

Philippine Bidding Documents Republic of the Philippines



Procurement of Janitorial Services for PSALM Corporation for CY 2020

Project Reference No.
2020-PB-JSPO-005-01

24 January 2020



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Section I. Invitation to Bid

for the Procurement of Janitorial Services for PSALM Corporation for CY 2020

(Project Reference No. 2020-PB-JSPO-005-01)

1. The Power Sector Assets and Liabilities Management (PSALM) Corporation, through the 2020 Corporate Operating Budget (for the portion of the Contract to be performed in 2020) and 2021 Corporate Operating Budget (for the portion of the Contract to be performed in 2021), intends to apply the sum of **FIVE MILLION PESOS (PHP5,000,000.00)** being the Approved Budget for the Contract (ABC) to payments under the contract for the **Janitorial Services for PSALM Corporation for CY 2020**. Bids received in excess of the ABC shall be automatically rejected at bid opening.
2. PSALM now invites bids for the **Procurement of Janitorial Services for PSALM Corporation for CY 2020**. Delivery of the Services is required as indicated in the Bid Data Sheet of the Bidding Documents. Bidders should have completed, within three (3) years from the date of submission and receipt of bids, a single contract the value of which is equivalent to at least fifty (50%) of the ABC. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.
3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary “pass/fail” criterion as specified in the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the “Government Procurement Reform Act”.

Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA 5183.

4. A complete set of Bidding Documents may be acquired beginning on **Friday, 24 January 2020** from the address below and upon payment of an applicable fee for the Bid Documents, pursuant to the latest guidelines issued by the GPPB, in the amount of **FIVE THOUSAND PESOS (PHP5,000.00)**

It may also be downloaded free of charge from the websites of the Philippine Government Electronic Procurement System (PhilGEPS) (<https://www.philgeps.gov.ph>) and the PSALM (<https://www.psalm.gov.ph>), provided that Bidders shall pay the applicable fee for the Bidding Documents not later than the submission of their bids.

5. Interested bidders may obtain further information from PSALM and inspect the Bidding Documents at the address given below, from 9:00 AM to 4:00 PM, Monday to Friday.
6. PSALM will hold a Pre-Bid Conference at **10:00 AM, Monday, 03 February 2020** at the 24th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City which shall be open to prospective bidders.
7. Bids must be duly received by the BAC Secretariat at the address below on or before **10:00 AM, Monday, 17 February 2020**. Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in ITB Clause 18.

Bid opening shall be at **10:15 AM, 17 February 2020** at the 24th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City. Bids will be opened in the presence of the bidders' or their representatives who choose to attend. Late bids shall not be accepted.

8. Provisionary Tax Clearance is not acceptable.
9. PSALM reserves the right to accept or reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Section 41 of RA 9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders.
10. For further information, please refer to:

THE SECRETARIAT

Bids and Awards Committee

Power Sector Assets and Liabilities Management Corporation

24th Floor Vertis North Corporate Center Tower 1,

Astra cor. Lux Drives, North Ave., Quezon City 1105

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MARIA ILYN G. ALBITO

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Bids and Awards Committee

Section II. Instructions to Bidders

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A. General

1. Scope of Bid

- 1.1. The Procuring Entity named in the **BDS** invites bids for the supply and delivery of the Goods as described Section VII. Technical Specifications.
- 1.2. The name, identification, and number of lots specific to this bidding are provided in the **BDS**. The contracting strategy and basis of evaluation of lots is described in ITB Clause 28.

2. Source of Funds

The Procuring Entity has a budget or has received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the contract.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1 Unless otherwise specified in the **BDS**, the Procuring Entity as well as the bidders and Suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
 - (a) defines, for purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in RA 3019.
 - (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive

the Procuring Entity of the benefits of free and open competition.

(iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.

(iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(v) “obstructive practice” is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

3.2 Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

3.3 Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or Supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 3.

4. Conflict of Interest

4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

- (a) A Bidder has controlling shareholders in common with another Bidder;
- (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
- (c) A Bidder has the same legal representative as that of another Bidder for purposes of this bid;
- (d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process;
- (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;
- (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid; or
- (g) A Bidder who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity (HoPE), members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:

- a. If the Bidder is an individual or a sole proprietorship, to the Bidder himself;

- b. If the Bidder is a partnership, to all its officers and members;
- c. If the Bidder is a corporation, to all its officers, directors, and controlling stockholders;
- d. If the Bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and
- e. If the Bidder is a joint venture (JV), the provisions of items (a), (b), (c) or (d) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

5.1. Unless otherwise provided in the **BDS**, the following persons shall be eligible to participate in this bidding:

- (a) Duly licensed Filipino citizens/sole proprietorships;
- (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
- (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
- (d) Cooperatives duly organized under the laws of the Philippines; and
- (e) Persons/entities forming themselves into a Joint Venture (JV), *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).

5.2 Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:

- (a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its IRR allow foreign bidders to participate;
- (b) Citizens, corporations, or associations of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;

- (c) When the Goods sought to be procured are not available from local Suppliers; or
 - (d) When there is a need to prevent situations that defeat competition or restrain trade.
- 5.3 Government owned or -controlled corporations (GOCCs) may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not attached agencies of the Procuring Entity.
- 5.4 Unless otherwise provided in the **BDS**, the Bidder must have completed a Single Largest Completed Contract (SLCC) similar to the Project and the value of which, adjusted, if necessary, by the Bidder to current prices using the Philippine Statistics Authority (PSA) consumer price index, must be at least equivalent to a percentage of the ABC stated in the **BDS**.

For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the relevant period stated in the Invitation to Bid and ITB Clause 12.1(a)(i).

- 5.5 The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to be bid, calculated as follows:

NFCC = [(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

The values of the domestic bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR.

For purposes of computing the foreign bidders' NFCC, the value of the current assets and current liabilities shall be based on their audited financial statements prepared in accordance with international financial reporting standards.

If the prospective bidder opts to submit a committed Line of Credit, it must be at least equal to ten percent (10%) of the ABC to be bid. If issued by a foreign universal or commercial bank, it shall be confirmed or authenticated by a local universal or commercial bank.

6. Bidder's Responsibilities

- 6.1 The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in as required in ITB Clause 12.1(b)(iii).

6.2 The Bidder is responsible for the following:

- (a) Having taken steps to carefully examine all of the Bidding Documents;
- (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
- (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
- (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under ITB Clause 10.4.
- (e) Ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (g) Authorizing the HoPE or its duly authorized representative/s to verify all the documents submitted;
- (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary’s Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- (i) Complying with the disclosure provision under Section 47 of RA 9184 and its IRR in relation to other provisions of RA 3019;
- (j) Complying with existing labor laws and standards, in the case of procurement of services; Moreover, bidder undertakes to:
 - (i) Ensure the entitlement of workers to wages, hours of work, safety and health and other prevailing conditions of work as established by national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable.

In case there is a finding by the Procuring Entity or the DOLE of underpayment or non-payment of workers’ wage and wage-related benefits, bidder agrees that the performance security or portion of the contract amount

shall be withheld in favor of the complaining workers pursuant to appropriate provisions of Republic Act No. 9184 without prejudice to the institution of appropriate actions under the Labor Code, as amended, and other social legislations.

- (ii) Comply with occupational safety and health standards and to correct deficiencies, if any.

In case of imminent danger, injury or death of the worker, bidder undertakes to suspend contract implementation pending clearance to proceed from the DOLE Regional Office and to comply with Work Stoppage Order; and

- (iii) Inform the workers of their conditions of work, labor clauses under the contract specifying wages, hours of work and other benefits under prevailing national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable, through posting in two (2) conspicuous places in the establishment's premises; and
- (k) Ensuring that it did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.4 It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.
- 6.5 The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity. However, the Procuring Entity shall ensure that all information in the Bidding Documents, including bid/supplemental bid bulletin/s issued, are correct and consistent.

- 6.6 Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.
- 6.7 The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.8 The Bidder should note that the Procuring Entity will accept bids only from those that have paid the applicable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. Origin of Goods

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to ITB Clause 27.1.

8. Subcontracts

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.2. Subcontractors must submit the documentary requirements under ITB Clause 12 and comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
- 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

B. Contents of Bidding Documents

9. Pre-Bid Conference

- 9.1. (a) If so specified in the **BDS**, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.

(b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids, but not later than seven (7) calendar days from the posting of the invitation to bid/bidding documents in the PhilGEPS website. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.

- 9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents as recorded in the minutes of the pre-bid conference and the Supplemental/Bid Bulletin. The minutes of the pre-bid conference shall be recorded and prepared not later than five (5) calendar days after the pre-bid conference. The minutes shall be made available to prospective bidders not later than five (5) days upon written request.
- 9.3. Decisions of the BAC amending any provision of the bidding documents shall be issued in writing through a Supplemental/Bid Bulletin at least seven (7) calendar days before the deadline for the submission and receipt of bids.

10. Clarification and Amendment of Bidding Documents

- 10.1. Prospective bidders may request for clarification on and/or interpretation of any part of the Bidding Documents. Such request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.
- 10.2. The BAC shall respond to the said request by issuing Supplemental/Bid Bulletin, to be made available to all those who have properly secured the Bidding Documents, at least seven (7) calendar days before the deadline for the submission and receipt of Bids.
- 10.3. Supplemental/Bid Bulletins may also be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of Bids. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.4. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted in the PhilGEPS and the website of the Procuring Entity concerned, if available, and at any conspicuous place in the premises of the Procuring Entity concerned. It shall be the responsibility of all Bidders

who have properly secured the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with ITB Clause 23.

C. Preparation of Bids

11. Language of Bids

The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines. The English translation shall govern, for purposes of interpretation of the bid.

12. Documents Comprising the Bid: Eligibility and Technical Components

12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the following eligibility and technical documents:

(a) Eligibility Documents -

Class "A" Documents:

- (i) PhilGEPs Certificate of Registration and Membership in accordance with Section 8.5.2 of the IRR. For procurement to be performed overseas, it shall be subject to the Guidelines to be issued by the GPPB.
- (ii) Statement 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; and

Statement of the Bidder's SLCC similar to the contract to bid, in accordance with ITB Clause 5.4, within the relevant period as provided in the **BDS**.

The two statements required shall indicate for each contract, the following:

- (ii.1) name of the contract;

- (ii.2) date of the contract;
 - (ii.3) contract duration;
 - (ii.4) owner's name and address;
 - (ii.5) kinds of Goods;
 - (ii.6) For Statement of Ongoing Contracts - amount of contract and value of outstanding contracts;
 - (ii.7) For Statement of SLCC - amount of completed contracts, adjusted by the Bidder to current prices using PSA's consumer price index, if necessary for the purpose of meeting the SLCC requirement;
 - (ii.8) date of delivery; and
 - (ii.9) end user's acceptance or official receipt(s) or sales invoice issued for the contract, if completed, which shall be attached to the statements.
- (iii) NFCC computation in accordance with ITB Clause 5.5 or a committed Line of Credit from a universal or commercial bank.

Class "B" Document:

- (iv) If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners in accordance with Section 23.1(b) of the IRR.
- (b) Technical Documents -
- (i) Bid security in accordance with ITB Clause 18. If the Bidder opts to submit the bid security in the form of:
 - (i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or
 - (i.2) a surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;
 - (ii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and

- (iii) Sworn statement in accordance with Section 25.3 of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.
- (iv) For foreign bidders claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos, a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item or product.

13. Documents Comprising the Bid: Financial Component

13.1. The financial component of the bid shall contain the following:

- (a) Financial Bid Form, which includes bid prices and the Price Schedules, in accordance with ITB Clauses 15.1 and 15.4;
- (b) If the Bidder claims preference as a Domestic Bidder, a certification from the DTI issued in accordance with ITB Clause 27, unless otherwise provided in the **BDS**; and
- (c) Any other document related to the financial component of the bid as stated in the **BDS**.

13.2. (a) Unless otherwise stated in the **BDS**, all bids that exceed the ABC shall not be accepted.

(b) Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:

- (i) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.
- (ii) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.
- (iii) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances.
- (iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.

- (v) The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

14. Alternative Bids

- 14.1 Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.
- 14.2 Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

15. Bid Prices

- 15.1. The Bidder shall complete the appropriate Schedules of Prices included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Schedule of Prices. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) or a dash (-) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be accomplished.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.
- 15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:
 - (a) For Goods offered from within the Procuring Entity's country:

- (i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable;
 - (ii) The cost of all customs duties and sales and other taxes already paid or payable;
 - (iii) The cost of transportation, insurance, and other costs incidental to delivery of the Goods to their final destination; and
 - (iv) The price of other (incidental) services, if any, listed in the **BDS**.
- (b) For Goods offered from abroad:
- (i) Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the **BDS**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.
 - (ii) The price of other (incidental) services, if any, listed in the **BDS**.
- (c) For Services, based on the form which may be prescribed by the Procuring Entity, in accordance with existing laws, rules and regulations.

15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 24.

All bid prices for the given scope of work in the contract as awarded shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Upon the recommendation of the Procuring Entity, price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon approval by the GPPB. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

- (a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.
- (b) For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) stated in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the *Bangko Sentral ng Pilipinas* (BSP) reference rate bulletin on the day of the bid opening.

16.2. If so allowed in accordance with ITB Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.

16.3. Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

17. Bid Validity

17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.

17.2. In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in ITB Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

18. Bid Security

18.1. The Bidder shall submit a Bid Securing Declaration or any form of Bid Security in the amount stated in the **BDS**, which shall be not less than the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Not Less than the Percentage of the ABC)
<p>(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.</p> <p><i>For biddings conducted by LGUs, the Cashier's/Manager's Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	
<p>(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.</p> <p><i>For biddings conducted by LGUs, Bank Draft/Guarantee, or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	Two percent (2%)
<p>(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.</p>	Five percent (5%)

The Bid Securing Declaration mentioned above is an undertaking which states, among others, that the Bidder shall enter into contract with the procuring entity and furnish the performance security required under ITB Clause 33.2, within ten (10) calendar days from receipt of the Notice of Award, and commits to pay the corresponding amount as fine, and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as provided in the guidelines issued by the GPPB.

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.

- 18.3. No bid securities shall be returned to Bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a request for reconsideration and/or protest, or upon the lapse of the reglementary period to file a request for reconsideration or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the Bidder with the Lowest Calculated and Responsive Bid (LCRB) has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in ITB Clause 18.2.
- 18.4. Upon signing and execution of the contract pursuant to ITB Clause 32, and the posting of the performance security pursuant to ITB Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the ITB Clause 18.2.
- 18.5. The bid security may be forfeited:
- (a) if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified in ITB Clause 17;
 - (ii) does not accept the correction of errors pursuant to ITB Clause 28.3(a);
 - (iii) has a finding against the veracity of any of the documents submitted as stated in ITB Clause 29.2;
 - (iv) submission of eligibility requirements containing false information or falsified documents;
 - (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;
 - (vi) allowing the use of one's name, or using the name of another for purposes of public bidding;
 - (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the LCRB;
 - (viii) refusal or failure to post the required performance security within the prescribed time;

- (ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
 - (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
 - (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or
 - (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.
- (b) if the successful Bidder:
- (i) fails to sign the contract in accordance with ITB Clause 32; or
 - (ii) fails to furnish performance security in accordance with ITB Clause 33.

19. Format and Signing of Bids

- 19.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the ITB Clauses 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under ITB Clause 12.1, and the second shall contain the financial component of the bid. This shall also be observed for each lot in the case of lot procurement.
- 19.2. Forms as mentioned in ITB Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 19.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in ITB Clauses 12 and 13. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 19.4. Each and every page of the Bid Form, including the Schedule of Prices, under Section VIII hereof, shall be signed by the duly authorized representative/s of the Bidder. Failure to do so shall be a ground for the rejection of the bid.

- 19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

- 20.1. Bidders shall enclose their original eligibility and technical documents described in ITB Clause 12 in one sealed envelope marked “ORIGINAL - TECHNICAL COMPONENT”, and the original of their financial component in another sealed envelope marked “ORIGINAL - FINANCIAL COMPONENT”, sealing them all in an outer envelope marked “ORIGINAL BID”.
- 20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. ____ - TECHNICAL COMPONENT” and “COPY NO. ____ - FINANCIAL COMPONENT” and the outer envelope as “COPY NO. ____”, respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in ink and shall be signed by the Bidder or its duly authorized representative/s.
- 20.4. All envelopes shall:
- (a) contain the name of the contract to be bid in capital letters;
 - (b) bear the name and address of the Bidder in capital letters;
 - (c) be addressed to the Procuring Entity’s BAC in accordance with **ITB** Clause 1.1;
 - (d) bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; and
 - (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of bids, in accordance with **ITB** Clause 21.
- 20.5. Bid envelopes that are not properly sealed and marked, as required in the bidding documents, shall not be rejected, but the Bidder or its duly authorized representative shall acknowledge such condition of the bid as submitted. The BAC or the Procuring Entity shall assume no responsibility for the misplacement of the contents of the improperly sealed or marked bid, or for its premature opening.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the Procuring Entity's BAC at the address and on or before the date and time indicated in the **BDS**. In case the deadline for submission of bids fall on a non-working day duly declared by the president, governor or mayor or other government official authorized to make such declaration, the deadline shall be the next working day.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to ITB Clause 21, shall be declared "Late" and shall not be accepted by the Procuring Entity. The BAC shall record in the minutes of bid submission and opening, the Bidder's name, its representative and the time the late bid was submitted.

23. Modification and Withdrawal of Bids

23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed and properly identified in accordance with ITB Clause 20, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Letter of Withdrawal must be executed by the duly authorized representative of the Bidder identified in the Omnibus Sworn Statement, a copy of which should be attached to the letter.

23.3. Bids requested to be withdrawn in accordance with ITB Clause 23.1 shall be returned unopened to the Bidders. A Bidder, who has acquired the bidding documents, may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity

specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to ITB Clause 18.5, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its IRR.

24. Opening and Preliminary Examination of Bids

- 24.1. The BAC shall open the bids in public, immediately after the deadline for the submission and receipt of bids, as specified in the **BDS**. In case the Bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PhilGEPS website and the website of the Procuring Entity concerned.
- 24.2. Unless otherwise specified in the **BDS**, the BAC shall open the first bid envelopes and determine each Bidder's compliance with the documents prescribed in ITB Clause 12, using a non-discretionary "pass/fail" criterion. If a Bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".
- 24.3. Unless otherwise specified in the **BDS**, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in ITB Clause 13.2, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
- 24.4. Letters of Withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened.
- 24.5. All members of the BAC who are present during bid opening shall initial every page of the original copies of all bids received and opened.
- 24.6. In the case of an eligible foreign bidder as described in ITB Clause 5, the following Class "A" Documents may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned, which shall likewise be uploaded and maintained in the PhilGEPS in accordance with Section 8.5.2 of the IRR;

- (a) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;
 - (b) Mayor's/Business permit issued by the local government where the principal place of business of the bidder is located; and
 - (c) Audited Financial Statements showing, among others, the prospective bidder's total and current assets and liabilities stamped "received" by the Bureau of Internal Revenue or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two years from the date of bid submission.
- 24.7. Each partner of a joint venture agreement shall likewise submit the requirements in **ITB** Clauses 12.1(a)(i). Submission of documents required under **ITB** Clauses 12.1(a)(i) by any of the joint venture partners constitutes compliance.
- 24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price (per lot, if applicable, and/or including discount, if any), bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.
- 24.9. The bidders or their duly authorized representatives may attend the opening of bids. The BAC shall ensure the integrity, security, and confidentiality of all submitted bids. The Abstract of Bids as read and the minutes of the bid opening shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.
- 24.10. To ensure transparency and accurate representation of the bid submission, the BAC Secretariat shall notify in writing all bidders whose bids it has received through its PhilGEPS-registered physical address or official e-mail address. The notice shall be issued within seven (7) calendar days from the date of the bid opening

E. Evaluation and Comparison of Bids

25. Process to be Confidential

- 25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the case of **ITB** Clause 26.

- 25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

26. Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

27. Domestic Preference

- 27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:

- (a) The preference shall be applied when the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder.
- (b) For evaluation purposes, the lowest Foreign Bid shall be increased by fifteen percent (15%).
- (c) In the event that the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then the Procuring Entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid.
- (d) If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.

- 27.2. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

28. Detailed Evaluation and Comparison of Bids

- 28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to ITB Clause 24, in order to determine the Lowest Calculated Bid.

- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
 - (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. The BAC shall consider the following in the evaluation of bids:
- (a) Completeness of the bid. Unless the **BDS** allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, Schedule of Prices, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Procuring Entity, except those required by law or regulations to be provided for; and
 - (b) Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications. Any adjustment shall be calculated in monetary terms to determine the calculated prices.
- 28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in the **BDS**.
- 28.5. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Bid Form, which includes the Schedule of Prices.
- 28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.
- 28.7. If so indicated pursuant to **ITB** Clause 1.2, Bids are being invited for individual lots or for any combination thereof, provided that all Bids

and combinations of Bids shall be received by the same deadline and opened and evaluated simultaneously so as to determine the Bid or combination of Bids offering the lowest calculated cost to the Procuring Entity. Bid prices quoted shall correspond to all items specified for each lot and to all quantities specified for each item of a lot. Bid Security as required by ITB Clause 18 shall be submitted for each contract (lot) separately. The basis for evaluation of lots is specified in BDS Clause 28.3.

29. Post-Qualification

29.1. The BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid complies with and is responsive to all the requirements and conditions specified in ITB Clauses 5, 12, and 13.

29.2. Within a non-extendible period of five (5) calendar days from receipt by the bidder of the notice from the BAC that it submitted the Lowest Calculated Bid, the Bidder shall submit its latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS) and other appropriate licenses and permits required by law and stated in the **BDS**.

Failure to submit any of the post-qualification requirements on time, or a finding against the veracity thereof, shall disqualify the bidder for award. Provided in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the bid security in accordance with Section 69 of the IRR of RA 9184.

29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to ITB Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion, which shall be completed within a period of twelve (12) calendar days.

29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the LCRB, and recommend to the HoPE the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.

29.5. A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid with a fresh period to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the LCRB is determined for recommendation for contract award.

- 29.6. Within a period not exceeding fifteen (15) calendar days from the determination by the BAC of the LCRB and the recommendation to award the contract, the HoPE or his duly authorized representative shall approve or disapprove the said recommendation.
- 29.7. In the event of disapproval, which shall be based on valid, reasonable, and justifiable grounds as provided for under Section 41 of the IRR of RA 9184, the HoPE shall notify the BAC and the Bidder in writing of such decision and the grounds for it. When applicable, the BAC shall conduct a post-qualification of the Bidder with the next Lowest Calculated Bid. A request for reconsideration may be filed by the bidder with the HoPE in accordance with Section 37.1.3 of the IRR of RA 9184.

30. Reservation Clause

- 30.1. Notwithstanding the eligibility or post-qualification of a Bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
- 30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
 - (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
 - (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
 - (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
 - (i) If the physical and economic conditions have significantly changed so as to render the project no longer

economically, financially or technically feasible as determined by the HoPE;

- (ii) If the project is no longer necessary as determined by the HoPE; and
- (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

- (a) No bids are received;
- (b) All prospective Bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The bidder with the LCRB refuses, without justifiable cause to accept the award of contract, and no award is made in accordance with Section 40 of the IRR of RA 9184.

F. Award of Contract

31. Contract Award

31.1. Subject to ITB Clause 29, the HoPE or its duly authorized representative shall award the contract to the Bidder whose bid has been determined to be the LCRB.

31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award duly received by the Bidder or its representative personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- (a) Submission of the following documents within ten (10) calendar days from receipt of the Notice of Award;
- (b) Posting of the performance security in accordance with ITB Clause 33;
- (c) Signing of the contract as provided in ITB Clause 32; and

- (d) Approval by higher authority, if required, as provided in Section 37.3 of the IRR of RA 9184.

31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

32. Signing of the Contract

32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.

32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.

32.4. The following documents shall form part of the contract:

- (a) Contract Agreement;
- (b) Bidding Documents;
- (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted (*e.g.*, bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
- (d) Performance Security;
- (e) Notice of Award of Contract; and
- (f) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

33. Performance Security

33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.

33.2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount not less than the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)
<p>(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.</p> <p><i>For biddings conducted by the LGUs, the Cashier's/Manager's Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	
<p>(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.</p> <p><i>For biddings conducted by the LGUs, the Bank Draft/Guarantee or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	<p>Five percent (5%)</p>
<p>(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.</p>	<p>Thirty percent (30%)</p>

33.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall have a fresh period to initiate and complete the post

qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for recommendation of contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement, if necessary.

34. Notice to Proceed

Within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue the Notice to Proceed (NTP) together with a copy or copies of the approved contract to the successful Bidder. All notices called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful Bidder.

35. Protest Mechanism

Decision of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the IRR of RA 9184.

Section III. Bid Data Sheet

ITB Clause	
1.1	<p>The Procuring Entity is Power Sector Assets and Liabilities Management (PSALM) Corporation.</p> <p>The name of the contract is Procurement of Janitorial Services for PSALM Corporation for CY 2020.</p> <p>The identification number of the contract is 2020-PB-JSPO-005-01</p>
1.2	<p>The name, lot(s) and reference number of the project:</p> <p>Procurement of Janitorial Services for PSALM Corporation for CY 2020. (Project Reference No. 2020-PB-JSPO-005-01)</p>
2	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through PSALM's 2020 Corporate Operating Budget (for the portion of the Contract to be performed in 2020, and 2021 Corporate Operating Budget (for the portion of the Contract to be performed in 2021) in the total amount of FIVE MILLION PESOS (PHP5,000,000.00).</p> <p>The name of the Project is:</p> <p>Procurement of Janitorial Services for PSALM Corporation for CY 2020. (Project Reference No. 2020-PB-JSPO-005-01).</p>
3.1	No further instructions.
5.1	No further instructions.
5.2	Foreign bidders, except those falling under ITB Clause 5.1(b), may not participate in this Project.
5.4	The bidder must have completed, within three (3) years from the date of submission and receipt of bids as provided under ITB Clause 12.1(a)(iii), a single contract the value of which is equivalent to at least fifty percent (50%) of the ABC.
7	No further instructions.
8.1	Subcontracting is not allowed.
8.2	Not applicable.
9.1	The Procuring Entity will hold a pre-bid conference for this Project at 10:00 AM, Monday, 03 February 2020 at the 24 th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City.

ITB Clause	
10.1	<p>The Procuring Entity’s address is:</p> <p>THE CHAIRPERSON Bids and Awards Committee 24th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City 1105 Tel. No.: (02) 8248-4861 Email address: BAC2019@psalm.gov.ph BAC Secretariat: BACSec2019@psalm.gov.ph</p>
12.1	<p>A. Bidders whose PhilGEPS registration/membership are not yet under Platinum Category per Section 8.5.2 of the IRR, shall submit the following documents in accordance with Section 23.1(a) of the IRR, in lieu of PhilGEPS Certificate of Registration and Membership:</p> <p>ELIGIBILITY DOCUMENTS</p> <p><u>CLASS “A” DOCUMENTS:</u></p> <ul style="list-style-type: none"> (i) Registration Certificate from SEC, DTI for sole proprietorship, or CDA for cooperatives. (ii) Mayor’s/Business Permit for 2020 issued by the City or Municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas. <p>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 for CY 2020: Provided, that the renewed permit shall be submitted as a post-qualification requirement.</p> <ul style="list-style-type: none"> (iii) Tax Clearance Certificate per Executive Order No. 398, s. 2005, issued by the Bureau of Internal Revenue (BIR). <p>Only a valid TCC issued by BIR pursuant to the above related BIR issuances is acceptable. Provisional Tax Clearance Certificate or any other form is not accepted. For the avoidance of doubt, a TCC issued by the Revenue Regional Office and submitted by a Bidder should be issued on or before the date of effectivity of BIR Revenue Memorandum Order No. 46-2018.</p> <p>For further clarification on valid TCC, Tax Clearances for Bidding Purposes shall only be valid after the same have been posted in the BIR Website. In case the TCC is not yet posted in the BIR Website, the Bidder must submit a certified true</p>

ITB Clause	
	<p>copy of the TCC issued by the BIR, or its original, which will be returned to the Bidder after the bidding process.</p> <p>(iv) The prospective bidder’s Audited Financial Statement, showing, among others, the prospective bidder’s total and current and liabilities, stamped “received” by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission.</p> <p>The Audited Financial Statement and its composition shall comply with the requirements of Section 2 of the Bureau of Internal Revenue [BIR] Revenue Regulation 07-2007 which states that:</p> <p>“x x x Section 2. COVERAGE. - The Financial Statements shall be composed of the following:</p> <ul style="list-style-type: none"> (iv.1) Balance Sheet; (iv.2) Income Statement/Profit and Loss Statement; (iv.3) Statement of Changes in Equity, showing either: <ul style="list-style-type: none"> a. All changes in equity b. Changes in equity, other than those arising from transactions with equity holders acting in their capacity as equity holders; (iv.4) Statement of Cash Flow; (iv.5) Notes, comprising a summary of significant accounting policies and other explanatory notes; and (iv.6) Schedules attached to the afore-cited statements. <p style="text-align: center;">x x x”.</p> <p><i>NOTE: Latest Audited Financial Statement (AFS) shall refer to the AFS for the year 2019. However, for establishments which have no available AFS for the year 2019 yet, it shall refer to the AFS for the year 2018. Bidders may submit either their Class “A” Documents in accordance with Section 23.1(a) of the IRR or the PhilGEPS Certificate of Registration and Membership under Platinum Category, or a combination thereof.</i></p>
12.1(a)(ii)	The bidder’s SLCC similar to the contract to be bid should have been completed within three (3) years prior to the deadline for the submission and receipt of bids.
12.1 (b) (ii)	For the Conformity with Section VI (Schedule of Requirements) and Section VII (Technical Specifications), bidder shall use Form No. TEC-04 of Section VIII. Bidding Forms.
13.1(b)	No further instructions.

ITB Clause																									
13.2(a)	The ABC is FIVE MILLION PESOS (PHP5,000,000.00) . Any bid exceeding this amount shall not be accepted.																								
13.2 (b)	Not applicable.																								
15.4(a)(iv)	No incidental services are required.																								
15.4 (b) (i)	Not applicable.																								
15.4(b)(ii)	No incidental services are required.																								
16.1(b)	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.																								
16.3	Payment shall be in Philippine Pesos.																								
17.1	Bids shall be valid until 16 June 2020 .																								
18.1	<p>The bid security shall be in the form of a Bid Securing Declaration, or any of the following forms and amount:</p> <ol style="list-style-type: none"> 1. The amount of not less than PHP100,000.00 [2% of PHP5,000,000.00], if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of not less than PHP250,000.00 [5% of PHP5,000,000.00] if bid security is in Surety Bond; <p>If the Bid Security is in the form of cashier's/manager's check, the payee shall be "PSALM CORPORATION".</p>																								
18.2	The bid security shall be valid until 16 June 2020 .																								
20.3	<p>Each Bidder shall submit one (1) original and two (2) copies of the technical and financial components of its bid as illustrated below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>"ORIGINAL BID"</th> <th>"COPY 1"</th> <th>"COPY 2"</th> </tr> </thead> <tbody> <tr> <td>ORIGINAL - TECHNICAL COMPONENT</td> <td>COPY 1 - TECHNICAL COMPONENT</td> <td>COPY 2 - TECHNICAL COMPONENT</td> </tr> <tr> <td>(1st envelope)</td> <td>(1st envelope)</td> <td>(1st envelope)</td> </tr> <tr> <td>ORIGINAL - FINANCIAL COMPONENT</td> <td>COPY 1 - FINANCIAL COMPONENT</td> <td>COPY 2 - FINANCIAL COMPONENT</td> </tr> <tr> <td>(2nd envelope)</td> <td>(2nd envelope)</td> <td>(2nd envelope)</td> </tr> <tr> <td>ELECTRONIC COPY (CD-ROM or USB Flash Drive)</td> <td></td> <td></td> </tr> <tr> <td>(outer envelope)</td> <td>(outer envelope)</td> <td>(outer envelope)</td> </tr> <tr> <td></td> <td style="text-align: center;">1 Package</td> <td></td> </tr> </tbody> </table>	"ORIGINAL BID"	"COPY 1"	"COPY 2"	ORIGINAL - TECHNICAL COMPONENT	COPY 1 - TECHNICAL COMPONENT	COPY 2 - TECHNICAL COMPONENT	(1st envelope)	(1st envelope)	(1st envelope)	ORIGINAL - FINANCIAL COMPONENT	COPY 1 - FINANCIAL COMPONENT	COPY 2 - FINANCIAL COMPONENT	(2nd envelope)	(2nd envelope)	(2nd envelope)	ELECTRONIC COPY (CD-ROM or USB Flash Drive)			(outer envelope)	(outer envelope)	(outer envelope)		1 Package	
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	1 Package																								

ITB Clause	
	<p>In addition, all documents comprising the Technical and Financial Components shall be electronically scanned and recorded in a compact disc-read only memory [CD-ROM]. This CD-ROM shall be marked as “ELECTRONIC COPY” and shall be put inside the sealed envelope labeled “ORIGINAL BID”.</p> <p>All submissions must be contained and sealed in one (1) package.</p> <p>Each sealed Bid shall be labeled as follows:</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p><HEADER/LABEL> ATTENTION: THE CHAIRPERSON Bids and Awards Committee PSALM CORPORATION 24th Floor Vertis North Corporate Center 1, Astra cor. Lux Drives, North Avenue 1105 Quezon City Tel. No.: (02) 8248-4861 Email address: BAC2019@psalm.gov.ph BACSec2019@psalm.gov.ph</p> <p>NAME OF PROJECT: _____ PROJECT REFERENCE NO. _____ DATE AND TIME OF OPENING OF OPENING OF BIDS: _____ SUBMITTED BY: <u>BIDDER’S NAME AND SIGNATURE</u> ADDRESS: <u>BIDDER’S ADDRESS</u></p> <p><i>“DO NOT OPEN BEFORE DATE AND TIME OF OPENING OF BIDS”</i></p> </div> <ol style="list-style-type: none"> 1. “ORIGINAL BID PLUS TWO COPIES INSIDE” - for the bid package 2. “ORIGINAL BID” - for the 1st outer envelope <ol style="list-style-type: none"> 1.1 “ORIGINAL - TECHNICAL COMPONENT” - for the 1st envelope inside the 1st outer envelope 1.2 “ORIGINAL - FINANCIAL COMPONENT” - for the 2nd envelope inside the 1st outer envelope 1.3 “ELECTRONIC COPY” - CD-ROM 3. “COPY 1” - for the 2nd outer envelope <ol style="list-style-type: none"> a. “COPY 1 - TECHNICAL COMPONENT” - for the 1st envelope inside the 2nd outer envelope b. “COPY 1- FINANCIAL COMPONENT” - for the 2nd envelope inside the 2nd outer envelope 4. “COPY 2” - for the 3rd outer envelope <ol style="list-style-type: none"> a. “COPY 2 - TECHNICAL COMPONENT” - for the 1st envelope inside the 3rd outer envelope b. “COPY 2- FINANCIAL COMPONENT” - for the 2nd envelope inside the 3rd outer envelope
21.	<p>The address for submission of bids is:</p> <p>The BAC Chairperson PSALM Corporation 24th Floor Vertis North Corporate Center Tower 1,</p>

ITB Clause	
	<p>Astra cor. Lux Drives, North Ave., Quezon City 1105</p> <p>The deadline for Submission of Bids is at 10:00 AM, Monday, 17 February 2020.</p>
24.1	<p>The place of bid opening is:</p> <p>PSALM CORPORATION 24th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City 1105</p> <p>The date and time of Bid Opening is at 10:15 PM, Monday, 17 February 2020.</p>
24.2	No further instructions.
24.3	No further instructions.
27.1	No further instructions.
28.3(a)	<p>Partial bid is not allowed.</p> <p>The NFCC computation must be sufficient for all contracts to be awarded to the bidder.</p>
28.4	In case of a tie between two or more Bidders, the GPPB Circular No. 06-2005 dated August 5, 2005 governing tie-breaking mechanism shall apply.
29.2	<p>In addition, the bidder with the Lowest Calculated Bid shall submit certified true copies of the following documents:</p> <p>1. Latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS);</p> <p>Only tax returns filed and taxes paid through the BIR eFPS shall be accepted.</p> <p><i>NOTE: The latest income and business tax returns are those filed within the last six (6) months preceding the date of bid submission.</i></p> <p><i>Latest Annual ITR shall refer to the ITR for the year 2018 filed in 2019. For new establishments which have no annual ITR yet, it shall refer to the most recent quarter's ITR. Further, for areas where e-filing is yet to be implemented, a Certification to that effect from BIR main office is acceptable.</i></p> <p><i>Latest Business Tax Return refers to Value Added Tax (VAT) and/or Percentage Tax Returns, whichever is applicable covering the last quarter and month prior to the bid opening. Bidders filing both the VAT and Percentage Tax Returns must submit both returns.</i></p>

ITB Clause	
	<ol style="list-style-type: none"> 2. Department of Labor and Employment Certificate of Registration; 3. Taxpayer's Identification Number (TIN), Bureau of Internal Revenue (BIR) Registration Certificate; 4. Clearance from Cluster Head Legal and Collection Group Social Security System (SSS) that it is up-to-date in remitting its contribution, Salary/Calamity Loan amortization with SSS Branch Office near its business address issued within the three (3) month period prior to the bid opening date. (SSS Office Order No. 2011-055 Authorizing the Cluster Legal Heads to Sign and Issue SSS Clearance); 5. Location map of business establishment (owned or rented), its address and telephone number; 6. Certificate of SSS registration as employer; 7. Home Development Mutual Fund (Pag-IBIG Fund) Certificate as an employer; and 8. Philippine Health Insurance Corporation (PhilHealth) Certificate as an employer.
32.4(f)	No additional requirement.

Section IV. General Conditions of Contract

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1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) “The Contract” means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) “The Goods” means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) “The Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) “GCC” means the General Conditions of Contract contained in this Section.
- (f) “SCC” means the Special Conditions of Contract.
- (g) “The Procuring Entity” means the organization purchasing the Goods, as named in the SCC.
- (h) “The Procuring Entity’s country” is the Philippines.
- (i) “The Supplier” means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The “Funding Source” means the organization named in the SCC.
- (k) “The Project Site,” where applicable, means the place or places named in the SCC.
- (l) “Day” means calendar day.
- (m) The “Effective Date” of the contract will be the date of signing the contract, however the Supplier shall commence performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.

- (n) “Verified Report” refers to the report submitted by the Implementing Unit to the HoPE setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, and Coercive Practices

2.1. Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or Suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
 - (iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
 - (v) “obstructive practice” is

- (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
- (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

- 4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.
- 4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

- 5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the **SCC**, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.
- 5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the **SCC** for GCC Clause 5.1.

6. Scope of Contract

- 6.1. The Goods and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the **SCC**.

7. Sub-Contracting

- 7.1. Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements under ITB Clause 12 and comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed

by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.

- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with **GCC** Clause 6.

9. Prices

- 9.1 For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 or R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2 Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **GCC** Clause 29.

10. Payment

- 10.1. Payments shall be made only upon a certification by the HoPE to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for **GCC** Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier. Payments shall be in accordance with the schedule stated in the SCC.
- 10.4. Unless otherwise specified in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.
- 10.5. Unless otherwise provided in the SCC, payments using Letter of Credit (LC), in accordance with the Guidelines issued by the GPPB, is allowed.

For this purpose, the amount of provisional sum is indicated in the SCC. All charges for the opening of the LC and/or incidental expenses thereto shall be for the account of the Supplier.

11. Advance Payment and Terms of Payment

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex “D” of RA 9184.
- 11.2. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.
- 11.3. For Goods supplied from abroad, unless otherwise indicated in the SCC, the terms of payment shall be as follows:
 - (a) On Contract Signature: Fifteen percent (15%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
 - (b) On Delivery: Sixty-five percent (65%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.
 - (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity’s authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity’s authorized representative within forty five (45) days of the date shown on the delivery receipt, the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring entity’s own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract

by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.

- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
 - (a) There are no pending claims against the Supplier or the surety company filed by the Procuring entity;
 - (b) The Supplier has no pending claims for labor and materials filed against it; and
 - (c) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.
- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.
- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may

develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.

- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in the GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. Liquidated Damages

Subject to **GCC** Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract 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. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity may rescind or terminate the Contract pursuant to **GCC** Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 (“R.A. 9285”), otherwise known as the “Alternative Dispute Resolution Act of 2004.”
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1 The Supplier’s liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the **SCC**.

- 21.2 Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. For purposes of this Contract 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 the 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 the Supplier. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. The Procuring Entity may rescind or terminate a contract for default, without prejudice to other courses of action and remedies available under the circumstances when, outside force majeure, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price.
- 23.2. The Procuring Entity may terminate the contract when, as a result of force majeure, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased.

- 23.3. The Procuring Entity shall terminate the contract when the Supplier fails to perform any other obligations under the Contract.
- 23.4. In the event the Procuring Entity terminates this Contract in whole or in part for any of the reasons provided under GCC Clause 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.5. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE 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.
- 25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
 - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
- (b) Drawing up or using forged documents;
- (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
- (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the HoPE shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
 - (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and

- (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the HoPE a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The HoPE may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the HoPE; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

Section V. Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is Power Sector Assets and Liabilities Management (PSALM) Corporation
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is: The Government of the Philippines (GOP) through PSALM's 2020 Corporate Operating Budget for the portion of the Contract to be performed in 2020, and 2021 Corporate Operating Budget (for the portion of the Contract to be performed in 2021) in the total amount of FIVE MILLION PESOS (PHP5,000,000.00) .
1.1(k)	The Project Site is defined in Section VI. Schedule of Requirements.
2.1	No further instructions.
5.1	The Procuring Entity's address for Notices is: ATTY. IRENE JOY BESIDO-GARCIA President and CEO, PSALM Corporation 24 th Floor Vertis North Corporate Center Tower 1, Astra cor. Lux Drives, North Ave., Quezon City 1105 The Supplier's address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i>
5.2	A party may change its address for notice through a written notification by mail or fax to the other party's address at least fifteen (15) days prior to the date when the change of address takes effect.
6.2	Delivery of Goods and Services shall be made by the Supplier in accordance with the terms specified in Section VI. Schedule of Requirements.
9.2	It is understood and agreed upon that should there be new laws or issuances promulgated by the Government, which may increase the minimum wage or SSS, HDMF, PhilHealth, Employee's Compensation premium, PAG-IBIG Fund premium, bonuses or taxes presently applicable there shall be a corresponding adjustment in the contract price in the amount consistent with the approved issuances. The claim on such adjustment must be

	supported by a request by the Supplier and other documents requested by PSALM for the processing.
10.3	No further instructions.
10.4	Not applicable.
10.5	Payment using LC is not allowed.
11.3	Maintain the GCC Clause.
13.4(c)	No further instructions.
16.1	No further instructions.
17.3	Not applicable.
17.4	No further instructions.
21.1	If the Supplier is a joint venture, “All partners to the joint venture shall be jointly and severally liable to the Procuring Entity.”

Section VI. Schedule of Requirements

General Requirements

1.0 General Requirements

The services included in this project consists of, but not limited to, the supply of labor, tools/equipment, supplies/materials and supervision for the janitorial requirement of Procuring Entity's office in Quezon City.

MANPOWER REQUIREMENT :
PSALM OFFICES

- Male - Nine (9) personnel
- Female - Six (6) personnel
- Supervisor - One (1)

AGE REQUIREMENT : legal age

WORKING HOURS :

Eight Hours a day between 6:00am - 6:00pm (shifting schedule)
 15 personnel - 6 days a week
 1 supervisor - 6 days a week

REQUIRED UNIFORM :

- For Male : Agency Uniform (with collar)
Black Shoes
- For Female : Agency Uniform (with collar)
Black Shoes

Note: Three (3) sets of uniforms shall be issued and shall not be charged to all personnel.

I. Materials/supplies and equipment to be supplied and to be provided for one (1) year:

PARTICULARS		UNIT	QTY.
A. For building cleaning and maintenance			
1	Floor Polisher, heavy duty, 16" diameter, high grade quality with at least $\frac{3}{4}$ horsepower	Unit	2

PARTICULARS		UNIT	QTY.
2	Vacuum cleaner/Drier/Shampooing and Polisher, heavy duty, with complete accessories	Unit	4
3	Bucket/Wringer –Combination Packs – 7580 EZMT Moping Combo Pack, 7571 Mop Bucket/6122-01 Wringer, Yellow color	Unit	2
4	Aluminum Ladder– 6’Height, foldable, heavy duty	Unit	1
B. To be supplied monthly			
1	Air and fabric freshener, 280 ml. net content	Tube	307
2	Toilet Bowl and Urinal Cleaner – 3.751 liters net content	Gal	59
3	Liquid Wax – 3.751 liters net content	Gal	72
4	Furniture Shine, 3.751 liters net content	Gal	36
5	Liquid Hand Soap, 3.751 liters	Gal	144
6	Deodorant Cake, with dispenser, 50 grams	Pc	516
7	Liquid Bleach, 3.751 liters net content	Gal	48
8	Dishwashing Liquid/Paste	Gal	115
9	Detergent Soap/Powder	Kilo	142
10	Plastic Garbage Bag, XXL, 30’ x 37’, transparent (100pcs/pck)	Pack	56
11	Rags, Katch, standard sack, size/texture/pranela, 12”x18”	Pc	175
12	Polishing Pad, ¾ thick 16” diameter, White	Pc	24
13	Stripping Pad, ¾ thick 16” diameter, Green	Pc	24
14	Scrubbing Pad, 3pcs/pack, Black	Pack	36
15	Step Off (wax stripper/remover)	Gal	12
16	Carpet Shampoo – Liquid, Johnson or equivalent	gal	240
17	Disinfectant, 300 ml. net content	Can	357
18	Disposable Plastic Gloves (100pcs/pck)	pack	36
18	Disposable Face Mask (50pcs/pck)	pack	36
C. To be supplied quarterly (every three (3) months)			
1	Insect Spray- water based, liquid, 420ml net content	Can	40
2	Soft Broom – Tambo, standards size, handle extend to the broom head or tip	Pc	8
3	Mop-Head – 5” headband size, cotton, mops, #16 Value Pro	Pc	4
4	Muriatic Acid –commercial Grade 3.751 liters net content	Gal	4
5	Glass-Cleaner 3.751 liters net content	Gal	60
6	Marble wax	Gal	4
7	Doormat, Rag-type	Pc	95
D. To be supplied semi-annually (twice a year)			
1	Hand Gloves – household gloves, made of rubber, Orchid/Hi-five or equivalent	Pc	32
2	Toilet Bowl Brush – Plastic	Pc	20
3	Spray gun- made of tin, pump type, for glass cleaner	Pc	19
4	Dust Pan	Pc	8
E. To be supplied annually and to be made available at any given time.			
1	Toilet Pump – wooden handle, rubber pump	Pcs	4
2	Mop handle – Wet Mop Handle, Rubbermaid or equivalent	Pcs	4
3	Pail-plastic or aluminum, 3 gallons capacity	Pcs	10
4	Glass Wiper	Pcs	12
5	Dipper, plastic with handle	Pcs	10

Note:

1. In such cases that the Procuring Entity shall be needing some item/s or material/s which are not listed above, the contractor shall provide those without additional cost but in lieu only of the unconsumed item/s or material/s provided in the above requirements.

Section VII. Technical Specifications

1. Contractor

A. Scope of Work

The services to be performed by the Supplier shall essentially consist of janitorial services such as, but not limited to, supply of labor, tools, equipment, supplies/materials for the Procuring Entity's janitorial manpower requirement of fifteen (15) janitors and one (1) supervisor.

A.1. Daily Routine Schedule

1. Sweeping, mopping, polishing and/or dusting of all tiled and marbled floors including, corridors, pantries, lobbies, entrance driveway, and walkways. These areas have to be serviced continuously during hours of public use to guarantee cleanliness throughout the day.
2. Vacuuming all carpet floors between 6:00 am to 7:00 am and as necessary.
3. Cleaning and dusting of tables, chairs, cabinet tops, artworks (paintings, murals, scroll), and other office/room furniture/equipment and washrooms.
4. Cleaning, deodorizing and disinfecting of comfort rooms three (3) times a day (subject to the supervisor's inspection).
5. Thorough cleaning of all glass panels/doors/windows and glass walls by means of the approved glass cleaner.
6. Cleaning and spot removing on all vertical and overhead surfaces.
7. Cleaning and dusting of all railings, counters and doorknobs.
8. Emptying and cleaning of waste cans/baskets and proper disposal of garbage.
9. Emptying and collection of trash twice a day (1:00PM and 5:00PM) and as necessary.
10. Keeping free of obstructions of all corridors/hallways, lobbies, entrances and stairways.
11. Checking/closing of all doors before retiring.
12. Report necessary repair works in their work areas to Procuring Entity's authorized representative/s immediately.

13. Perform other duties as may be required/assigned from time to time with respect to janitorial, sanitation and utility works.

A.2. Weekly Activities

1. Dry shampooing with approved brand of all carpet floors and fabric upholstered furniture (by schedule).
2. Thorough vacuum cleaning of all carpet floors.
3. Thorough washing with soap and water and application of approved wax on all floors. Stripping of old wax on floors must be done, if necessary.
4. Refinishing, waxing and polishing of all tiled and marbled floors.
5. Washing and scrubbing of hallways. Stripping of soap above the baseboard and on legs of tables.
6. Thorough cleaning of the glass walls inside surfaces by means of approved glass cleaner.
7. Washing and cleaning of lighting diffusers (by schedule).
8. Cleaning of vertical walls, ceilings and doors.
9. Cleaning of all trash cans by water washing.
10. Thorough cleaning and disinfecting of all comfort rooms.
11. Polishing of all railings, counters and doorknobs.
12. Polishing of all metal signs, reception table and stair nosing.
13. Dusting of all paintings, bulletin boards, other wall hangings and fire extinguishers.
14. Dusting of all blinds and vertical draperies.
15. Removing cobwebs on all floors/rooms.
16. Thorough cleaning of tables, furniture and fixtures at all function rooms.
17. Cleaning of all chairs at the function rooms.
18. Thorough cleaning of refrigerators and disposal of left over foods.

A.3. Monthly Activities

1. Washing with soap and water of leatherette upholstered furniture (by schedule).

2. Stripping of old wax on floors.
3. Thorough washing and scrubbing of floors by means of approved cleaner.
4. Washing and cleaning of lighting diffusers (by schedule)

A.5. Garbage/Trash Collection and Disposal

1. Trash collection shall be done at least twice a day from Monday thru Saturday and/or upon discretion of Procuring Entity authorized representative. Trash cans/bins shall be made available at all times from 8:00 AM to 5:00 PM.
2. Trash shall be collected from all pick-up points and specified temporary trash collection areas.
3. Cleaning/sweeping of each pick-up point surrounding the specified temporary dumping areas.
4. Cleaning of all trash bins after trash collection by water washing.
5. Garbage/trash collection and disposal activities must have completed on the first cycle by 1:30 PM of every working day. The second cycle must commence not earlier than 5:00 PM of every working day.
6. Disposal/dumping area for garbage/trash collected shall be in the building designated area.

B. Manpower Requirements

1. The Supplier shall assign and provide Procuring Entity with qualified and trained janitors who possess the following minimum qualifications:
 - a. Must be at least high school graduate;
 - b. Must be physically and mentally fit; of legal age; and not addicted to or dependent on prohibited drugs or intoxicating liquor;
 - c. Must present a Certificate of Good Moral Character from the concerned Barangay. Any misrepresentation by the Supplier with respect to such qualification shall be sufficient ground for cancellation/termination of the contract.
 - d. Supervisor shall have completed a two (2) year college/vocational course and shall possess three (3) years working experience similar to the position. The Supervisor shall have firsthand experience in most custodial operations from cleaning rest rooms to floor care to office cleaning. The Supervisor should never be substituted by a janitor if he/she does not possess the same qualification.

2. The Contractor's personnel shall be evaluated/interviewed and confirmed by PSALM prior to their deployment at PSALM's option. They have to submit/present their resume/bio data, latest medical/health clearance, latest drug test certificate, latest NBI Clearances. The Contractor should provide PSALM with employees of good moral character.
3. PSALM shall have the right to reject Contractor's personnel if they do not meet the qualification standard required and manning specifications and/or fails to submit the necessary clearances and documents required, or fails to comply with all employment requirements. Prior to commencement of the Contract, the Contractor should see to it that all personnel to be deployed to PSALM premises have valid ID's to allow access/entry.
4. PSALM shall have the right to ban or suspend the Contractor's employee with due coordination with the Contractor if he/she has neglected his/her duties to cause damage to PSALM, or has violated any rules and regulations particularly those detrimental to the safety and security of life and property of PSALM, its employees and the public.
5. The number of personnel may, upon discretion of PSALM, be increased or decreased, depending upon the actual requirement or necessity of the services. The Contractor shall secure from PSALM prior confirmation of their monthly personnel deployment. Corresponding billing shall be adjusted accordingly.
6. The Contractor's authorized representative shall present all personnel assigned to the contract for inspection and additional instructions from PSALM representative. An inspection area shall be designated outside of each schedule area of work place, upon completion of day's work as well as before the egress of each schedule area of work place upon completion of day's work. It is in these areas where all duly issued site identification cards will be issued prior to the commencement of the day's work and surrendered prior to the end of the day's work.
7. All absences, tardiness and under time shall be deducted from the labor cost of the Contractor's billing. Since these actions affect not only the Contractor but PSALM as well, thus PSALM's authorized representative may direct the Contractor to remove such habitual offender/s from the list of assigned personnel. The Daily Time Card (DTC) shall be properly filled up for each assigned personnel and shall be punched in/out individually on the appropriate portion of the bundy clock. The Contractor's authorized representative shall submit to the Administration and General Services Division Manager these DTC after the 15th and the end of each month for approval.
8. Contractor personnel shall be in complete agency uniform with proper identification card at all times.

9. The Contractor shall submit in writing the list of regular personnel in alphabetical order. It should also indicate their respective Social Security System (SSS), Philhealth, Pag-ibig and Tax Identification Number.
10. The Contractor shall inform PSALM in writing on the first hour of working day, any intention of terminating, replacing, transferring and/or relieving his personnel provided that the Contractor shall comply with all requirements of the Labor Code, as amended in affecting such transfer or relief. Alternate personnel shall not be allowed to assume duties of the regular personnel unless with a written notification duly received and accepted by PSALM. Said alternate personnel shall have likewise, complied with all the hiring requirements of the Contractor. No personnel shall be allowed to hold more than one position. Similarly, the Contractor, upon advice of PSALM, shall replace any of its personnel whose performance does not meet PSALM's satisfaction.
11. The Contractor's Supervisor shall see to it that the work assignments are strictly followed. All assigned personnel shall have their permanent work assignments but may be reshuffled by PSALM's authorized representative from time to time and whatever necessary may direct the Contractor to remove an employee for the best interest of PSALM.
12. The Contractor shall not be allowed to employ trainees/apprentices to perform regular work herein contracted.
13. Any misinterpretation by the Contractor with respect to the foregoing qualification or failure to comply with the above requirements shall be sufficient ground for the termination/cancellation of the contract.
14. The personnel to be assigned by the Contractor shall be directly hired by the Contractor and shall remain its employees.

Responsibilities of the Contractor

1. The Contractor shall be responsible to PSALM or its duly authorized representative/s for the results of the work and shall determine for itself the means, methods and details of the performance of the service so as not to cause damage to any properties of PSALM.
2. The safety and well-being of PSALM employees and the public who occupy and visit PSALM's facilities, including the security and upkeep of PSALM property, is also the responsibility and concern of the Contractor. The Contractor should be cautious at all times and should comply/adopt existing safety, security and sanitation rules and practices of PSALM. The Contractor shall be accountable and therefore, subject to sanction by the Procuring Entity for any undue damage caused by negligence and/or intentional acts.
3. The Contractor shall be solely responsible for payment of all indemnities arising out of any labor accident which may occur in the course of work

and for which he may be responsible under Rep. Act 3428, as amended as Workmen's Compensation Law.

4. The Contractor shall see to it that its employees strictly observe the laws of the Philippines affecting operation under the Contract, as well as the policies and rules and regulations of the Procuring Entity. The Contractor's officers and/or assigned supervisor must have undergone at least sixteen (16) training hours on Good Housekeeping and Solid Waste Management duly supported by a certification issued by an accredited trainer on solid waste management, pursuant to Republic Act No. 9003 dated 26 January 2001, otherwise known as "An Act Providing For An Ecological Solid Waste Management Program, Creating The Necessary Institutional Mechanisms and Incentives, Declaring Certain Acts Prohibited and Providing Penalties, Appropriating Funds, Therefore, and For Other Purposes".
5. The Contractor shall, upon recommendation and request of PSALM, replace its erring employees who are inefficient and negligent in the performance of their duties. The replacement personnel shall also be subject to acceptance of PSALM.
6. Contractor hereby binds itself to pay its employees in accordance with P.D. No. 442 as amended (New Labor Code) and as prescribed by the latest implementing Regional Wage Orders.
7. The Contractor shall pay all salaries and wages to its regular and/or alternate personnel, for salary period of 1st to 15th of the month, on the 25th of the current month; while for salary period of 16th to end of the current month shall be on the 10th of the succeeding month. Payment shall be made at PSALM premises where work is conducted. PSALM reserves the right to review the payroll and assign representative/s to observe payment of salaries or wages due their personnel. Likewise, Contractor shall be solely responsible for the payment of all indemnities to its employees, which may arise under existing laws and shall comply with the provisions of all other laws/decrees relative to its employees. For information purposes, Contractor shall, every end of the month, submit to PSALM a report and/or information befalling its employees assigned to premises of PSALM in accordance with this Contract. Deductions from salaries of personnel shall be limited to those allowed/authorized by law. These deductions shall be clearly indicated on the payroll, explained to and concurred by the personnel. Wage increases prescribed by law thru Wage Orders shall be implemented by the Contractor, being for the benefit of its employees, and PSALM shall reimburse to the Contractor the appropriate wage increase, hence the Contract is deemed amended accordingly.
8. The Contractor shall provide the required equipment, tools, materials and supplies, stated in Section VI. Schedule of Requirements necessary for the implementation of the Contract, and shall be for the exclusive use of PSALM. All supplies delivered must be subject to inspection and acceptance by PSALM representative. The materials, supplies and

equipment should conform to the specifications stipulated in the Section VI. Schedule of Requirements of the Contract. Repackaging and tampered seal in the packaging shall not be accepted. In order to enforce strict compliance with the proper delivery of materials, supplies and equipment, delivery of these items not in compliance with these provisions for three (3) occasions shall be enough ground for termination of this Contract. Replacement specifications of materials, supplies and equipment may be allowed subject to written approval/consent of PSALM with corresponding cost adjustment.

9. In the exigency of the service, PSALM has the right to increase/decrease or change materials, supplies, tools and equipment requirements as the necessity for the same arises. Increase and/or decrease from the regular quantity of equipment, tools, materials and supplies maybe adapted accordingly, with corresponding increase/decrease in price and cost charges. The Contractor may also be required to deliver materials, supplies, tools and equipment to other PSALM offices or facilities based on the contract price. PSALM shall have the control in the utilization of materials, supplies and equipment and stocks shall be subject to periodic inventory and inspection.
10. As the need arises, the Contractor can be required to deliver additional materials, supplies, tools, equipment and services/manpower not originally included in the Contract but essential to accomplish the scope of works stipulated therein or required. Cost/Prices of these additional Goods and services should be mutually agreed upon by PSALM and the Contractor after a canvass of the new items (materials and supplies or services) from three (3) reputable sources has been conducted by the Contractor and approved by PSALM. These additional materials, supplies, tools, equipment and services shall be delivered upon issuance of a Conforme Letter by PSALM through the Contract Administrator.
11. The Contractor shall be responsible for the safety and health of the employees and the public in general, and shall do all means to protect or prevent causes that would be detrimental to the employees and the public. They shall provide the necessary safety and sanitation gadget and paraphernalia such as mouth respirator, ear muff, gloves, goggles, signs, safety strap to their personnel to properly discharge their duties.
12. The Contractor shall provide signs and barriers and maintain same during the course of work to effectively prevent any accident in the consequence of work.
13. It is understood by the Contractor that any information, data or material it or any of its employees assigned herein may acquire in connection with or relative to business operations or activities of PSALM, its trade or business secrets, manufacturing operations or processes, accounting and financial records, and security details are considered the exclusive proprietary information of PSALM and shall remain confidential

perpetually, and not to be disclosed by the Contractor in any manner to any person not a party to this Contract.

14. The Contractor hereby further warrants and guarantees that during and after the term of this Contract, its officials, employees, agents or representatives shall not stage any picket or concerted activity however peaceful at the premises or any other offices or places of business of PSALM. In the event that any industrial dispute shall, for any reason whatsoever, take place during the term of this Contract between the Contractor and its employees to the extent that the Contractor is unable to perform its obligations hereunder, PSALM shall have the right to unilaterally terminate this Contract without need of prior notice.
15. The Contractor shall not assign or transfer this Contract, whether in whole or in part, to any party, nor assign, convey or cede his rights and obligations hereunder, or subcontract any work or service contracted out hereunder, without the prior written approval and consent of PSALM.

Responsibilities of the Supervisor

1. Assign janitorial duties to staff and regularly inspect their work to ensure that established quality standards are met. Coordinate activities by scheduling work assignments, setting priorities, and directing the work of subordinate employees.
2. Make regular rounds to check for crew coverage of designated work areas, assigns needed coverage, gives special cleaning instructions and/or assignments and ascertains compliance with directives.
3. Determine and coordinate to PSALM the cleaning supplies and equipment needed.
4. Take inventory of all cleaning supplies and equipment and inform PSALM when supplies are depleted.
5. Conduct inspections and investigates grounds and buildings to check for cleanliness and advise subordinates of found conditions needing further attention.
6. Evaluate the need for minor building or equipment repairs and supervise minor repairs. Notify PSALM of any building maintenance or repairs needed.
7. Conducts inspections and investigates tenant complaints of building to check for cleanliness and advise subordinates of found conditions and methods of correction.
8. Resolve conflicts between janitorial staff in an efficient manner.
9. Perform all janitorial duties necessary in instances of staff shortages and respond promptly to service complaints and special cleaning requests.

RIGHTS OF THE PROCURING ENTITY TO VARY SERVICES REQUIREMENT

1. PSALM shall have the right, in the exigency of the service, to vary its manpower requirement, to increase and/or decrease the number of personnel, or change the services provided by the Contractor provided it is related to the Contract. The Contractor shall correspondingly comply within twenty-four (24) hours upon receipt of a written notice from the Manager, Administration and General Services Division. An increase in the number of manpower may involve and require extension of services or deployment of janitors to other PSALM offices or facilities, adopting the Wage Order for janitors applicable in the area. An increase in the number of personnel does not necessarily mean increase in the delivery of equipment, materials and supplies. If needed, corresponding adjustment shall be made on the labor and materials ratio.

RELATION BETWEEN PSALM AND THE CONTRACTOR'S EMPLOYEES

1. The Contractor shall have the exclusive and absolute right, to select, suspend, terminate and/or impose disciplinary action over the janitorial personnel assigned to PSALM. The Contractor shall assign the janitorial personnel based on a schedule of Post Assignments to be provided by PSALM. PSALM shall have the right to screen, refuse, seek replacement or substitution of any janitorial personnel who fails the selection criteria or found guilty of acts inimical to PSALM's interest. The judgment of PSALM on such matters shall be final and binding and should the Contractor refuse to abide, the former may consider the same a valid cause for the immediate termination of the Contract.
2. It is expressly agreed and understood that the janitorial personnel of the Contractor are not employees of PSALM and as such, PSALM shall not in any way or manner be liable or responsible for any personal injury or damage to properties, including death sustained by or caused to or by any of the Contractor's employees or janitorial personnel assigned to the premises of PSALM during the performance of their duties. Insofar as any and all janitorial personnel assigned to PSALM are concerned, the Contractor shall at all times stand solely liable and/or responsible for the enforcement and compliance with all existing laws, rules and regulations, including the Labor Code, Social Security Law, Employee's Compensation Act, Medicare Act, HDMF Law and other related welfare legislations/issuance, and the Contractor hereby further agrees and binds itself to save and hold PSALM free from any liability with respect thereto and/or which may arise therefrom. The Contractor hereby agrees to hold PSALM free and harmless from all and any damages and liabilities that may be filed against the janitorial personnel by reason of their employment by the Contractor under decrees and/or law pertinent to employer-employee relationship.

INJURY OR ACCIDENT

1. PSALM shall, in no manner be answerable or accountable for any accident, injury of any kind or death which may occur to any employee of the Contractor during the performance of this contract.

MAN-HOUR AND MATERIAL OFFERING

1. The Contractor's personnel shall work on the regular six (6) days schedule, eight (8) hours daily, depending on the position or nature of works, from Monday to Saturday, except when otherwise assigned to render services in shifting schedules as agreed by both parties. However, if circumstances so warrant, PSALM may require said workers to perform services with due overtime compensation.
2. In the exigency of the service, man-hour and materials offsetting may be imposed (mandatory) by PSALM to facilitate the performance of the job and service required to respond to urgent situation requiring immediate action, and/or to save on cost through frugal disposition/utilization of materials and supplies. Offsetting thru equipment, materials, supplies, tools and services shall be allowed provided the amount involved in the off-setting is equal and exclusively used for activities within the scope of the contract. The prices of the offset materials should be based on its fair market value, subject to price, quality and quantity acceptance and approval of the Procuring Entity. Materials/Equipment acquired thru off-setting shall remain to be the property of PSALM.

EXTRA/OVERTIME SERVICES

1. If extra services/workforce will be needed or required by PSALM, PSALM may require the Contractor to provide the services requested thru a Conforme letter signed by PSALM's authorized representative. There shall be no deployment of extra manpower services without prior notice of approval by the Manager, Administration and General Services Division. The extra services to be provided should be within the scope of the existing contract.
2. Services beyond regular working days and regular working hours shall be allowed subject to funds availability and with prior written authorization/approval by the Manager, Administration and General Services Division. Payment for extra/overtime services rendered shall be made upon presentation of a separate billing, the computation of which should be based on the employee's basic daily rate plus applicable premium, if any.

THIRTEENTH (13TH) MONTH PAY

1. The required 13th month pay shall be paid not later than December 24 of each year. The Contractor, however, may give to its employees one-half (1/2) of the required 13th month pay before the opening of the regular school year and the other half on or before the 24th of December every

year. The frequency of payment of this monetary benefit maybe the subject of agreement between the employer and the recognized collective bargaining agreement of the employees. PSALM should be informed in writing of the manner of payment of the 13th month pay for its employees and thus, reflected in the payroll, otherwise non-compliance shall be considered a violation of the Contract.

2. Billing for the 13th month pay of the Janitors/Supervisor shall be made separately from the monthly basic pay billing. The separate billing for the 13th month pay shall be made a month before actual release to Janitors/Supervisor.

BILLING REQUIREMENT

1. The statement of account for the first billing for the services rendered by the Contractor shall consist of complete supporting documents including but not limited to the following:
 - a. Statement of Account;
 - b. Janitors' Area of Responsibility/Floor Assignment
 - c. Properly accomplished daily attendance records (DTR);
 - d. Summary of DTR
 - e. Affidavit from CONTRACTOR (Paid Wages and Statutory Obligations)
 - f. Paid payroll or pay slips
 - g. Bank Certification
 - h. Notice of Award (NOA)
 - i. Notice to Proceed (NTP)
 - j. Performance Bond
 - k. Cost Distribution & Bid Price Schedule
 - l. Janitorial Services Contract
 - m. 201 Files of the janitors and supervisor
 - n. Certification (Deployment of Janitors/Supervisor and Validation of 201 Files)
 - o. Other documents as may be required by the Procuring Entity.

For the succeeding billings, the Contractor shall submit supporting documents comprised of the following, but not limited to:

- a. Statement of Account;
- b. Janitors' Area of Responsibility/Floor Assignment
- c. properly accomplished daily attendance records (DTR);
- d. Summary of DTR
- e. Affidavit from Contractor (Paid Wages and Statutory Obligations)
- f. Paid payroll or pay slips
- g. Bank Certification
- h. Official receipt and alpha list of Statutory Obligation (highlighted)
- i. Cost Distribution & Bid Data Sheet

2. Contractor shall be required to submit a duly authenticated copy of the SSS remittances showing the names of the janitors and supervisor assigned to PSALM on a quarterly basis.
3. Non-submission of the foregoing documents shall be sufficient basis for PSALM to withhold payments to the Contractor under the contract, and/or immediately terminate this Contract by giving the Contractor a 30-day prior written notice therefore.

BILLING AND MANNER OF PAYMENT

1. The payment for the services rendered shall be billed monthly and shall be paid by PSALM within fifteen (15) days from receipt of the statement of account with complete documentations from the Contractor, unless there shall be any points of verification needed in the processing of the payment.
2. The Contractor hereby agrees to undertake the appropriate action and/or effect payment of penalties for violations of any of the following:

CONTRACTOR VIOLATIONS	PENALTY
a. Loss or damage to materials/equipment at the area of responsibility	the actual value of the loss or extent of damages of such property and/or termination of contract
b. Incomplete janitor posting	one-day janitor’s pay deduction from the billing for the period per absentee janitor posting
c. Improper uniform, drunkenness, discourtesy, misbehavior of janitors during their duty	replacement of janitors concerned and deduction of one-day janitor’s pay from the billing for the period per janitor involved
d. Contractor posted janitor(s) who are not qualified as per Contract	Deduction from the billing of P200.00 per day per janitor and removal of the janitor from assignment upon receipt of Procuring Entity’s notice
e. Incomplete equipment/materials/ supplies on site as committed under this contract	Actual cost of lacking item to be deducted from billing for the period

3. The amount due shall be deducted by PSALM from any money due to the Contractor under the Contract.
4. Tampering/falsification of individual time records of the janitors shall be a ground for termination of the Contract.

SSS, Philhealth, Pag-ibig, ECC and BIR REMITTANCES

1. The Contractor should see to it that all its employees should have their individual identification number for SSS, Pag-ibig, Philhealth, ECC and BIR TINs and other required labor-related government institutions prior to employment, or within one (1) month upon commencement of the contract. If any of its employees does not have any of these ID numbers or fail to comply/complete the requirement, it shall be considered a violation of the Contract subject to appropriate penalty which may include pre-termination of the contract. Likewise, the Contractor is required to furnish copies of proof of enrollment/membership of their personnel to these institutions.
2. SSS, Pag-ibig, Philhealth, ECC and BIR premiums/deductions/taxes withheld shall be based on the latest prevailing table of deductions and shall be deducted once every end of the month (16th to end of the month) payroll of its employees. These deductions shall be paid directly to the Agency's Manila office through the authorized banks/collecting agents every second week of the succeeding quarter. Likewise, a proof of monthly payment/remittances from concerned agencies showing the individual employees' deductions, with stamp received by the agencies, shall be attached to their end-of-month billings to PSALM. Alpha listing employees reflecting their individual income taxes withheld or BIR remittances shall also be submitted as attachment if required by PSALM.
3. PSALM shall have the right to withhold payment of billings for failure of the Contractor to submit proof of monthly payment/remittances of statutory deductions of its employees. Or PSALM shall have the right to deduct the amount corresponding to the statutory deductions of its employees and directly remit it to the concerned government agency.
4. For the benefit of employees concerned, all statutory adjustments/increases of SSS, Philhealth, ECC and Pag-ibig contributions mandated by law of the Philippines shall be borne by PSALM.

BANK DEPOSIT

1. Contractor shall submit a Certificate of Bank Deposit from any reputable commercial bank preferably the Land Bank of the Philippines (LBP) branch and/or licensed by the Bangko Sentral ng Pilipinas nearest the place of PSALM office being serviced in an amount equivalent to one (1) month basic salary of all its personnel assigned with PSALM, withdrawable only for payment of the salary of the said personnel upon the consent and clearance of PSALM. The Contractor/depositor shall issue a conditional

letter/advise to the Bank upon its opening of account that such deposit shall only be withdrawn if withdrawal slip is countersigned by PSALM representative and that PSALM has the right/authority to verify at any time the Contractor's Bank Deposit. A copy of this advice authenticated/received by the Bank shall be submitted to PSALM, together with the Certificate of Bank Deposit upon commencement of the contract. Said deposit may be used should Contractor's billing, collection/payment for the preceding month which was submitted on the scheduled time and accepted complete with necessary/required documents/attachments, is delayed, to assure receipt by the Contractor's employees' salaries on time, and shall be immediately replenished upon collection of the billing for the period from PSALM and submit bank certification or bank authenticated copy of bank account statements.

2. An updated Certificate of Bank Deposit shall be attached to the 15th and end of the month billing of the Contractor subject to verification of its authenticity by PSALM as a matters of procedure. The issuing bank should issue a confirmation as to the authenticity of said bank certificate. Non-compliance with the above requirements shall be ground for the termination of the Contract.

DAMAGES TO AND LOSS OF PROPERTY OF PSALM AND ITS PERSONNEL

1. All damages to any property belonging to PSALM or its personnel caused by failure of the Contractor's employee/s to take reasonable precaution, and all deterioration and/or damages to permanent work due to accident or negligence on the part of Contractor's employee/s shall be the responsibility and accountability of the Contractor therefore shall be repaired/replaced and paid for without any expense to the Procuring Entity.
2. All expenses shall be borne by the Contractor and must be acted upon within seventy-two (72) hours. No adjustment in Contract price will be made on account of such damage/s.
3. Should Contractor fail to effect the necessary remedy within the said period, PSALM shall deduct the value or cost thereof from the Contractor's billings.
4. In addition, corresponding demerit per reported case shall be charged to the Contractor regardless of remedial actions taken.
5. When the Contractor fails to completely deliver on the scheduled delivery date the required materials and supplies for two consecutive months, or the Contractor fails to oblige complete and maintain the required tools, equipment, materials and supplies and other paraphernalia within thirty (30) days allowance in case granted by PSALM.

OTHER GROUNDS TO TERMINATE THE CONTRACT

1. It is expressly understood herein that the relationship of the Contractor with PSALM is based purely on the trust and confidence of the latter in the former. PSALM shall have the exclusive right to terminate the Contract in case of loss of said trust and confidence in Contractor, upon thirty (30) days prior notice to Contractor.
2. PSALM shall have the right to terminate the Contract on the following grounds:
 - When Contractor personnel/workers have willfully and intentionally caused irreparable damage to the prestige or any vital interest of PSALM, or have caused great destruction of PSALM properties, or have caused great economic loss by personal participation or non-performance of his duties and responsibilities.
 - When the Contractor fails to pay the correct salaries of its personnel on time for two (2) consecutive pay periods, or a cumulative three (3) occasions of delayed payment of salaries in a contract year, without just cause to be determined by PSALM. It is emphasized that delayed collection of billings, not due to fault of PSALM, such as, late submission of billings, incomplete/wrong attachments, should not be a reason for delay in the disbursement of salaries.
 - When the Contractor continuously or willfully fails to submit proof of payment/remittances for statutory deductions such as BIR, SSS, Pag-ibig, Philhealth, etc. of its employees.
3. When the Contractor fails to open and maintain the amount equivalent to one (1) month salary of personnel deposit or replenish the amount withdrawn from this deposit as provided for in the Contract.
4. PSALM shall have the right to immediately terminate the contract if Contractor subcontracts this Contract or portion thereof to other contractor/s except for specialized services and equipment that are exclusively rendered by service maintenance providers or accredited distributors and/or if its employees use or disclose to any unauthorized person, firm or entity any confidential information concerning the business of PSALM which may have been acquired by them, as provided for in Contract's "Warranty Clause."
5. When the Contractor has violated any statute of PSALM rules and regulations, other obligations, mandatory requirements, provisions under this Contract and refused to comply and/or remedy the violation within the reasonable period given by PSALM.

SANCTION AND BLACKLISTING OF ERRING CONTRACTOR

1. PSALM reserve the right to sanction or blacklist contractors, who have violated or have records of any violation of the terms and conditions of any contract with PSALM, or any record of unsatisfactory/fair performance measured within the context of the contract, pre-terminated Contracts, or unresolved complaint/dispute with PSALM's representative. Moreover, the Contractor shall be blacklisted for breach or abandonment of the Contract, and/or due to untimely or unjustly termination of the Contract by the Contractor without giving the thirty (30) calendar days advance notice and without prior conformance of PSALM. The sanction/blacklisting shall be enough ground to disqualify the said contractors from entering into another contract with PSALM.
2. PSALM shall act as arbitrary/conciliatory body for complaints against the Contractor and its employees, recommends and/or impose appropriate disciplinary/preventive or legal actions.

Section VIII. Bidding Forms

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Checklist/Evaluation Sheet of Requirements for Bidder

The FIRST ENVELOPE shall contain the following eligibility and technical documents:

PSALM REQUIREMENTS Submitted <input checked="" type="checkbox"/> Not-submitted <input type="checkbox"/>	REMARKS
I. ELIGIBILITY DOCUMENTS	
CLASS "A" Documents	
1. PhilGEPS Certificate of Registration and Platinum Membership together with Annex "A" in accordance with Section 8.5.2 of the IRR.	
a. Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives,	
b. Mayor's/Business permit for 2020 issued by the city or municipality where the principal place of the business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas; 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 for CY 2020: Provided, that the renewed permit shall be submitted as a post-qualification requirement.	

c. Tax Clearance Certificate per Executive Order No. 398, s. 2005, issued by the Bureau of Internal Revenue (BIR).

Only a valid TCC issued by BIR pursuant to the above related BIR issuances is acceptable. Provisional Tax Clearance Certificate or any other form is not accepted. For the avoidance of doubt, a TCC issued by the Revenue Regional Office and submitted by a Bidder should be issued on or before the date of effectivity of BIR Revenue Memorandum Order No. 46-2018.

For further clarification on valid TCC, Tax Clearances for Bidding Purposes shall only be valid after the same have been posted in the BIR Website. In case the TCC is not yet posted in the BIR Website, the Bidder must submit a certified true copy of the TCC issued by the BIR, or its original, which will be returned to the Bidder after the bidding process.

<p>d. The prospective bidder’s Audited Financial Statement, showing, among others, the prospective bidder’s total and current and liabilities, stamped “received” by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission.</p> <p>In accordance with Section 2 of the Bureau of Internal Revenue Regulation 07-2007, the Audited Financial Statement shall be composed of the following:</p> <ul style="list-style-type: none"> a. Balance Sheet; b. Income Statement/Profit and Loss Statement; c. Statement of Changes in Equity, showing either: <ul style="list-style-type: none"> 1. All changes in equity 2. Changes in equity, other than those arising from transactions with equity holders acting in their capacity as equity holders; d. Statement of Cash Flow; e. Notes, comprising a summary of significant accounting policies and other explanatory notes; and f. Schedules attached to the afore-cited statements. 	
<p>2. Statement of all its ongoing and completed government and private contracts within the period stated in the BDS, including contracts awarded but not yet started, if any (Form No. ELIG-01)</p>	
<p>3. Statement of Single Largest Completed Contract which is Similar in Nature during the Last Three (3) Years (Form No. ELIG-02)</p>	
<p>4. NFCC computation in accordance with ITB Clause 5.5 (Form No. ELIG-03) or a committed Line of Credit from a universal or commercial bank (Form No. PSALM-03)</p>	
<p>CLASS “B” Documents</p>	

<p>5. If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners in accordance with Section 23.1(b) of the IRR. (Form No. ELIG-04)</p>	
<p>II. TECHNICAL DOCUMENTS</p>	
<p>6. The Bid Security, in accordance with ITB Clause 18, shall be any of the following:</p>	
<p>a. Bid Securing Declaration (Form No. TEC-01)</p>	
<p>b. Cash or cashier's/manager's check issued by a Universal or Commercial Bank - 2% of ABC</p>	
<p>c. Bank Guarantee - 2% of ABC (Form No. TEC-02)</p>	
<p>d. Irrevocable letter of credit - 2% of ABC (Form No. TEC-03)</p>	
<p>e. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security- 5% of ABC</p>	
<p>7. Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents (Form No. TEC-04).</p> <p>Form No. TEC-04 must be accomplished and duly notarized.</p>	
<p>8. Sworn statement in accordance with Section 25.3 of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms (Form No. TEC-05).</p> <p>The Omnibus Sworn Statement (Form No. TEC-05) must be accompanied by a duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable, stating 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 to participate, submit the bid, and to sign and execute the ensuing contract.</p>	

The SECOND ENVELOPE shall contain the following:

III. FINANCIAL COMPONENT	
1. Duly Signed and completed Bid Form (<i>Form No. FIN-01</i>)	
2. Duly Signed and completed Detailed Bid Price Schedule (<i>Form No. FIN - 01A, FIN - 01B, and FIN - 01C</i>)	

Form No. ELIG-01

List of all Ongoing Government and Private Contracts including Contracts Awarded but not yet Started

Business Name : _____

Business Address : _____

Name of Contract/ Project Cost	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Date Awarded b. Date Started c. Date of Completion	% of Accomplishment		Value of Outstanding Works / Undelivered Portion
			Description	%		Planned	Actual	

Note: The following documents shall be submitted upon post-qualification:

1. Notice of Award and/or Contract
2. Notice to Proceed issued by the owner

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

Form No. ELIG-02

Statement of Single Largest Completed Contract which is Similar in Nature During the last three (3) years

Business Name : _____

Business Address : _____

Name of Contract	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Amount at Award b. Amount at Completion c. Duration	a. Date Awarded b. Contract Effectivity c. Date Completed
			Description	%		

Note: The following documents shall be submitted upon post-qualification:

1. Contract
2. Certificate of Completion/Acceptance

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

Financial Documents for Eligibility Check

- A. Summary of the Applicant Supplier’s/Distributor’s/Manufacturer’s assets and liabilities on the basis of the attached income tax return and audited financial statement, stamped “RECEIVED” by the Bureau of Internal Revenue (BIR) or BIR authorized collecting agent, for the immediately preceding year and a certified copy of Schedule of Fixed Assets particularly the list of construction equipment.

		Year 20__
1.	Total Assets	
2.	Current Assets	
3.	Total Liabilities	
4.	Current Liabilities	
5.	Net Worth (1-3)	
6.	Net Working Capital (2-4)	

- B. The **Net Financial Contracting Capacity (NFCC)** based on the above data is computed as follows:

NFCC = [(Current asset - current liabilities) (15)] minus value of all outstanding or uncompleted portions of the project under ongoing contracts yet to be started coinciding with the contract to be bid.

or

Commitment from a licensed bank to extend to it a credit line if awarded the contract.

Name of Bank: _____ Amount: _____

Submitted by:

Name of Supplier / Distributor / Manufacturer

Signature of Authorized Representative

Date: _____

NOTE:

If Partnership or Joint Venture, each Partner or Member Firm of Joint Venture shall submit Form No. ELIG-03.

Joint Venture Agreement

KNOW ALL MEN BY THESE PRESENTS:

That this JOINT VENTURE AGREEMENT is entered into By and Between _____, of legal age, (civil status) , owner/proprietor of _____ and a resident of _____.

and -

_____, of legal age, (civil status) , owner/proprietor of _____ a resident of _____.

That both parties agree to join together their manpower, equipment, and what is needed to facilitate the Joint Venture to participate in the Eligibility, Bidding and Undertaking of the here-under stated project to be conducted by the PSALM Corporation.

NAME OF PROJECT

CONTRACT AMOUNT

That both parties agree to be jointly and severally liable for the entire assignment.

That both parties agree that _____ and/or _____ shall be the Official Representative of the Joint Venture, and is granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Joint Venture in the bidding as fully and effectively and the Joint Venture may do and if personally present with full power of substitution and revocation.

That this Joint Venture Agreement shall remain in effect only for the above stated Project until terminated by both parties.

Name and Signature of Authorized Representative

Name and Signature of Authorized Representative

Official Designation

Official Designation

Name of Firm

Name of Firm

Witnesses

1. _____

2. _____

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____)S.S.

BEFORE ME, a Notary Public for and in _____, Philippines, this _____ day of _____, 2020, personally appeared:

Name	Identification Document	Issued on	Issued at

known to me and known to be the same persons who executed the foregoing instrument consisting of _____ () pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and/or that of the Corporation he represents.

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

Notary Public

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2020.

Bid Securing Declaration Form

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

x-----x

BID SECURING DECLARATION
Invitation to Bid: [Insert Reference number]

To: **ATTY. IRENE JOY BESIDO-GARCIA**
President and CEO
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center Tower 1,
Astra cor. Lux Drives, North Ave., Quezon City 1105

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration¹, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
 - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;

¹ Issued by the GPPB through GPPB Resolution 03-2012 on 27 January 2012, as amended by GPPB Resolution 15-2014 dated 20 June 2014.

(c) I am/we are declared as the Bidder with the Lowest Calculated and Responsive Bid, and I/we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I/we have hereunto set my/our hands this ___ day of _____ 2020 at _____.

[Insert NAME OF BIDDER'S AUTHORIZED REPRESENTATIVE]
[Insert signatory's Title/Designation]
Affiant

SUBSCRIBED AND SWORN to before me this ___ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on _____ at _____.

Witness my hand and seal this ___ day of *[month]* *[year]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. __, *[date issued]*, *[place issued]*

IBP No. __, *[date issued]*, *[place issued]*

Doc. No. _____

Page No. _____

Book No. _____

Series of 2020.

Form No. TEC-02

BANK LOGO

Form of Bid Security (Bank Guarantee)

WHEREAS, *[insert name of Bidder]* (hereinafter called the “Bidder”) has submitted his bid dated *[insert date]* for the *[insert name of contract]* (hereinafter called the “Bid”).

KNOW ALL MEN by these presents that We *[insert name of Bank]* of *[insert name of Country]* having our registered office at *[insert address]* (hereinafter called the “Bank” are bound unto PSALM Corporation (hereinafter called the “Entity”) in the sum of *[insert amount]*² for which payment well and truly to be made to the said Entity the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this _____ day of _____ 20____.

THE CONDITIONS of this obligation are:

1. If the Bidder:
 - (a) withdraws his Bid during the period of bid validity specified in the Form of Bid; or
 - (b) does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidder; or
2. If the Bidder having been notified of the acceptance of his bid by the Employer during the period of bid validity:
 - (a) fails or refuses to execute the Contract Form in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders.

We undertake to pay to the Entity up to the above amount upon receipt of his first written demand, without the Entity having to substantiate his demand, provided that in his demand the Entity will note that the amount claimed by him is due to him owing to the occurrence of one or both of the two (2) conditions, specifying the occurred condition or conditions.

The Guarantee will remain in force up to and including the date *[insert days]*³ days after the deadline for submission of Bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE _____ SIGNATURE OF THE BANK _____

WITNESS _____ SEAL _____

(Signature, Name and Address)

³ Usually 28 days after the end of the validity period of the Bid. Date should be inserted by the Entity before the Bidding Documents are issued.

Form of Bid Security (Irrevocable Letter of Credit)

Date: _____

ATTY. IRENE JOY BESIDO-GARCIA

President and CEO

Power Sector Assets and Liabilities Management Corporation

24th Floor Vertis North Corporate Center Tower 1,

Astra cor. Lux Drives, North Ave., Quezon City 1105

Irrevocable Letter of Credit No. _____

For Contract No. _____

WHEREAS, _____, hereinafter called "Supplier" has undertaken in pursuance to (name of Project and contract number), and whereas it has been stipulated by you in the said Contract that the Supplier shall furnish an irrevocable standby Letter of Credit for a sum specified therein as security for the faithful compliance of Supplier's obligations in accordance with the Contract.

WHEREAS, we have agreed to guarantee this obligation by Supplier.

THEREFORE, we hereby affirm that we are guarantors and responsible to you, on behalf of Supplier, up to the total amount of _____ and we undertake to pay you, upon first written demand declaring the Supplier to be in default under the Contract and without cavil, or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without you needing to prove or to show grounds or reasons for your demand for the sum specified therein.

This irrevocable guarantee is valid until the issuance by you of Notice of Final Acceptance.

This certification is being issued in favor of the said Supplier in connection with the requirements of bidding of (name of the procuring entity) for the above-mentioned contract. We are aware that any false statements issued by us makes us liable for perjury.

Name and Signature of Authorized

Financing Institution Officer : _____

Official Designation : _____

Concurred By:

Name & Signature of Supplier's

Authorized Representative : _____

Official Designation : _____

Note:

The amount committed should be machine validated.

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

BEFORE ME, a Notary Public for and in _____, Philippines, this _____ day
of _____, 2020, personally appeared:

NAME

GOV'T ISSUED ID & NO. ISSUED AT/ON

known to me and known to be the same person who executed the foregoing instrument
consisting of _____ () pages, including the page whereon the acknowledgment is
written and acknowledged before me that the same is his free and voluntary act and
deed and that of the Corporation he represents.

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

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of 2020.

Conformity with Section VI (Schedule of Requirements) and
Section VII (Technical Specifications)

(Name of Bidder) hereby undertakes that it shall COMPLY with the general requirements stated in Sections VI (Schedule of Requirements) and Section VII (Technical Specifications).

Name and Signature of Authorized Official

Position

Date

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____, Philippines, this ___ day of _____, 2020, personally appeared:

Name	Government-Issued ID & No.	Issued on	Issued at
(SUPPLIER)			

known to me and to me known to be the same person who executed the foregoing instrument consisting of _____ (___) pages, including the page whereon this Acknowledgment is written, all pages signed by both parties and their instrumental witnesses, and they acknowledged before me that the same is their free and voluntary act and deed and that of the Corporation they represent.

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

Notary Public

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2020.

Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, _____ of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of *(Name of Bidder)* with office address at *(address of Bidder)*;
2. I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for *[Name of the Project]* of the *[Name of the Procuring Entity]*, as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)]*;
3. *(Name of Bidder)* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. *(Name of Bidder)* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;
6. None of the officers, directors, and controlling stockholders of *(Name of Bidder)* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;
7. *(Name of Bidder)* complies with existing labor laws and standards;
8. *(Name of Bidder)* is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Documents;

- b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*; and
9. *(Name of Bidder)* did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 2020 at _____, Philippines.

Bidder's Representative/Authorized Signatory

SUBSCRIBED AND SWORN to before me this ___ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on ___ at _____.

Witness my hand and seal this ___ day of *[month]* *[year]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____
 Notary Public for _____ until _____
 Roll of Attorneys No. _____
 PTR No. _____ *[date issued]*, *[place issued]*
 IBP No. _____ *[date issued]*, *[place issued]*

Doc. No. _____
 Page No. _____
 Book No. _____
 Series of 2020.

Bid Form

Date: _____
Invitation to Bid No: _____

To: The BAC Chairperson
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center I,
Astra cor. Lux Drives, North Avenue,
1105 Quezon City

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to *[supply/deliver/perform]* *[description of Goods]* in conformity with the said Bidding Documents for the sum of _____ *[total Bid amount in words and figures]* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the Goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for ITB Clause 17.1 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:4

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

(if none, state "None")

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

We likewise certify/confirm that the undersigned, *[for sole proprietorships, insert: as the owner and sole proprietor or authorized representative of Name of Bidder, has the full power and authority to participate, submit the bid, and to sign and execute the ensuing contract, on the latter's behalf for the Name of Project of the Name of the Procuring Entity] [for partnerships, corporations, cooperatives, or joint ventures, insert: is granted full power and authority by the Name of Bidder, to participate, submit the bid, and to sign and execute the ensuing contract on the latter's behalf for Name of Project of the Name of the Procuring Entity].*

We acknowledge that failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be a ground for the rejection of our bid.

Dated this _____ day of _____ 2020.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

Detailed Bid Price Schedule

Date: _____

Project: Procurement of Janitorial Services for PSALM Corp. for CY 2020

Code: Project Reference No. 2020-PB-JSPO-005-01

Date of Bidding: _____

Time of Bidding: _____

(Contractor's Name/Address/Tel. No.)

Name of Bidder _____.

Particulars	Amount
A. Manpower	
Fifteen (15) Janitors	
One (1) Supervisor	
B. Materials	
C. Profit Margin	
D. 12% VAT (for Items B and C)	
Total Bid Price (A+B+C+D)	

Total Amount of Bid Price in Words inclusive of VAT (amount in words and figures):

Authorized Official/Position

Signature/Date

^{1/} The total bid price shall be inclusive of manpower services, materials/supplies and agency fee

**Computation of Bid Price for One (1) Supervisor @ 6 days a week
(Project Reference No. 2020-PB-JSPO-005-01)**

COST DISTRIBUTION

Days worked per week	6 days
No. of days per year	313 days
Hours worked per day	8 hours

A.	AMOUNT TO SUPERVISOR	
	Daily Wages (DW)	
	Average Pay/Month (DW x no. of days per year/12)	
	13th Month Pay (DW x 313/12/12)	
	5-day Incentive Pay (DW x 5/12)	
	Uniform Allowance	
	Additional Allowance for Supervisor	
	TOTAL (A)	PhP
B.	AMOUNT TO GOV'T. IN FAVOR OF SUPERVISOR	
	SSS Premium	
	Philhealth Contribution	
	Employees Compensation Commission	
	Pag-Ibig Fund	
	TOTAL (B)	PhP
C.	TOTAL (A+B)	PhP

Note:

1. Pursuant to Circular No. 22-P dated 15 August 2005 of the Social Security System, all employers, in computing the contributions that are due the System will take into consideration and include as employee's remuneration all salaries, wages and allowances except 13th month pay.
2. The basis in determining the Salary Range for the employee's share for Philhealth premium shall be the basic salary only.

**Computation of Bid Price for Fifteen (15) Janitors @ 6 days a week
(Project Reference No. 2020-PB-JSPO-005-01)**

COST DISTRIBUTION

Days worked per week	6 days
No. of days per year	313 days
Hours worked per day	8 hours

A.	AMOUNT TO JANITOR	
	Daily Wages (DW)	
	Average Pay/Month (DW x no. of days per year/12)	
	13th Month Pay (DW x 313/12/12)	
	5-day Incentive Pay (DW x 5/12)	
	Uniform Allowance	
	TOTAL (A)	PhP
B.	AMOUNT TO GOV'T. IN FAVOR OF JANITOR	
	SSS Premium	
	Philhealth Contribution	
	State Insurance Fund/ECC	
	Pag-Ibig Fund	
	TOTAL (B)	PhP
C.	TOTAL (A + B)	PhP

Note:

3. Pursuant to Circular No. 22-P dated 15 August 2005 of the Social Security System, all employers, in computing the contributions that are due the System will take into consideration and include as employee's remuneration all salaries, wages and allowances except 13th month pay.
4. The basis in determining the Salary Range for the employee's share for Philhealth premium shall be the basic salary only.

CONTRACT

FOR THE PROCUREMENT OF JANITORIAL SERVICES FOR PSALM CORPORATION FOR CY 2020 (Project Reference No. 2020-PB-JSPO-005-01)

This CONTRACT is executed on the ____day of ____2020 by and between:

The **POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT CORPORATION (PSALM)**, with principal office address at the 24th Floor, Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1101, represented by its President and CEO, **IRENE JOY BESIDO-GARCIA**, duly authorized for this purpose by virtue of Board Resolution No. 2015-0616-10, dated 16 June 2015 as evidenced by the Secretary’s Certificate dated 13 September 2019, a copy which is attached as Annex “A”.

-and-

The _____(Supplier), a company organized under the Philippine law with principal address at _____represented by its _____, duly authorized for this purpose under Board Resolution No. _____as evidenced by the Secretary’s Certificate dated_____, a copy of which is attached here as Annex “B”.

ANTECEDENTS:

PSALM invited Bids for certain Procurement of Janitorial Services for PSALM Offices for CY 2020 with Project Reference No. _____and has accepted a Bid by the Supplier for the supply of those Goods and Services for the Approved Budget for the Contract (ABC) amounting to _____(PhP_____).

After conducting the bidding through open competitive bidding procedures using a non-discretionary “pass/fail” criterion, the BAC recommended “the SUPPLIER” as the one who submitted the _____Bid in the amount of _____PESOS (PhP_____), which recommendation was approved by PSALM.

ACCORDINGLY, the Parties hereby agree as follows:

- 1. The following documents shall be deemed to form and be read and construed as part of this Contract, viz:

Signed in the Presence of:

SUPPLIER:

(Name)
(Designation)

PSALM Corporation:

IRENE JOY BESIDO-GARCIA
President and CEO

- (a) The Invitation to Bid, including the documents required to be submitted for the qualification of a prospective supplier as stated in Appendix “A” and Annex “H” of the Implementing Rules and Regulations;
 - (b) Bid Documents;
 - (c) the Bid Forms and the Price Schedule submitted by the Bidder;
 - (d) the Schedule of Requirements;
 - (e) the Technical Specifications;
 - (f) the General Conditions of Contract;
 - (g) the Special Conditions of Contract;
 - (h) the Entity’s Notification of Award;
 - (i) Bids and Awards Committee (BAC) Resolution No. _____;
 - (j) Performance Security; and
 - (k) Notice to Proceed.
2. All words and expressions shall have the same meaning as are respectively assigned to them in this CONTRACT and all documents deemed part of it, unless the context of the use of the words and expressions require otherwise.
 3. Contractor shall hold PSALM and end-user free and harmless from any injury/damage sustained by their respective agents, employees or any third party due to any negligent act or omission by such representatives or employees.
 4. Failure of PSALM to insist upon a strict performance of any of the terms and conditions of this Agreement shall not be deemed a relinquishment or waiver of any rights or remedy that PSALM might have against the Contractor for any subsequent breach or default of the terms and conditions of the Agreement. No waiver of any rights under this Agreement shall be deemed to have been made, unless expressed in writing and signed by the waiving party.
 5. Amendments to this Agreement may only be made by mutual written agreement of the parties.
 6. If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to person whose circumstances other than those as to which it was held invalid or unenforceable shall not be affected thereby.
 7. The terms, conditions, and covenants of this Agreement shall be binding upon and shall inure to the benefit of the parties, successors, or assigns.
 8. In case of a dispute between the parties, the same shall be resolved in accordance with Republic Act 9285 (“R.A. 9285”), otherwise known as the “Alternative Dispute Resolution Act of 2004”.

9. Any action or suit under this Contract or any other document related thereto shall be instituted exclusively in the courts of Quezon City, Philippines.

Signed by the parties on _____ at Quezon City.

Supplier

**POWER SECTOR ASSETS AND
LIABILITIES MANAGEMENT
CORPORATION**

Authorized Representative

IRENE JOY BESIDO-GARCIA
President and CEO

Witnessed by:

TWG Chairperson, PSALM Corporation

Certification of Funds Availability:

YOLANDA D. ALFAFARA
Department Manager, Controllership

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____, Philippines, this ___ day of _____, 2020, personally appeared:

Name	Government– issued ID & No.	Issued on	Issued at
IRENE JOY BESIDO-GARCIA			
(SUPPLIER)			

known to me and to me known to be the same person who executed the foregoing instrument consisting of three (3) pages, including the page whereon this Acknowledgment is written, all pages signed by both parties and their instrumental witnesses, and they acknowledged before me that the same is their free and voluntary act and deed and that of the Corporation they represent.

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

Notary Public

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2020.

Performance Security

(To be submitted in the stationery of the Issuing Bank)

IRREVOCABLE STANDBY LETTER OF CREDIT

Number: _____
Amount: _____
Stated Expiration Date _____
Account Party: _____

Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center Tower 1,
Astra cor. Lux Drives, North Ave., Quezon City 1105

Subject: Letter of Credit No. _____

We refer to the Philippine Bidding Documents for the the Procurement of Janitorial Services for PSALM Corporation for CY 2020 (Project Reference No. 2020-PB-JSPO-005-01) as amended or otherwise supplemented, (the “Bidding Documents”).

We hereby establish this Irrevocable Standby Letter of Credit No. [●] (this “**SBLC**”) for the benefit of Power Sector Assets and Liabilities Management Corporation (the “**Beneficiary**”) in an amount not exceeding a total of _____ (PHP _____) (the “**Drawing Amount**”). Funds under this SBLC are available to you at sight upon our receipt of a certificate in the form of Annex A attached hereto (a “**Demand Certificate**”), notifying us of the occurrence of a Bid Security Drawing Event as defined in the Instruction to Bidders, viz:

1. if the Bidder/Account Party:
 - (a) withdraws his bid during the period of bid validity specified in the Form of Bid;
 - (b) does not accept the correction of arithmetical errors of his bid price in accordance with Instructions to Bidders; or
2. if the Bidder/Account Party having been notified of the acceptance of his bid during the period of bid validity:
 - (a) fails or refuses to execute the Contract Form in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security in accordance with the Instruction to Bidders.

3. If the Bidder/Account Party does not comply with any of the other conditions set forth in Instruction to Bidders Clause 18.5.

The Demand Certificate shall upon presentment be appropriately completed and purportedly signed by your duly authorized officer, employee or signatory on or before the Expiration Date (as hereinafter defined). This SBLC does not contain any condition to drawing other than the confirmation by us that the Demand Certificate appears to comply on its face with the requirements of the immediately preceding sentence.

The SBLC shall be drawable at our office in Metro Manila, Philippines. We will pay amounts drawn hereunder from our general funds.

You shall present one Demand Certificate dated the date of presentation for each drawing hereunder to [name and address of issuing bank]. If you present the Demand Certificate by 10:00 a.m. local time on any day on which we are open for business (each such day, a “**Business Day**”), in strict conformance with the terms and conditions of this SBLC, we will honor the same by making payment in immediately available funds, in accordance with your payment instructions and without any restrictions, conditions, inquiry or right of objection whatsoever on our part, without notice to the Account Party prior to such payment and notwithstanding any conditions, demands, or objections by the Account Party or any other party, without you having to further substantiate such demand, by 4:00 p.m. local time on such Business Day, otherwise we will honor your Demand Certificate by 10:00 a.m. local time the following Business Day.

If any demand for payment does not conform to the terms and conditions of this SBLC, we shall give you prompt notice of the same stating the reasons therefor and that we will, upon your request, hold any documents presented to us for five (5) Business Days or return the same to you. Upon being notified that any demand for payment did not conform to this SBLC, you may correct any such non-conforming demand; provided that such corrected demand shall be made and presented to us on or before the Expiration Date (as defined below).

This SBLC shall expire at 5:00 p.m. at our office on the earliest of the following: (i) the Stated Expiration Date; (ii) our honoring of the Demand Certificate/s presented hereunder that, in the aggregate, equal the Drawing Amount, and (iii) the surrender by you of the original SBLC for cancellation. The earliest of the foregoing dates is referred to herein as the “Expiration Date.” Except as otherwise expressly provided in this paragraph, this SBLC shall not terminate prior to the Stated Expiration Date for any reason whatsoever. Notwithstanding the occurrence of the Stated Expiration Date, We will honor and pay for the amount drawn by You as stated in the Demand Certificate; *provided*, that the Demand Certificate was presented to Us before the Expiration Date.

This SBLC sets forth in full our undertaking and references herein to any document, instrument or agreement, except the Demand Certificate/s referred to herein, shall not in any way amend, modify, amplify or limit our undertaking.

All documents presented to us in connection with any demand for payment hereunder, as well as all notices and other communications to us in respect of this SBLC shall be in writing and addressed and presented to us at our office at [address of issuing bank] Attention: [●], and shall make reference to this SBLC by number. You shall personally deliver such documents, notices and other communications to us or send them to us by facsimile to [●], or such other number as we may specify from time to time in writing to you.

This SBLC shall be subject to International Standby Practices 1998 (“ISP98”) and in case of dispute arising from, or in connection with, the interpretation or implementation thereof, shall be subject to Philippine Law.

[Insert Date and Place of Issue]

Very truly yours,
[Issuing Bank]

THIS ANNEX A IS AN INTEGRAL PART OF
LETTER OF CREDIT NO. [●]
DATED [●]

ANNEX A
DEMAND CERTIFICATE
[Date]

[Address of issuing bank]

Attention: [●]

Re: Demand for Payment under Letter of Credit

Ladies and Gentlemen:

We refer to your Letter of Credit No. [●] (the “SBLC”). Any term defined in the SBLC shall have the same meaning when used herein. A Bid Security Drawing Event has occurred and the Beneficiary hereby demands payment of [amount] under the SBLC, such payment to be made to [insert account instructions].

IN WITNESS WHEREOF, this Certificate has been executed and delivered by the Beneficiary on the [●] day of [●].

POWER SECTOR ASSETS AND LIABILITIES
MANAGEMENT CORPORATION

By: _____
Name:
Title:

Credit Line Certificate

Date: _____

ATTY. IRENE JOY BESIDO-GARCIA
President and CEO
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center Tower 1,
Astra cor. Lux Drives, North Ave., Quezon City 1105

CONTRACT/PROJECT : _____
COMPANY/FIRM : _____
ADDRESS : _____
BANK/FINANCING INSTITUTION : _____
ADDRESS : _____
AMOUNT : _____

This is to certify that the above Bank/Financing Institution with business address indicated above, commits to provide the <Contractor / Distributor / Manufacturer / Supplier>, if awarded the above-mentioned Contract, a credit line in the amount specified above which shall be exclusively used to finance the performance of the above-mentioned contract subject to our terms, conditions and requirements.

The credit line shall be available within fifteen (15) calendar days after receipt by the <Contractor / Distributor / Manufacturer / Supplier> of the Notice of Award and such line of credit shall be maintained until the project is completed by the Supplier.

This Certification is being issued in favor of said <Contractor / Distributor / Manufacturer / Supplier> in connection with the bidding requirement of (Name of the Procuring Entity) for the above-mentioned Contract. We are aware that any false statements issued by us make us liable for perjury.

Name and Signature of Authorized Financing Institution Officer:

Official Designation: _____

Concurred By:

Name & Signature of <Contractor/Distributor/Manufacturer>
Authorized Representative : _____
Official Designation : _____

Note:
The amount committed should be machine validated.

Republic of the Philippines)
_____) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____, Philippines, this ___ day of _____, 2020, personally appeared:

Name	Government–issued ID & No.	Issued on	Issued at
(SUPPLIER)			

known to me and to me known to be the same person who executed the foregoing instrument consisting of three (3) pages, including the page whereon this Acknowledgment is written, all pages signed by both parties and their instrumental witnesses, and they acknowledged before me that the same is their free and voluntary act and deed and that of the Corporation they represent.

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

Notary Public

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2020.

Bank Guarantee Form for Warranty Coverage

ATTY. IRENE JOY BESIDO-GARCIA
President and CEO
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center Tower 1,
Astra cor. Lux Drives, North Ave., Quezon City 1105

WHEREAS, [insert name and address of Supplier] (hereinafter called the “Supplier”) has undertaken, in pursuance of Contract No. [insert number] dated [insert date] to execute the contract for the **Procurement of Janitorial Services for PSALM Corporation for CY 2020 (Project Reference No. 2020-PB-JSPO-005-01)** (herein called the “Contract”);

WHEREAS, it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a recognized bank for the sum equivalent to (10% of the Contract price) as security for compliance with the Contract;

WHEREAS, we have agreed to give the Supplier such a Bank Guarantee;

NOW THEREFORE, we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Supplier, in an amount equivalent to (10% of the contract price), and we undertake to pay you, upon your first written demand and without cavil or argument, the aforesaid amount without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Supplier before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there under or of any of the Contract documents which may be made between you and the Supplier shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until the expiration of the warranty period(s) for the Services provided for under the said Contract.

SIGNATURE AND SEAL OF THE GUARANTOR _____
NAME OF BANK _____
ADDRESS _____
DATE _____