil leaks armored vehicle becomes inevitable due to operational requirements and security concerns, a penalty of 100% of the hourly excess usage rate for every hour of non-compliance, reckoned from the time of arrival in the **PROCURING ENTITY** premises, shall be collected. A fraction of an hour of non-compliance shall be considered as one hour.
11. The **SUPPLIER**, upon deployment, may initially provide the **PROCURING ENTITY** with a copy of the Land Transportation Office (LTO) registration of the armored vehicles as proof that the vehicles passed the smoke emission testing. Within one month after deployment and/or after renewal of the registration, a copy of the result of smoke emission test issued by an LTO-accredited smoke emission testing center shall be submitted.

12. The armored vehicle and crew shall arrive at the designated Branch/Unit on time which depends on the service requirements of the **PROCURING ENTITY**. Otherwise, a penalty based on the excess usage rate shall be deducted from the payment of the monthly contract price.
13. The armored vehicle shall render regular service for eight (8) hours a day & five (5) days a week, except holidays.
 - 13.1. Of the armored vehicles deployed Malate (Manila), and Baclaran (Paranaque) Cash Centers, two (2) units for each said Cash Centers shall render service for eight (8) hours a day, six (6) days a week regularly, except holidays.
 - 13.2. Services beyond regular hours may also be required and shall be paid based on the excess usage rate.
14. To ensure continuity and efficiency of the service, any malfunctioning armored vehicle must be immediately replaced by the **SUPPLIER** with another armored vehicle. Response time in case of breakdown is within thirty (30) minutes for vehicles servicing National Capital Region (NCR), Metro Cebu, and Davao City within a reasonable period of time (to be agreed upon by the **SUPPLIER** and the **PROCURING ENTITY**) if in the provinces/other cities and municipalities.
15. Penalty in case of delayed response shall be 150% of the hourly excess usage rate for every hour of delay. A fraction of an hour delay less than 30 minutes shall be considered as one-half hour while a fraction of an hour delay more than 30 minutes shall be considered as one hour.
16. The **PROCURING ENTITY** may require the addition (for 4-wheeler and 6-wheeler) or reduction (for 6-wheeler only) of crew member/s per armored vehicle unit subject to its prior notice to the **SUPPLIER** not later than twenty four (24) hours before the change is to be implemented. The existing Regional PADPAO rate at five (5) days' work per week rate shall be used in case of addition or reduction on the number of crew members. The PADPAO rate component for "Amount Directly to Guard", "Amount to Government in favor of the Guards", and the applicable Administrative Overhead rate shall be applied.
17. The escort guard/driver and escort guard to be provided by shall have passed the screening and interview by the **SUPPLIER** as supervised and witnessed by the **PROCURING ENTITY**. The following qualifications are required prior posting:
 - 17.1. At least high school graduate;
 - 17.2. Physically and mentally fit;
 - 17.3. Must be a licensed security guard;
 - 17.4. With Professional Driver's License [Restriction #3 **or equivalent**] (for driver, team leader/escort guard);
 - 17.5. **At least 21 years old;**
 - 17.6. At least 5'4" in height;
 - 17.7. Weight within normal range as indicated in the Body Mass Index (BMI);
 - 17.8. Guards who are related to an employee of the **PROCURING ENTITY** up to the third (3rd) degree of affinity or consanguinity shall not be assigned /posted together at the same Branch /Field Unit /Installation;
 - 17.9. Had undergone training on escorting and proficiency firing;

- 17.10. With Personal History Statement (PHS) in **PDF scanned** copy; whole body in complete security guard uniform and family pictures; and, local & national clearances in hard and scanned copy to be submitted to the **PROCURING ENTITY** thru the Security Department;
 - 17.11. Had undergone Background Investigation by the **SUPPLIER**;
 - 17.11.1. Background/Life style check should be conducted every six (6) months and the report shall be submitted to SD Head.
 - 17.12. Of good moral character and pleasing personality;
 - 17.13. With security guard /police /military experience;
 - 17.14. The Escort Guard Team Leader should have at least 1 year experience in armored vehicle escorting; and,
 - 17.15. Passed the Comprehensive Bank and Armored Security Training Course (CBASTRAC) conducted by the Bank Security Management Association (BSMA) or any authorized training centers and other related trainings required by the **PROCURING ENTITY** such as but not limited to First-aid Training, Rescue and Emergency Training, Bomb Identification Seminar, Crowd Control, VIP Protection etc. In case of insufficient CBASTRAC trained escort guards, the **SUPPLIER** may dispatch escort guards without CBASTRAC training provided that the Team Leader of each armored car unit should be CBASTRAC trained who shall ensure that the escort guards without CBASTRAC training are coached while awaiting training. Provided further that dispatched escort guards without CBASTRAC training shall attend the training within 90-days from the date of actual posting and submit to the **PROCURING ENTITY** the corresponding training certificates thereafter;
18. **NOTE:** Interim alternative modes of interview /screening (virtual or online) process shall be applicable while we are currently encountering the COVID-19 Pandemic Situation. Armored vehicle crew members to be detailed/assigned to the **PROCURING ENTITY** in view of a new contract, shall be screened at the Head Office of the **PROCURING ENTITY** prior to deployment. However, the screening of the armored vehicle crew for deployment outside the National Capital Region (NCR) may be conducted at venues other than the **PROCURING ENTITY**'s Head Office and on a weekend upon a written request from the **SUPPLIER**. In such case, all relevant and actual expenses of the **PROCURING ENTITY** personnel, e.g., fares and accommodations shall be on the account of the **PROCURING ENTITY**. However, in cases that the screening cannot be completed due to factors attributed to the **SUPPLIER**, such as inadequate number of guards for screening, subsequent interviews may be requested either at the **PROCURING ENTITY**'s Head Office or in other venues as determined by the **SUPPLIER**, in which case all relevant and actual expenses of **PROCURING ENTITY** personnel shall then be on the account of the **SUPPLIER**.
19. At least seven (7) working days before the assumption of the contract, the **SUPPLIER** shall provide the **PROCURING ENTITY** with the following: a) list of escort guard drivers and escort guards and the corresponding Field Unit where they will be assigned; b) firearms deployment complete with the corresponding documents, i. e., licenses of the firearms issued to the **SUPPLIER**; and, c) the appropriate and corresponding documentary requirements/clearances, i.e., identification cards, NBI/PNP clearances, medical certificate, drug test results, and neuro-psychiatric clearance attesting to the guards' physical/mental fitness.

20. The **SUPPLIER**, at its own expense, shall provide the escort guards the following:

20.9. Uniforms which are distinct from that of other premises security guards;

20.10. Identification cards;

20.11. Duly licensed firearms issued in the name of the **SUPPLIER** and sufficient ammunitions, as follows:

20.11.1. For Driver/Escort Guard: .38 cal. rev. with 12 rounds of ammunitions or 9mm pistol with 21 rounds of ammunitions in three (3) magazines;

20.11.2. For Team Leader/Escort Guard: M-16 Rifle with 90 rounds of ammunition in 3 magazines. AK47 rifle is acceptable for as long as the bullet is 5.56 mm. (with corresponding accessories such as magazine/ammo pouches and holsters/slides for firearms) which shall be subject to rules and regulations of the Philippine National Police or other proper authorities governing the use of such firearms/weapons/ammunitions.

NOTE: In view of Proclamation No. 216 declaring martial law in Mindanao and PNP-Civil Security Group's (PNP-CSG) memorandum instructing all security agencies to turn over their high-powered firearms to the PNP-Supervisory Office for Security and Investigation Agencies (PNP-SOSIA) for safekeeping, the **PROCURING ENTITY**, allows the temporary deployment of one (1) shotgun of make acceptable to the **PROCURING ENTITY** with twenty four (24) cartridges of ammunitions for each team leader and escort guards while M-16 rifles are forbidden. The above Item No. 20.3.2 shall immediately take effect and be implemented by the **SUPPLIER** once the said Presidential Proclamation and PNP directive are lifted.

20.12. Level III-A Armor Vest with at least Level III 10" x 12" plate (for Team Leader/Escort Guards);

20.13. Steel Helmet (for Team Leader/Escort Guards); and,

20.14. Other devices and equipment as may be demanded by the **PROCURING ENTITY** for the efficient and effective safeguarding of the properties and implementation of security services.

21. The **SUPPLIER** expressly agrees to pay to the **PROCURING ENTITY** a fine in the amount of P500.00 per day for every firearm issued to Escort Guard/s found not in accordance with the agreed specifications and description or for every Escort Guard found with defective or without firearm, or for every escort guard found without magazines for ammo, and/or P100.00 per day for every bullet found less than the number provided for above and for every lacking accessories required. The charges shall commence on the day that the lacking ammunition/defective firearm is discovered by the **PROCURING ENTITY** and shall end only after the lack/defect is rectified, and duly acknowledged by the **PROCURING ENTITY**. The penalties shall be collected by the Field Unit where the guard is assigned against the billing of the **SUPPLIER** for the succeeding month after the discovery of the defect/s.

22. The **SUPPLIER** shall conduct annual firearms proficiency training for the escort guards assigned at the **PROCURING ENTITY** using the **SUPPLIER** issued firearms. The **SUPPLIER** shall then submit the results of the training as well as the certificates issued by the training entity as proof of completion from the training to form part of the validation process conducted by the **PROCURING ENTITY**.

23. Escort Guards shall be in their distinctive uniform at all times while in the performance of duty. If any service or phase of service by the **SUPPLIER** is not performed to the satisfaction of the **PROCURING ENTITY**, the **SUPPLIER** shall immediately institute measures upon receipt of notice to address the deficiency or

any other problem including, but not limited to, change of equipment and/or personnel.

24. There shall be no employer-employee relationship between the **PROCURING ENTITY** and the escort guards whom the **SUPPLIER** may assign to perform the services subject of the Agreement. The **SUPPLIER** hereby acknowledges that no authority has been conferred upon it by the **PROCURING ENTITY** to hire any person on behalf of the **PROCURING ENTITY** and that the personnel assigned by the **SUPPLIER** as complement of the armored vehicles are not employees of the **PROCURING ENTITY** and not in any way or manner connected with or related to the **PROCURING ENTITY**. It is expressly understood and agreed that the personnel assigned by the **SUPPLIER** as complement of the armored vehicles are and shall remain the employees of the **SUPPLIER**. Accordingly, control and supervision over these personnel shall be exercised by the **SUPPLIER**, although the **PROCURING ENTITY** shall have the right to report and protest to the **SUPPLIER**, through the latter's designated supervisor, any untoward act, negligence, misconduct, malfeasance of any of its personnel. However, the **SUPPLIER** alone shall have the right to impose any disciplinary action over the erring personnel.
25. The **PROCURING ENTITY** may, at its own discretion, and for whatever reason/s, demand the replacement of any crew member/s posted at the **PROCURING ENTITY**'s leased armored vehicle/s, in which case, the **SUPPLIER** shall, upon notice by the **PROCURING ENTITY**, cause replacement **within 24 hours** of the crew member/s concerned.
26. Each crew member of the deployed leased armored vehicle shall be entitled to a one (1) hour meal break that should be flexible /adaptable to the **PROCURING ENTITY**'s day-to-day transactions.
27. Fuel and lubricants, repair and maintenance of the vehicle, including replacement of parts, shall be for the account of the **SUPPLIER**. Further, there must be an accredited or partner automotive repair shop for maintenance purposes in areas where the operation is being taken place.
28. Security passes from clients shall be for the account of the **SUPPLIER**.

B. SECURITY MATTERS

1. The **SUPPLIER**, through its designated representative or supervisor, shall coordinate with the **PROCURING ENTITY**'s Security Department to ensure effective coordination and implementation of all security measures adopted by the **PROCURING ENTITY**. Representatives of the Security Department and the **SUPPLIER** shall have regular monthly meetings (or as the need arises) to discuss problems and recommendations to further improve the armored vehicle services. The monthly meeting shall be held every last Thursday of the month (or as the need arises) and at a time that shall be agreed upon by both parties. Both the **PROCURING ENTITY** and the **SUPPLIER** shall establish and maintain effective liaising with the nearest police station/sub-station or precinct to ensure positive police response at all times.

The **PROCURING ENTITY**, in coordination with the **SUPPLIER**'s designated representative or supervisor, shall determine the day-to-day trips or itineraries to be undertaken by the armored vehicles and their personnel complement.

2. The **SUPPLIER**, subject to the approval of the **PROCURING ENTITY**, shall implement reshuffling/rotation of crew to areas of the same wage rate at least once a year.

C. WARRANTIES AND UNDERTAKINGS OF THE SUPPLIER

1. The **SUPPLIER** shall be compliant with the documentary requirement set by the government to operate security agency such as:
 - Registered with the Department of Trade and Industry (DTI) if sole proprietorship and with Security and Exchange Commission (SEC) for partnership or corporation;
 - Mayor's Permit;
 - Bureau of Internal Revenue (BIR) Certificate;
 - **Accreditation** from PNP-SOSIA (SAGSD).

NOTE: Pending the approval of the PNP-SOSIA's Armored Security Services Resolution for the processing of renewal/application of accreditation, the Security Agency must submit the following:

1. **Latest certified true copy of PNP-SOSIA Accreditation;**
 2. **One (1) certified true copy of existing/ongoing contract with other commercial Banks aside from the PROCURING ENTITY – as proof of continuous business services;**
2. The **SUPPLIER** shall have at least two (2) years' experience in armored vehicle services for no less than a commercial bank with Certificate of Satisfactory Performance from the previous employer.
 3. The **SUPPLIER** shall warrant that, during the term of the Agreement, the armored vehicles assigned to the **PROCURING ENTITY** are owned or leased by the **SUPPLIER**, in good running condition, free from any mechanical defect, and equipped with the necessary tools and equipment for use during repairs in case of breakdowns and emergencies.
 4. The **SUPPLIER** shall undertake to check and ensure servicing of all armored vehicles assigned to the **PROCURING ENTITY** every weekend to their accredited or partner automotive repair shop.
 5. The **SUPPLIER** shall warrant that the crew members of the armored vehicles possess all the qualifications necessary for them to render efficient and effective services required under the terms of the Agreement.
 6. Moreover, the **SUPPLIER** shall warrant and undertake that:
 - 6.1. It is an independent **SUPPLIER** and as such, it has its own substantial capital, tools, equipment and facilities and shall secure all the licenses to carry out its obligations under the Agreement and it shall maintain its status as an independent service contractor. The **SUPPLIER** shall, from time to time and/or upon request by the **PROCURING ENTITY**, furnish the latter with all the necessary documents and proofs evidencing the continuance of its status as an independent service contractor.
 - 6.2. The **SUPPLIER**, as employer of the crew assigned to the **PROCURING ENTITY**, is solely and exclusively liable to pay for their salaries and wages and all other benefits mandated under existing labor laws, rules and regulations including but not limited to payment of Social Security System (SSS), Philippine Health Insurance Corporation (Philhealth), Pag-ibig, Employees Compensation Premium, 13th month pay, vacation leave, service incentive leave and the like. The **SUPPLIER** shall undertake and represent that the escort guards/personnel shall be paid not lower than the minimum wage and other benefits under the Labor Code and other pertinent laws. The **SUPPLIER** shall comply with Social Security, Employees Compensation, Philhealth and Home Development Mutual

Fund laws on employees' coverage or membership, as well as the laws on the granting of retirement benefits.

- 6.3. Remittances for SSS, Philhealth and Pag-Ibig shall be coursed through any LBP Branch. The **SUPPLIER** shall warrant that it shall furnish each of their crew assigned at the **PROCURING ENTITY** pay slips of their monthly earnings and deductions; and,
- 6.4. The **SUPPLIER** shall hold the **PROCURING ENTITY** free and harmless and shall indemnify the **PROCURING ENTITY** for any liability, cause of action or claims which may be filed by any of the **SUPPLIER's** crew arising from non-payment or underpayment of their wages, salaries, benefits or any violation of the Labor Code and other applicable laws which are now in effect or which may hereafter be enacted.
7. The **SUPPLIER** shall provide the armored vehicle and escort services requirements of the **PROCURING ENTITY** continuously during the term of the Agreement, in accordance with the recognized standards of the **PROCURING ENTITY**. Failure of the **SUPPLIER** to comply with such standards as well as a breach by the **SUPPLIER** of any of the terms of this Agreement shall be grounds for the **PROCURING ENTITY** to terminate the Agreement upon a five (5) day written notice to the **SUPPLIER**. Corollary thereto, the **SUPPLIER** shall warrant that the **PROCURING ENTITY** shall be rendered free from any concerted activity during the term of the Agreement as it is the essence of the Agreement that the performance of the services contracted for shall not be disturbed. In the event of a strike called by the security personnel of the **SUPPLIER**, it shall be the principal and primary responsibility of the **SUPPLIER** to provide the **PROCURING ENTITY** with adequate security force and armored vehicle from other sources and/or subsidiaries of the **SUPPLIER** and appropriately cleared with the **PROCURING ENTITY**.

D. EXTENT OF LIABILITIES

1. The **SUPPLIER** shall be solely, exclusively, directly and immediately responsible and liable for any death, injury, damage or loss caused to any person or property in case of accident or mishap or negligence or willful act involving the **SUPPLIER's** crew or vehicle and shall hold the **PROCURING ENTITY** free and harmless from any and all such claims or liabilities.
2. The responsibility and liability of the **SUPPLIER** on the Cargo shall commence once the Cargo for a particular trip is already being taken out of the **PROCURING ENTITY** premises and shall continue up to loading in the armored car, while in transit and until the Cargo has been unloaded and received by the **PROCURING ENTITY's** representative/s, or by the representative of the entity, to whom the Cargo is intended to be delivered.
3. In case of loss of the Cargo or any portion thereof due to robbery or hold-up and without participation of the **SUPPLIER's** employees, the **PROCURING ENTITY's** Bankers Blanket Bond (BBB) will be used to recover the loss. The **SUPPLIER** should cover the **PROCURING ENTITY's** deductibility from the said BBB, up to P20 Million subject to renegotiation when warranted.
4. The **SUPPLIER** shall have the following options for the deductibility:
 - 4.1. Include this as rider in the surety bond and increase coverage to P20 Million;
 - 4.2. Secure another surety bond to cover this requirement; and,
 - 4.3. Post equivalent interest-bearing cash bond with LBP.

5. However, should any robbery or hold-up be committed or participated in by any employee of the **SUPPLIER**, the **SUPPLIER** shall be fully liable to the **PROCURING ENTITY** and its client, if applicable, for the loss.
6. The **SUPPLIER** shall also be exclusively and directly responsible to the **PROCURING ENTITY** and its officers, employees, visitors and agents and clients the properties of all said persons, where such damages have been caused by, or are attributed to any criminal act, misconduct, malfeasance or negligence on the part of the **SUPPLIER** or any of its personnel assigned to the **PROCURING ENTITY**. It is understood that the **SUPPLIER** is liable regardless of whether or not third parties are in connivance or collusion with the security guard assigned by the **SUPPLIER**, it being understood that the **SUPPLIER** shall not be liable by reason of a *force majeure* or fortuitous event.
7. In any event, the **SUPPLIER** shall make available, the Escort Guard/s concerned as possible witness/es to a case or investigation undertaken by the **PROCURING ENTITY**. In case of failure of the **SUPPLIER** to present the Escort Guard/s as witness/es on a scheduled hearing, the **PROCURING ENTITY** shall have recourse against the **SUPPLIER**'s Performance Security and receivables of the whole amount involved on a particular case subject of the investigation.

E. INSURANCE AND SECURITY BOND

1. As security for the prompt payment by the **SUPPLIER**, the **SUPPLIER**'s fidelity insurance in the form of Surety Bond with coverage of not less than TWENTY MILLION PESOS (P20,000,000.00) will cover for any loss or damage suffered by LBP due to or arising from the dishonesty or infidelity or criminal act of any employee of the **SUPPLIER**. The **SUPPLIER** shall secure a Surety Bond, from a reputable insurance company, through Landbank Insurance Brokerage, Inc. (LIBI), to be assigned to the **PROCURING ENTITY**. After the **SUPPLIER** has claimed from the Surety Bond, it shall reinsure itself by paying the corresponding premium to restore the amount of the Surety Bond coverage to the minimum required amount. Claims against the guarantee shall not constitute as a limitation of the liability of the **SUPPLIER** to the **PROCURING ENTITY** as the **SUPPLIER** shall fully pay the **PROCURING ENTITY** all its losses or damages caused by the dishonesty or infidelity or criminal act of any employee of the **SUPPLIER**. The **SUPPLIER** shall avail of the options for the deductibility as stated in Paragraph D.3 of this Agreement.
2. The **SUPPLIER** shall secure annual Comprehensive Insurance of the armored vehicle plus FIFTY THOUSAND PESOS (P50,000.00) accident insurance for each crew which shall be for the account of the **SUPPLIER** including liabilities for vehicular accidents that may happen while in operation. It shall also secure Third-Party Liability (TPL), Voluntary Third-Party Liability (VTPL), own and other damage to property insurance. The **SUPPLIER** shall also be held liable for the hospitalization due to injuries suffered by authorized **PROCURING ENTITY** personnel and escort guards.
3. All insurance coverage and Bond to be provided by the **SUPPLIER** pursuant to the Agreement shall commence upon the effectivity of the Agreement and will remain valid and enforceable throughout its duration. The **SUPPLIER** shall undertake to renew or cause the renewal of the Insurance coverage and the Bond as often as necessary and all documents/evidences of the renewals shall be submitted to the **PROCURING ENTITY** at least thirty (30) days prior to the expiration thereof. The **SUPPLIER** shall undertake to provide the required Insurance coverage and Bond which will allow the **PROCURING ENTITY** to claim thereunder.

F. LIMITATIONS ON THE USE OF ARMORED VEHICLES

The armored vehicles shall be used exclusively by the **PROCURING ENTITY** for carrying **PROCURING ENTITY**'s assets, cash and other valuables. Hence, the following uses of the armored vehicles are hereby strictly prohibited:

1. To carry passenger or property for a consideration;
2. To propel stalled vehicles or tow disabled vehicles;
3. To join in any motor sports events or racing;
4. To carry or ferry contraband goods; and,
5. To use in the commission of any offense punishable under the laws.

G. SERVICE FEE

1. For and in consideration of the services of the **SUPPLIER**, the **PROCURING ENTITY** will pay the **SUPPLIER** the agreed monthly contract price (bid price) for a 4-wheeler armored vehicle and for a 6-wheeler armored vehicle, as the case may be, inclusive of VAT.
2. The amount due shall be settled monthly and paid, after receipt of the Statement of Account, by the Branch/Unit of the **PROCURING ENTITY** concerned, subject to withholding tax as required by law via direct credit to **SUPPLIER** deposit account maintained with any LBP Branch.
3. It is clearly understood that the 13th month pay, holiday premiums, incentive leave pay, SSS, and Philhealth contributions for the crew assigned to the armored vehicles are for the sole account of the **SUPPLIER**.
4. The **SUPPLIER** shall submit to the **PROCURING ENTITY** a quarterly certification of remittance of crew's contributions to the SSS, Pag-ibig and Philhealth.
5. Special services that may be required by the **PROCURING ENTITY** shall be covered by special billings to be mutually pre-agreed between the **PROCURING ENTITY** and the **SUPPLIER**. The **PROCURING ENTITY** reserves the right to increase or reduce, at a given notice, the scope of the services to be rendered by the **SUPPLIER**.
6. In case a new law or regulation is promulgated or enacted increasing the Minimum Wage, Workmen's Compensation and Allowances of workers including security guards, the rate shall be adjusted in accordance with the new wage order.
7. Use by the **PROCURING ENTITY** of armored vehicle with required manpower complement beyond the regular eight (8) hours of operation shall be billed by the **SUPPLIER** using the following formula:

$$\text{Excess Usage Rate Per Hour} = \frac{\text{Monthly Contract Price}}{(20.60 \times 8 \text{ hours})} \times 130\%$$

8. The **PROCURING ENTITY** may request additional armored vehicle with manpower complement subject to at least one (1) day advance notice by the **PROCURING ENTITY** to the **SUPPLIER**. For this "On Call" services, service fee per hour shall be One Thousand Five Hundred Pesos (P1,500.00) for both 4-wheeler and 6-wheeler, respectively. The minimum service fee shall be equivalent to four (4) hours of service.
9. All service fees specified herein are hereby agreed to be inclusive of VAT and subject to withholding tax as required by law.

10. The **PROCURING ENTITY** shall pay for the toll fees and ferry fares of armored vehicle during official travel.
11. The **PROCURING ENTITY** also warrants the grant of a FIVE THOUSAND PESOS (P5,000.00) hazard allowance per guard for every contract year. The **SUPPLIER** shall release the hazard allowance, in accordance with the existing policies and guidelines of the LBP-Personnel Administration Department (PAD), to the guards not earlier than the 15th day of November and not later than the 20th day of December.
12. The **SUPPLIER** expressly agrees to pay the **PROCURING ENTITY** a fine in the amount as specified below, for every armored vehicle breakdown (mechanical or electrical or air-con malfunction) during the term of the contract:

1 st Offense	P2,000.00
2 nd Offense	P4,000.00
3 rd Offense	P6,000.00
4 th Offense and above	P8,000.00

- 12.1 In case of vehicle total breakdown and the **SUPPLIER** failed to provide a back-up armored car unit for the day, a corresponding penalty shall be imposed to the **SUPPLIER** for the **PROCURING ENTITY**'s (Branch / Cash Center / Cash Operations Unit [COU & Sub-COU]) loss of business opportunity caused by the delay or cancellation of the cash transfer operations (reasonable amount of penalty shall be computed and determined by the concerned Branch/Cash Center or COU).
13. The **SUPPLIER** shall also conduct the following:
- 13.1 Background or Life style check to all armored car crew every six (6) months. The report shall be submitted to the **PROCURING ENTITY**'s Head of the Security Department;
- 13.2 Armored car crew security assembly or rank inspection to be supervised by the **PROCURING ENTITY** as deemed necessary.
- 13.3 Annual and surprise or random drug test to armored vehicle crew upon request of the **PROCURING ENTITY**. Said activity shall be facilitated by an authorized /accredited drug testing center/s. Copies of its duly validated results shall be submitted to the **PROCURING ENTITY** within fifteen (15) working days after the conduct of the drug test.

H. DURATION

1. The Agreement shall be for a term of three (3) years.
2. The contract may be pre-terminated by the **PROCURING ENTITY** with a 30-day written notice to the **SUPPLIER** of such termination on any of the following grounds:
 - 2.1. Violation or non-compliance by the **SUPPLIER** with any of the terms and conditions of the contract;
 - 2.2. Unsatisfactory performance of the duties and responsibilities of the Armored Vehicle Personnel, or commission of any act by the latter inimical to the interest of the **PROCURING ENTITY**;
 - 2.3. In case of misrepresentation on material facts and documents during the bidding and after the award of contract;

- 2.4. Occurrence of accumulated vehicle breakdowns (electrical and mechanical) and/or air conditioning system malfunctions of more than ten percent (10%) of the total number of contracted armored vehicles computed per month during the term of the contract based on reports submitted by LBP Branches to the Security Department; and
- 2.5. In case of involvement of any employee of the **SUPPLIER** in robbery/hold-up of the serviced Branch.

ANNEX A

Duties and Responsibilities re: Use & Maintenance of CCTV Cameras, Retention & Safekeeping of Footages – Leased Armored Vehicles

<i>Leased Armored Vehicle Service Providers (LAVS)</i>	<i>Cash Operations Units/ Branches/ Cash Centers</i>	<i>LBP - Security Department</i>
• Ensure that the installed CCTV cameras at the Armored Vehicles are operational before cash transfer operations. If there are non-operational cameras, report shall be submitted to concerned branch and LBP-SD. Repair /replacement shall be done within three (3) banking days.	• Check if CCTV cameras installed at the armored vehicles are operational before and during cash transfer operations. Report to LBP-SD any related incident, malfunction, or unusual occurrences for information and reference of action.	• Monitor the compliance of LAVS provider with the installation of CCTV cameras through the reports of end-users or during the conduct of security survey inspection. Coordinate with the service provider and require them that defective /unserviceable CCTV equipment shall be immediately repaired or replaced within the prescribed period of three (3) banking days.
• Ensure that CCTV cameras' positions are focused at the intended areas [<i>cash safe inside armored vehicle, front of the vehicle, and rear of the vehicle</i>].	• Check /verify that the CCTV cameras are positioned and focused at the place intended to be monitored.	
• Ensure that the recorded CCTV footages are available for the investigation, and compliant with the 5-day weekly requirement of the Term of Reference (TOR). Backing up of footages before the equipment reached its full storage capacity is highly required to avoid the older files being overwritten.	• Handling, storage (in accordance with the Bank's existing guidelines and policies), and checking the completeness of the submitted CCTV footages from the service provider.	• Continuous monitoring of the LAVS providers' compliance with the requirements of the TOR as well as verification of the cameras' operational status and availability of its back-up files during the conduct of Security Survey Inspection or surprise /random visit.
• Provide on a monthly basis the concerned branch/COU/Cash Center the above-mentioned copy of video footages [<i>preferably every 1st Monday /banking day of the succeeding month</i>].		
• Ensures that the confidentiality of recorded video footages shall be handled in accordance with the guidelines, policies, and procedures set by the National Privacy Commission (NPC) and all other concerned government regulatory bodies.		