



**SOCIAL SECURITY SYSTEM**

**PHILIPPINE BIDDING DOCUMENTS**

**Sixth Edition**

# Procurement of GOODS

**THREE-YEAR CONTRACT FOR  
JANITORIAL SERVICES:  
(LOT 1 - VISAYAS CENTRAL 1 & 2 DIVISIONS)  
(RE-ADVERTISEMENT)**

**ITB-SSS-GOODS-2023-047**

**Government of the Republic of the Philippines**

**JULY 2023**

  
**MARIO V. CORRO**  
TWG Chairperson

***Section V. Special Conditions of Contract***



# Special Conditions of Contract

GCC Clause	
1	<p><b>1. SCOPE OF SERVICE</b></p> <p>1.1. The winning bidder shall provide:</p> <ul style="list-style-type: none"> <li>a. Well-trained janitors on proper housekeeping, cleaning, and use of janitorial equipment.</li> <li>b. Janitors who passed the basic medical exams, such as Chest X-ray, Complete Blood Chemistry, Urinalysis, Drug test, Physical Examination and Visual Acuity, to include COVID Antigen test for non-vaccinated and/or record of vaccination/booster for vaccinated janitors.</li> <li>c. Janitors of good moral character with no derogatory records and who are able, capable, physically, and mentally fit to do the janitorial works and with a minimum experience of three (3) years.</li> <li>d. Conduct of annual medical and physical examination every anniversary date of the effectivity of contract or assumption of janitorial personnel, whichever is applicable.</li> <li>e. Conduct of orientation of office policies, procedures, and protocols as well as contractual duties and responsibilities due to SSS every anniversary date of the effectivity of contract.</li> </ul> <p>1.2. The winning Bidder shall perform the following janitorial activities:</p> <ul style="list-style-type: none"> <li>a. Cleaning Services</li> <li>b. Regular/Routine and Extensive Disinfections, (<i>fogging or misting procedure is not included</i>)</li> <li>c. Garbage Hauling and Disposal</li> <li>d. Basic Pest Control</li> <li>e. Landscape and Plant Maintenance</li> </ul> <p>1.3. It shall supply labor including supervision, supplies and materials, tools, equipment and other incidentals in whatever form necessary to perform the activities enumerated in the <b>Scope of Services and Methodology (Annex 1)</b> in the most effective, efficient and economical manner.</p> <p>1.4. It shall continue to accomplish the Services with the consent of the SSS after the expiration of the contract and that said extension shall be understood as running from month to month until terminated by the SSS by means of written notice.</p> <p>1.5. Assignment of janitorial service personnel shall be in accordance with the <b>Manpower Complement and Deployment (Annexes 2 &amp; 7)</b> and duly approved work permit issued by SSS.</p> <p>1.6. Janitorial services shall render eight (8)-hour work per day, six (6) days a week in accordance with the scope of services and methodology as well as the approved manpower complement and deployment plan.</p>



1.7. ALLOWABLE PRICE ADJUSTMENTS. All bid prices for a duration of three (3) years shall be fixed and shall not be adjusted during contract implementation, except for the following: (1) increase in minimum daily wage pursuant to law or new wage order issued after date of bidding; (2) increase in taxes; and (3) if during the term of the contract the procuring entity sees the need for an increase or decrease in the number of janitorial attendants, the resulting cost of said increase or decrease, provided that the ABC for the relevant year is not exceeded. (item 5.2, Appendix 23, 2016 Revised IRR of RA 9184)

## 2. OBLIGATIONS OF THE WINNING BIDDER

- 2.1 The Winning Bidder shall provide the Janitorial Services including supervision in accordance with the scope of services and methodology, supplies and materials, tools and equipment, approved janitorial plans, and manpower complement and deployment schedules.
- 2.2 The Winning Bidder shall maintain a satisfactory level of performance throughout the term of the contract.
- 2.3 The Winning Bidder shall provide Project Manager/ Supervisor/s who shall act and make decisions in behalf and for the account of the Winning Bidder on matters arising from questions or complaints by the offices/units or by the service personnel themselves, at no cost to SSS. If required by the SSS, the Winning Bidder shall provide an appropriate number of staff personnel who shall act as Team Leader/s, Billing Assistant, and/or Stockman assigned for the inventory, at no cost to SSS.

The Winning Bidder shall be responsible in supervising and monitoring its employees to ensure that they efficiently perform their duties and responsibilities as herein indicated.

- 2.4 The Winning Bidder shall make available at all times relievers and/or replacement to ensure continuous renditions of the SERVICES.

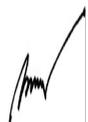
Reliever must be at least 10% of the total number of janitorial personnel per Lot / Division.

For an office with a manpower complement of one (1) janitorial personnel, provision of male janitorial personnel is highly preferred.

In the event of resignation, absence with or without authorized leave of the janitor, the Winning Bidder undertakes to deploy a substitute/replacement immediately, without need of demand from the SSS. In case of failure of the Winning Bidder to comply with this term, the SSS has the right to deduct the corresponding payment from the monthly billing.

- 2.5 The Winning Bidder shall, at his own account, shoulder three (3) sets of uniforms, name tags and the pre-deployment expenses such as but not limited to medical exam/test and training, and shall not be passed on to, or deducted from the salary of the service personnel to be assigned to SSS.

The Winning Bidder shall also be responsible in providing its janitorial personnel a complete set of Personal Protective Equipment (PPE) during the conduct of extensive disinfection, upon request by the end-user branch/office.



- 2.6 The Winning Bidder shall require all its service personnel to wear their IDs and uniforms at all times while inside the SSS premises. Service personnel without ID and not in uniform shall be barred from entering the work site. Any absences, tardiness, and under time incurred shall be deducted against their respective salaries/compensation.
- 2.7 The Winning Bidder shall, within twenty-four (24) hours upon receipt of the written request by SSS, increase or decrease the number of the assigned service personnel. Request for additional service personnel aside from the regulars on duty and/or service beyond the regular hours shall be recommended by the Security Department, subject to approval by the Administration Group. **Provided, that the resulting cost of said increase or decrease will not exceed the ABC for the relevant year.**
- 2.8 The Winning Bidder shall furnish to SSS the names, work shifts, time schedule, training certificates and other personnel records of the service personnel assigned and shall give a written notice of any change in such personnel.
- 2.9 The Winning Bidder shall require its service personnel to render a minimum of eight-hour service daily. Only when required by the SSS shall service personnel be allowed to work during holidays. In case of exigencies, the service personnel may be required to extend their services beyond their regular office hours subject to an agreement on the additional charges.
- 2.10 The Winning Bidder shall submit voluntarily its service personnel for frisking and inspecting their bags by the guard on duty when entering or going out of the working area at all times.
- 2.11 The Winning Bidder shall comply with all the rights and benefits of its service personnel under the Labor Code and Department Order No. 18-A, Series of 2011 on: safe and healthful working conditions; labor standards such as, service incentive leave, rest days, overtime pay, 13<sup>th</sup> month pay and separation pay; retirement benefit; contributions and remittance of SSS, Philhealth, Pag-IBIG Fund, and other welfare benefits; the right to self-organization, collective bargaining and peaceful concerted action; and the right to security of tenure must be provided.
- 2.12 The Winning Bidder shall report all its employees to SSS and shall pay all the SS and EC contributions, as well as salary/educational/calamity and other loan amortization due and payable including interest and penalties, if any. Likewise, directly remit monthly the employer's share and employees' contribution to Philhealth and Pag-IBIG. Failure to comply during contract award or implementation shall be a ground for cancellation/ termination of the contract.
- 2.13 The Winning Bidder shall faithfully comply with all other relevant laws, rules and regulations pertaining to the employment of labor, existing or which hereafter may be enacted.
- 2.14 The Winning Bidder shall strictly comply with all its obligations under the provisions of the above-enumerated laws, other related pertinent statutes, whether national, provincial, municipal; and existing SSS internal rules and regulations presently in force and effect, such as, but not limited to the following prohibited activities:



1. Bringing of firearms and deadly weapons;
  2. Bringing of any member of the family, friends, relatives or any person not connected with the project;
  3. Cooking/reheating or water heating;
  4. Staying/sleeping/taking a bath in the work site or roaming around the SSS premises during or after his duty
  5. Bringing out from SSS premises any supplies, materials, tools or equipment without the Division/Branch Head written approval and clearance.
  6. Bringing in their personal belongings not necessary in the performance of their job. Personal bags or food containers shall be placed in the SSS designated area.
- 2.15 The Winning Bidder shall inform its service personnel that SSS shall not extend any and all forms of financial assistance to the said personnel over and above those expressly stipulated in the contract.
- 2.16 The Winning Bidder shall not sub-contract the performance of its obligation or any part thereof without the prior written conformity of the SOCIAL SECURITY SYSTEM.
- 2.17 The Winning Bidder shall compensate the injured service personnel or the legal heirs/beneficiaries of the deceased service personnel, when injury or death occurred while in the performance of their assigned duties and responsibilities.
- 2.18 The Winning Bidder shall indemnify and save the SSS harmless from all claims, demands, costs, expenses, debts, fines, penalties and liabilities of whatsoever kind arising wholly or in part out of the SERVICES herein contemplated or from acts of the winning bidder, its guests, service personnel/employees, including but not limited to public liability and property damage claims, and other claims of any nature whatsoever arising out of injury to or death of persons or damage to property of the SSS occurring in the course of the performance by the bidder of the SERVICES.
- 2.19 The Winning Bidder shall immediately restore/repair/ replace/pay any loss/es or damage/s caused to SSS-owned properties/premises pending investigation by bidder and validated by SSS.
- 2.20 The Winning Bidder shall make all payments of salaries/ compensation to service personnel through individual Automated Telling Machine (ATM) services and failure to do so shall be a non-compliance of contractual obligations for which penalty as stipulated may be enforced.
- 2.21 The cost of replacement, repair and maintenance of all tools, devices and equipment required shall be for the account of the bidder.
- 2.22 The Winning Bidder shall perform such duties as required of janitorial services provider under government rules and regulations, and those which may, from time to time, or on special occasions, be requested by SSS to be performed.



2.23 The Winning Bidder shall submit monthly reports to be checked and validated by the concerned Office/Branch:

i. to be included in the monthly billing:

**For branches/offices:**

- entries in the Daily Time Record (DTR) / generated Time Sheet shall certified by the Head of Office and submission by the Service Provider of three (3) sets certified true copy by the Administrative Section of concerned branch/office.
- Statement of Account (SOA) or Service Invoice, Delivery Receipt with costing (unit price based on TOR) issued by the Winning Bidder, signed payroll or bank debit advice certified by Winning Bidder's depository bank/deposit slip, duly notarized Sworn Statement issued for the applicable billing month.

The deadline for submission of a complete monthly billing folder shall be one (1) month after the applicable month of billing.

ii. Monthly Delivery Inspection Report to be prepared by the branch administrative personnel and designated administrative personnel for each office/branch, subject to the approval of designated Head of the office/branch. The designated inspector/s of respective end-users shall ensure that delivered supplies and materials comply with the prescribed standard specifications.

BOS Divisions shall be responsible in monitoring its respective branches'/offices' compliance on monthly supplies delivery inspection reportorial requirements.

iii. If applicable, Monthly Inspection Report on Standard Tools and Equipment shall be prepared by the branch administrative personnel for each branch/office, subject to the approval of designated Head of the office/branch. The designated inspector/s of respective end-user/s shall ensure that delivered tools and equipment comply with the prescribed standard specifications and/or in good working condition.

BOS Divisions shall be responsible in monitoring its respective offices'/branches compliance on the monthly standard tools and equipment inspection reportorial requirements.

iv. Monthly Inventory Report on Supplies and Materials, indicating delivery and percentage consumption, to be prepared by the branch administrative personnel for each branch/office. If required, the Winning Bidder shall also conduct a joint monthly inventory with branch administrative personnel.

Monthly request for supplies and materials for consumption/utilization shall be made by the Winning Bidder, thru its authorized representative, using the **Requisition and Issuance Slip (Form 14)** to be submitted to respective branch/office administrative personnel.

BOS Divisions shall be responsible in monitoring its respective branches'/offices' compliance on monthly inventory of supplies and materials including tools and equipment reportorial requirements.



v. Other necessary incidents/matters that should be known by SSS such as incident reports and other pertinent reports that are deemed necessary.

2.24 In case of closure of any office, services of the personnel deployed and delivery of supplies and materials in the affected office shall be immediately terminated at no cost to the SSS, except for the services which were already rendered prior to its closure. Affected service personnel shall be given priority in case they are needed in other offices.

In the event of downsizing/downgrading, from being a Branch Office to Service Office, the retention of assigned janitorial personnel and provision for supplies and materials shall be subject to compliance with the standard manpower complement and proper adjustment in supplies and materials based on actual requirements, respectively. Correspondingly, the approved budget for the affected office shall be deducted from the awarded contract of the Winning Bidder.

Payment of monthly billings shall be based on the actual services rendered by assigned janitorial personnel.

### **3. WARRANTIES OF THE WINNING BIDDER**

3.1 Fulfill and comply with all its obligations under the contract.

3.2 All its licenses, certificate of registrations, permits and clearances from national and local government agencies/units (Securities and Exchange Commission (SEC), Department of Labor and Employment (DOLE), and Mayor's Office) to operate as service provider shall remain valid and subsisting.

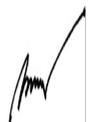
3.3 Continue to possess while the contract subsists substantial capital and investment, such as, but not limited to skilled, qualified, and well-trained service personnel, independent office, tools, equipment, supplies, materials and other paraphernalia which it has and will directly and actually use in the conduct of its operations, and shall undertake its business on its own account and responsibility.

Maintain its good standing as an independent business enterprise and as a qualified and competent service provider, financially capable of rendering to the public all the services herein contracted, and shall, obtain all necessary licenses, permits, authorizations and registrations, and comply with all laws, ordinances, and regulations required of all similar agencies. As proof of its financial capacity, it shall submit its audited financial statements and income tax returns to SSS when the latter so requests.

3.4 Upon written request of SSS, submit within five (5) calendar days such sworn statements, papers, documents or information pertaining to its compliance of its warranties and guarantees. Execute a sworn statement that at no point has it given anything to any official and employee of SSS in the course of obtaining approval of the Janitorial Services or the contract.

3.5 The service personnel assigned in SSS are not related within the third degree of consanguinity or affinity to the contracting officer and appointing authority of the SSS;

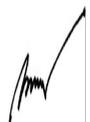
3.6 If SSS has any reason to believe that the Winning Bidder has failed to comply with any of the foregoing warranties and guarantees, or if it believes that the



	<p>Winning Bidder has failed to comply with any law, rule or regulation governing or regulating its employment relationship with its assigned personnel, SSS may then notify the Winning Bidder accordingly, and should the latter refuse or fail to present satisfactory proof to the contrary within five (5) calendar days from its receipt of such notice from SSS, SSS shall have the right to immediately terminate the contract, without prejudice to any other remedies available to SSS under the law and the contract. Provided, that any misrepresentation or violation by the Winning Bidder of any of the above warranties and guarantees, or any of the terms and conditions of the contract, shall constitute sufficient basis to terminate the contract without need of prior notice.</p> <p>3.7 The Winning Bidder shall be liable solely for any damage, loss, liability, obligation and claim, monetary or otherwise that may result from any violation of its warranties and guarantees, and the terms and conditions of the contract. The Winning Bidder shall hold SSS free and harmless from any liability. In case SSS shall be charged and be held liable, the Winning Bidder shall defend SSS before any agency, office, tribunal or court, and shall assume such liability principally and directly for the benefit of SSS. If for any reason, SSS is made to pay such damages, losses, liabilities, obligations and claims, the Winning Bidder shall reimburse SSS for any and all payments that it may make, as well as, all expenses and costs, including but not limited to litigation expenses and legal fees that may be incurred by SSS in connection therewith. SSS may, at its sole option, deduct all such payments from any amount that may be due to the Winning Bidder hereunder until they shall have been paid in full.</p> <p>3.8 The Winning Bidder shall maintain a satisfactory level of performance throughout the term of the contract. Every semestral period, the SOCIAL SECURITY SYSTEM Branch/Office/Unit/Site Administrative Personnel shall conduct an assessment or evaluation of the performance of the Winning Bidder subject to the approval of its respective Heads using the <b>Semestral Performance Evaluation Form, attached as Form 13.</b></p> <p>BOS Divisions shall be responsible in monitoring and consolidation of its respective branches'/offices' compliance on aforesaid duty. Each Division shall submit a consolidated semestral performance ratings from branches/offices under its respective jurisdictions to EFMD-JMCAT on or before the 15<sup>th</sup> day of the month following the applicable semester.</p> <p>3.9 The Winning Bidder must have been compliant on its duties and responsibilities throughout the term of its previous contract. Proof of satisfactory performance shall be submitted during post-qualification procedure.</p>
2.2	<p>The terms of payment shall be as follows: Monthly basis which shall be credited to the LANDBANK or DBP or any choice of bank account subject to applicable bank charges of the winning bidder.</p> <p>The SSS shall pay the Service Contractor based on actual services rendered and number of personnel deployed.</p> <p>The payment shall be subject to retention of Withholding Tax and other applicable taxes in accordance with existing Laws and BIR Rules and Regulations, to be remitted directly to the BIR by the SSS.</p>



	Payment using Letter of Credit is not allowed.
4	<p>To ensure compliance to standard specifications and functionality, the inspection of the Standard Tools and Equipment and Supplies and Materials shall be regularly conducted using the <b>Monthly Inspection Report Forms (Form 11 &amp; 12)</b>, based on the following:</p> <ol style="list-style-type: none"> <li>1. Annual quantity required for supplies and materials - in accordance with <b>Annex 3</b> subject to adjustment based on stock availability but not to exceed the monthly contract cost.</li> <li>2. Monthly Schedule of Delivery of Janitorial Supplies and Materials – in accordance with Annex 4 subject to proper adjustments based on stock availability but not to exceed the monthly contract cost for supplies and materials.</li> <li>3. Delivery of Standard Janitorial Tools and Equipment - in accordance with requirements under Annex 5.</li> <li>4. Compliance to Standard Specifications – authorized inspectors from respective end-user/s must ensure that delivered supplies and materials (monthly basis) and tools and equipment comply with the standard specifications as prescribed in <b>Annex 6</b>.</li> </ol> <p>Said inspections will be conducted by designated inspectors of the branch/office administrative section, subject to the approval of respective Heads of Branch/Office.</p> <p>Monthly delivery of supplies and materials shall be directly made to respective end-user branches/offices on or before the 5<sup>th</sup> working day of the applicable month. The Winning Bidder shall be required to completely deliver the aforementioned, preferably on a one-time basis, in accordance with above-given schedules (<b>Annex 4 and Section VI. Schedule of Requirements</b>).</p> <p>For tools and equipment, the delivery shall be made at least one (1) week prior to the start of the contract. The Winning Bidder is required to completely deliver the aforesaid requirement on a one-time basis, in accordance with above-given schedules (<b>Section VI. Schedule of Requirements</b>).</p> <p>For the duration of the contract, monthly delivery of supplies and materials shall be subject to adjustment (increase/reduction/suspension) based on stock availability and actual need but not to exceed the monthly contract cost. E.g., if additional requirement for a certain item/s has been determined, an appropriate increase in supply shall be required from the Winning Bidder by respective Divisions. Conversely, in the event of an excessive inventory of a certain item/s, the following month's delivery shall be reduced or suspended by respective Divisions. Notice on adjustment thereof shall be issued to the Winning Bidder at least two (2) weeks prior the applicable month of delivery. Provided, that the requirement for two-week supply of consumables is being maintained.</p> <p>Payment on monthly billings for supplies and materials shall be based on the actual delivery made by the Winning Bidder, in accordance with prescribed monthly/quarterly/semi-annual requirement and/or proper adjustments issued by aforementioned end-users, whichever is applicable. On the other hand, in cases of overpayment, the Winning Bidder shall be required to return the overpaid amount thru R-6 or deduction on its next monthly billing, within thirty (30) calendar days, upon receipt of an official notice from end-user branch/office/unit/site. BOS Divisions shall be responsible in monitoring its respective branches'/offices' compliance on aforesaid duty.</p>



	<p>Subject to the provision of a proper storage from respective end-users, advance delivery of supplies and materials may be allowed, provided payment thereof shall not exceed the prescribed monthly contract cost.</p>
<p>6</p>	<p><b>Liability of the Supplier</b></p> <p>.1 CONFIDENTIALITY. Neither party shall, without the prior written consent of the other, disclose or make available to any person, make public, or use directly or indirectly, except for the performance and implementation of the works, any confidential information, acquired from an information holder in connection with the performance of this Contract, unless: (i) the information is known to the disclosing party, as evidenced by its written records, prior to obtaining the same from the information holder and is not otherwise subject to disclosure restrictions on the disclosing party, (ii) the information is disclosed to the disclosing party by a third party who did not receive the same, directly or indirectly, from an information holder, and who has no obligation of secrecy with respect thereto, or (iii) required to be disclosed by law.</p> <p>The obligation of confidentiality by both parties, as provided herein, shall survive the termination of the Agreement.</p> <p>.2 MERGER AND CONSOLIDATION. In case of merger, consolidation or change of ownership of the SUPPLIER with other company, it is the responsibility of the surviving company/consolidated company/acquiring entity to inform SSS of the change in corporate structure/ownership. Failure to do so shall translate in such company assuming all liabilities of the acquired/merged company under the Agreement.</p> <p>.3 FORCE MAJEURE. SUPPLIER shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that SUPPLIER's delay in performance or other failure to perform its obligations under this Agreement is the result of a force majeure.</p> <p>For purposes of this Agreement the terms "force majeure" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or force majeure shall be interpreted to mean an event which SUPPLIER could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by SUPPLIER. Such events may include, but not limited to, acts of SSS in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.</p> <p>If a force majeure situation arises, SUPPLIER shall promptly notify SSS in writing of such condition and the cause thereof. Unless otherwise directed by SSS in writing, SUPPLIER shall continue to perform its obligations under this Agreement as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure.</p> <p>.4 NON-ASSIGNMENT. SUPPLIER shall not assign its rights or obligations under this Agreement, in whole or in part, except with SSS's prior written consent. SUPPLIER shall not subcontract in whole or in part the PROJECT and deliverables subject of this Agreement without the written consent of SSS.</p> <p>.5 WAIVER. Failure by either party to insist upon the other strict performance of any of the terms and conditions hereof shall not be deemed a relinquishment or waiver of any subsequent breach or default of the terms and conditions hereof, which can only be deemed made if expressed in writing and signed by its duly authorized representative. No such waiver shall be construed as modification of any of the provisions of the Agreement or as a waiver of any past or future default or breach hereof, except as ex-</p>



pressly stated in such waiver.

.6 CUMULATIVE REMEDIES. Any and all remedies granted to the parties under the applicable laws and the Contract shall be deemed cumulative and may therefore, at the sole option and discretion, be availed of by the aggrieved party simultaneously, successively, or independently.

.7 NO EMPLOYER-EMPLOYEE RELATIONSHIP. It is expressly and manifestly understood and agreed upon that the employees of SUPPLIER assigned to perform the PROJECT are not employees of SSS. Neither is there an employer-employee relationship between SSS and SUPPLIER.

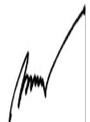
The Agreement does not create an employer-employee relationship between SSS and the SUPPLIER including its personnel; that the services rendered by the personnel assigned by SUPPLIER to SSS in the performance of its obligation under the contract do not represent government service and will not be credited as such; that its personnel assigned to SSS are not entitled to benefits enjoyed by SSS' officials and employees such as Personal Economic Relief Allowance (PERA), Representation and Transportation Allowance (RATA), ACA, etc.; that these personnel are not related within the third degree of consanguinity or affinity to the contracting officer and appointing authority of SSS; that they have not been previously dismissed from the government service by reason of an administrative case; that they have not reached the compulsory retirement age of sixty-five (65); and that they possess the education, experience and skills required to perform the job. The SUPPLIER hereby acknowledges that no authority has been given by SSS to hire any person as an employee of the latter. Any instruction given by SSS or any of its personnel to SUPPLIER's employees are to be construed merely as a measure taken by the former to ensure and enhance the quality of project performed hereunder. The SUPPLIER shall, at all times, exercise supervision and control over its employees in the performance of its obligations under the contract.

.8 PARTNERSHIP. Nothing in the contract shall constitute a partnership between the parties. No party or its agents or employees shall be deemed to be the agent, employee or representative of any other party.

.9 COMPLIANCE WITH SS LAW. SUPPLIER shall report all its employees to SSS for coverage and their contributions, as well as, all amortizations for salary/education/calamity and other SSS loans shall be updated. Should SUPPLIER fail to comply with its obligations under the provisions of the SS Law and Employees' Compensation Act, SSS shall have the authority to deduct any unpaid SS and EC contributions, salary, educational, emergency and/or calamity loan amortizations, employer's liability for damages, including interests and penalties from SUPPLIER's receivables under this Agreement.

Further, prescription does not run against SSS for its failure to demand SS contributions or payments from SUPPLIER. Moreover, SUPPLIER shall forever hold in trust SS contributions or payments of its employees until the same is fully remitted to SSS.

.10 COMPLIANCE WITH LABOR LAWS. SUPPLIER, as employer of the personnel assigned to undertake the PROJECT, shall comply with all its obligations under existing laws and their implementing rules and regulations on the payment of minimum wage, overtime pay, and other labor-related benefits as well as remittances or payment of the appropriate amount or contributions/payment (SSS, EC, Pag-IBIG, Phil-Health and taxes) with concerned government agencies/offices.



It is agreed further, that in lieu of the issuance of monthly certification and authentication of government remittance by the SSS and prior to the release of any payment by SSS to SUPPLIER, its President or its duly authorized representative, shall submit a notarized sworn statement, issued by a duly commissioned Notary Public, that all monies due to all its employees, regular and reliever janitorial personnel, assigned to the PROJECT as well as benefits by law and other related labor legislation have been paid by SUPPLIER and that he/she assumed full responsibility thereof.

- .11 COMPLIANCE WITH TAX LAWS. SUPPLIER shall, in compliance with tax laws, pay the applicable taxes in full and on time and shall regularly present to SSS within the duration of the Contract, tax clearance from the Bureau of Internal Revenue (BIR) as well as copy of its income and business tax returns duly stamped by the BIR and duly validated with the tax payments made thereon. Failure by SUPPLIER to comply with the foregoing shall entitle SSS to suspend payment of the Contract Price.

As required under Executive Order (EO) 398, s. 2005, SUPPLIER shall submit income and business tax returns duly stamped and received by the BIR, before entering and during the duration of this Agreement. SUPPLIER, through its responsible officer, shall also certify under oath that it is free and clear of all tax liabilities to the government. SUPPLIER shall pay taxes in full and on time and that failure to do so will entitle SSS to suspend or terminate this Agreement.

- .12 LIQUIDATED DAMAGES. If SUPPLIER fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in the PBD inclusive of duly granted time extensions if any, SSS shall, without prejudice to its other remedies under this Agreement and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%), SSS may rescind or terminate this Agreement, without prejudice to other courses of action and remedies open to it.

- .13 HOLD FREE and HARMLESS. SUPPLIER agrees to defend, indemnify, and hold SSS free and harmless from any and all claims, damages, expenses, fines, penalties and/or liabilities of whatever nature and kind, whether in law or equity, that may arise by reason of the implementation of the Agreement. In addition, SUPPLIER agrees to indemnify SSS for any damage as a result of said implementation.

SUPPLIER hereby assumes full responsibility for any injury, including death, loss or damage which may be caused to SSS' employees or property or third person due to SUPPLIER's employees' fault or negligence, and further binds itself to hold SSS free and harmless from any of such injury or damage. SSS shall not be responsible for any injury, loss or damage which SUPPLIER or any of its employees may sustain in the performance of SUPPLIER's obligations under this Agreement.

- .14 SETTLEMENT OF DISPUTES. If any dispute or difference of any kind whatsoever shall arise between SSS and SUPPLIER in connection with or arising out of this Agreement, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

If after thirty (30) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either SSS or SUPPLIER may give notice to the other Party of its intention to commence arbitration, in accordance with RA No. 876, otherwise known as the "Arbitration Law" and RA No. 9285, otherwise known as the



“Alternative Dispute Resolution Act of 2004,” in order to settle their disputes.

No arbitration in respect of this matter may be commenced unless such notice is given.

Notwithstanding any reference to arbitration herein, the Parties shall continue to perform their respective obligations under this Agreement unless they otherwise agree.

.15 VENUE OF ACTIONS. In the event court action is necessary in order to promote Arbitration, such action shall be filed only before the proper courts of Quezon City, to the exclusion of all other venues.

.16 GOVERNING LAW. The Agreement shall be governed by and interpreted according to the laws of the Republic of the Philippines.

.17 AMENDMENTS. This Agreement may be amended only in writing and executed by the parties or their duly authorized representatives.

.18 SEPARABILITY. If any one or more of the provisions contained in the contract or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect under any applicable law, then: (i) the validity, legality and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired and shall remain in full force and effect; and (ii) the invalid, illegal or unenforceable provision shall be replaced by the parties immediately with a term or provision that is valid, legal and enforceable and that comes closest to expressing the intention of such invalid illegal or unenforceable term of provision.

.19 BINDING EFFECT. The Agreement shall be binding upon the Parties hereto, their assignee/s and successor/s-in-interest.

.20 TERMINATION FOR CONVENIENCE. The Procuring Entity may terminate the Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies. (Item III. B, Annex I, 2016 Revised IRR of RA 9184)



Republic of the Philippines



Government Procurement Policy Board