

**SECURITY SERVICES**  
**CONTRACT NO. LOG MSSP 2023-10-094-NIY**

**SUPPLY OF TWO (2) YEARS SECURITY SERVICES FOR NATIONAL  
POWER CORPORATION OM-MAJOR REPAIR AND MAINTENANCE  
DEPARTMENT**

PR No. HO-OMR23-003 / PB230912-NA

**KNOW ALL MEN BY THESE PRESENTS:**

This **CONTRACT** made and entered into at Quezon City, Philippines by and between:

**NATIONAL POWER CORPORATION**, a government-owned and controlled Corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at NPC Office Building Complex, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines herein represented by its OIC, OVP-Administration and Finance, **MS. LORLINA E. BOMEDIANO**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**:

- and -

**GRAND MERITUS SECURITY AGENCY, INC.**, a duly licensed security agency duly organized and existing under the laws of the Republic of the Philippines, with principal office address at No. 12 Xavierville Avenue Corner Pajo Street, Loyola Heights, Quezon City represented by its Marketing Officer In-Charge, **MS. ROSARIO BUENAOBRA-LIPATA**, who is duly authorized to represent it in this transaction, hereinafter referred to as the **AGENCY**.

- WITNESSETH -

**WHEREAS**, NPC needs the services of a security agency to render security services for NPC OM-Major Repair and Maintenance Department mentioned in Annex "A" hereof;

**WHEREAS**, in the public bidding conducted on 12 September 2023 for the purpose, pursuant to Sec. 10 of R.A. 9184 and its revised I.R.R., the AGENCY submitted the lowest calculated and responsive bid (LCRB);

**WHEREAS**, NPC has accepted the said offer of the AGENCY;

**NOW, THEREFORE**, in view of the foregoing premises and of the mutual covenants and stipulations, hereinafter provided, the parties hereto have agreed as follows:

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Contract between NPC and Grand Meritus Security Agency, Inc.  
Supply of 2 Years Security Services for OM-MRMD  
Contract No. LOG MSSP 2023-10-094-NIY

AFG-LOG-007.F01  
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(AGENCY)

BY:   
**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

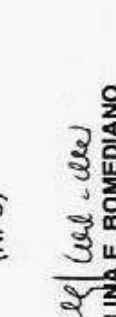
OPERATION MANAGER

BY:   
**EFRAIM C. ROMERO, CSP**  
Operation Manager

MANAGER, MRMD (NPC)

BY:   
**JONATHAN G. LABIOS**  
Manager, MRMD (NPC)

NATIONAL POWER CORPORATION (NPC)

BY:   
**LORLINA E. BOMEDIANO**  
OIC, OVP-Administration & Finance

NATIONAL POWER CORPORATION  
(NPC)

BY: *[Signature]*  
**LORLINA E. BOMEDIANO**  
OIC, OVP-Administration & Finance

*[Signature]*  
**JONATHAN G. LABIOS**  
Manager, MRMD  
(NPC)

*[Signature]*  
**EFRAIM C. ROMERO, CSP**  
Operation Manager

(AGENCY)  
*[Signature]*  
**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

**ARTICLE I**  
**DOCUMENTS COMPRISING THE CONTRACT**

The following documents are hereby incorporated and made integral part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

1. NPC's Bid Documents for the Public Bidding;
  - a. Invitation to Bid
  - b. Instruction to Bidders
  - c. Bid Data Sheet
  - d. General Conditions of Contract
  - e. Special Conditions of Contract
  - f. Technical Specifications
  - g. Schedule of Requirements (Bid Price Schedule)
  - h. Bidding Forms
2. Proposal of the AGENCY dated 11 September 2023
3. Bid Opening/Evaluation Report dated 12 September 2023 and Post-Qualification and Technical Evaluation Report dated 22 September 2023;
4. Notice of Award dated 05 October 2023
5. Notice to Proceed
6. The Performance Security to be filed by the AGENCY in accordance with this Contract
7. All other relevant documents that may be required by NPC.

The documents mentioned above shall collectively be referred to as "Contract Documents."

In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above, the later shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.

**RIGHT TO VARY SECURITY SERVICES REQUIREMENTS:**

- a) NPC shall have the right, as its interest may require, to vary its security services requirements, including the right to increase or decrease the number of guards, to increase/decrease or change logistic/equipage requirements which shall be in the form of an addendum to the Contract. The agency shall correspondingly comply within twenty four (24) hours from receipt of a written notice to that effect from NPC. An increase in the number of guards and logistical requirements may involve extension of services to other NPC offices, plants and installations.

**PRIVATIZATION:**

- a) In the event that the ownership/operation of any power plant, facility, installation or office is transferred to another entity as a result of privatization, any of the following shall govern, at the option of NPC;
  - 1) The contractual obligation of NPC under the contract for security services maybe transferred to the new owner / operator of the

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NATIONAL GUARDIAN (NPC)

BY:

*[Signature]*  
LORLINA E. BOMEDIANO  
OIC, OWP-Administration & Finance

NATIONAL GUARDIAN (NPC)

BY:

*[Signature]*  
JONATHAN G. LABIOS  
Manager MRMD (NPC)

NATIONAL GUARDIAN (NPC)

BY:

*[Signature]*  
ROSARIO BUENAOBRA-LIPATA  
Marketing Officer In-Charge

(AGENCY)

plant subject to the written consent of the Agency and the new owner / operator of the plant. The contract shall cease to have force and effect if the consent of the Agency and the new owner / operator of the plant, facility, installation or office cannot be obtained;

- 2) Pre-termination of the contract provided that the written notice is given by NPC to the supplier at least thirty (30) days prior to termination.

The above shall be without prejudice to payment of claims which were incurred prior to the transfer of the contractual obligation or termination of the contract.

**SELECTION OF REPLACEMENT FOR UNEXPIRED PORTION OF THE CONTRACT.**

- a) Should NPC pre-terminate the services of the Agency, the unexpired life of the contract shall be awarded to the Corporation's other existing security service contractors which is nearest or contiguous to the affected Installation, within the functional grouping, as necessary, provided that, i) the original contract is a result of a competitive bidding; ii) it is within the contracting capacity of the contractor; iii) the amount involved does not exceed the amount of the on-going contract; and iv) the total number of guards posted by the replacement Agency shall not exceed one thousand (1,000) guards nationwide;
- b) NPC, as its interest may require, may extend a security contract in favor of the incumbent Agency or any Agency within the functional grouping as necessary, which is nearest the Installation subject to the discretion of the Functional Group Head as regards to the Agency's performance. Such arrangement, however, shall be on a month-to-month basis and merely temporary and should be effective only for the duration of the existence of legal impediments to the conduct of public bidding, the award of the contract and the assumption of duty of the duly awarded bidder, provided further, that the total number of guards posted by the replacement Agency shall not exceed one thousand (1,000) guards nationwide.

Should this be unfeasible, then the Functional Group Head shall award the contract to any eligible agency of its choice, on the basis primarily of cost.

**ARTICLE II  
MODE OF PAYMENT**

- 1. NPC shall pay the AGENCY based on the latter's actual services rendered under this Contract in the total amount of **Seventeen Million Six Hundred Forty Seven Thousand Five Hundred Seven Pesos & 20/100 (Php 17,647,507.20)**, taking into account the actual number of security guards, their actual tour of duty and respective compensations per month which will be included as Annex of the contract, and deductions for penalties under Article VIII hereof. It is understood that the AGENCY'S billings include all the statutory compensation and benefits due to its security guards. During the effectivity period of this

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BY:

**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

Contract, any increases in the minimum wage applicable to the security guards shall be the sole responsibility of AGENCY except if as a result thereof, the new minimum wage will be more than the present rate of the guards as agreed upon in this Contract, in which case, the difference thereof will be shouldered by NPC.

2. The AGENCY shall inform NPC of the place and time of payment of wages and the AGENCY may proceed with the payment of wages should NPC'S representative, without the obligation to do so, fail to arrive on the specified time and place to witness the payment.

**ARTICLE III**  
**MANNER OF PAYMENT**

1. Payment per 15 day period of security services rendered by the AGENCY shall be paid by NPC within 30 days from receipt of the billing made by the AGENCY which shall be supported by a properly accomplished payroll showing the gross amount earned, deductions and the net amounts payable to the security guards and properly signed daily time records. Where bundy clock is available, accomplished time cards shall be submitted. The number of security guards considered for billing purposes shall not exceed those listed in the duly approved guard deployment roster covering the billing period. For documentation purposes, the AGENCY shall every billing period, submit to NPC (head of installation or its designated security officer) any apprehension reports concerning offenses or violations of rules committed under Article VIII hereof. Deduction from billings shall be charged against the AGENCY's share during the succeeding billing period.
2. The AGENCY hereby binds itself to pay its employees in accordance with the provisions of pertinent laws and/or other legal issuances governing security agencies. The AGENCY shall solely be responsible for the payment of all indemnities to its guards, which may arise under existing laws and shall comply with the provisions of all other Philippine Laws relative to its employees. If NPC becomes liable to any employee of the AGENCY under the provisions of any law resulting from the AGENCY'S failure to comply with said law, the AGENCY shall reimburse NPC for all payments made to said employee, including the cost of suit as the case may be. The AGENCY shall, together with its billings, submit to NPC a statement under oath that it has paid the salaries, wages and/or benefits due to its guards under the law for the billing period.
3. The AGENCY shall, upon receipt of NPC's Notice to Proceed, open a SPECIAL BANK ACCOUNT in the name of the AGENCY's Guard Payroll Fund with any reputable bank acceptable to NPC within the particular area or province where NPC's installation(s) is located in an amount equivalent to one (1) month salary of all guards servicing NPC's installation computed on the basis of the monthly rates per guard per 8 hour duty as indicated in the contract Annex.
4. An updated Certificate of Bank Deposit or authenticated / certified copy of bank account book/statement issued by the bank for the billing month shall be

**EFRAIM C. ROMERO, CSP**  
Operation Manager

**JONATHAN G. LABIOS**  
Manager, MRMD  
(NPC)


**LORLINA E. BOMEDIANO**  
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(NPC)

BY:

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NATIONAL GUARDIAN CORPORATION  
(NPC)  
BY:   
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OIC, OVP-Administration & Finance

  
JONATHAN G. LABIOS  
Manager, MRMD  
(NPC)

  
EFRAIM C. ROMERO, CSP  
Operation Manager

(AGENCY)  
BY:   
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Marketing Officer In-Charge

- attached to the 15<sup>th</sup> and end of month billing of the AGENCY subject to verification of its authenticity by NPC.
5. Withdrawals from the "Payroll Fund" shall be made under the following conditions:
    - a. The amount to be withdrawn shall be limited and used only for payment of salaries of security guards assigned to NPC's installation(s) mentioned herein.
    - b. The AGENCY can withdraw the whole amount of the deposit upon termination of the security service contract with NPC.
  6. Such withdrawals from the "Payroll Funds" shall be replenished in the following manner:
    - a. At the end of every billing period, the AGENCY shall submit to NPC's installation being serviced, its regular billing invoice, the official guard detail duly signed by the AGENCY (Supervisor) and NPC's head of installation or his designee, including the accomplished and approved guards' daily time records, a copy of the paid-up payroll complete with guards' signature and for the first claim, a copy of this Security Services Contract.
    - b. NPC's Installation head shall forward the documents to the appropriate offices for processing and payment;
    - c. NPC shall prepare two (2) checks for each billing period, one payable to the AGENCY's Special Bank Account (Guards' Payroll Fund) as replenishment of the withdrawals for the period, and the other payable to the AGENCY as payment for its share and the remittances to the SSS, State Insurance/ECC, PhilHealth and Pag-IBIG Fund. The two (2)-check payment system may be modified by NPC and the AGENCY, provided, that such modification is in writing and signed by both parties. This agreement shall be in the form of an Addendum to be attached to the main Contract. The AGENCY shall also submit monthly a notarized affidavit, including proof of remittance that all contributions in favor of the guards are properly remitted to the concerned government agencies, which shall form part of the documentary requirements in the AGENCY's billing with NPC.
  7. The AGENCY agrees and authorizes NPC to pay directly to the guards any and / or all amounts due to them for any given period under any of the following circumstances:
    - a. When NPC has reasonable grounds to believe that notwithstanding the withdrawal of the deposit from the Payroll Fund, payment of the guards' salaries are still being unduly delayed.
    - b. When the AGENCY fails to maintain Special Bank Account or misapplies the deposited amount thereby failing to pay the salaries of the guards on time.

BY:

*[Signature]*  
**ORLINA E. BOMEDIANO**  
OIC, OVP Administration & Finance

*[Signature]*  
**JONATHAN G. LABIOS**  
Manager MRMD (NPC)

*[Signature]*  
**EFRAIM C. ROMERO, CSP**  
Operation Manager

(AGENCY)  
BY:

*[Signature]*  
**ROSARIO BUENA OBRA-LIPATA**  
Marketing Officer In-Charge

- c. When requested in writing by the majority of the regular guards in an installation or package due to the following reasons: perennial and unreasonable delay in the payment of their salaries attributable to the AGENCY; rampant illegal, voluntary or unauthorized deductions; the financial system of the AGENCY results to unreasonable delay; or, the existence of any circumstance(s) warranting a direct payment scheme of their salaries.

All administrative costs incurred by NPC to undertake direct payment to the guards shall be chargeable to the AGENCY in the amount equivalent to 0.5% of the transaction price/cost but should be no less than P 1,000.00 or no more than P 5,000.00 per payment transaction deductions from the Agency Share, without prejudice for possible termination of contract at NPC's discretion.

**ARTICLE IV**  
**AGENCY'S OBLIGATIONS AND RESPONSIBILITIES**

1. The AGENCY shall at all times abide by the provisions of the Republic Act 5487 (RA 5487) and its IRR as amended.
2. The AGENCY shall be liable for any death, injury and/or loss/damages to life and/or property within NPC's premises due to theft, pilferage, robbery and other unlawful acts committed by its guards, or by third persons when such could have been avoided/ prevented had the Agency guard not been negligent or remiss in the performance of his/her assigned duties and responsibilities, provided that such death/injury and/or loss/damage shall be reported by NPC to the Agency within forty-eight (48) hours from the time of discovery of such.
3. The AGENCY, including its personnel, shall not be allowed to construct/build any housing facilities/quarters/tenements or structure within NPC premises and/or watershed area.

NPC reserves the right to evict any unlawful occupant and demolish any unauthorized tenement or structure without due notice.

If necessary, the AGENCY may provide housing facilities or quarters for their security personnel outside of NPC premises at their own expense.

4. Awardees of Security Services Contract may source at least thirty (30%) of its manpower requirement for each installation /facility from qualified residents of the host municipality. Should this be insufficient or impractical, it may source them from the host province where the contract is to be undertaken.
5. It is expressly understood and agreed that for all legal intents and purposes, all the guards of the AGENCY employed under this Contract shall not be considered employees of NPC. The AGENCY assumes full responsibility for the faithful and complete performance by the security guards of all their duties pursuant to the provisions of this Contract.

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**EFRAIM C. POMERO, CSP**  
Operation Manager

**JONATHAN O. LABIOS**  
Manager, MRMD  
(NPC)

**LORIANA E. BOMEDIANO**  
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(NPC)

BY:

6. All administrative costs incurred by NPC to undertake direct remittance to the concerned Agencies shall be chargeable to the AGENCY in the amount equivalent to 0.5% of the remittance amount but should be no less that P 1,000.00 or no more than P 5,000.00 per remittance transaction deductible from the Agency Share, without prejudice for possible termination of contract at NPC'S discretion.
7. The AGENCY shall maintain a satisfactory level of performance throughout the fifteen (15) months contract based on the performance criteria which may include but not limited to the following:

**7.1 Quality of Service Delivered;**

7.1.1 The AGENCY shall provide the appropriate number of guards for three (3) shifts a day. The regular daily tour of duty for each guard shall be eight (8) hours, and no guard shall be made to render more than eight (8) hours duty within a 24-hour period except in cases of extreme necessity and only upon prior written permission of NPC (head of installation organic security officer or authorized representative). The AGENCY shall provide reserve guards, which shall not be less than ten percent (10%) of the total number of regular guards required under this Contract;

7.1.2 The AGENCY shall ensure and guarantee that its security guards shall familiarize themselves with NPC's officers and all the installation's personnel, and at all time accord to them the highest respect and courtesy;

7.1.3 The AGENCY hereby guarantees that all guards shall follow all regulations, policies, security programs and plans of NPC to continuously improve their performance, efficiency, discipline, fitness and preparedness, and warrants that all security guards shall observe the highest courtesy and respect towards all officials and employees of NPC including authorized visitors in the execution of their duties;

7.1.4 The AGENCY shall diligently and faithfully serve the best interests of the NPC in rendering its services and shall not, during the period of this Contract or at any time thereafter, use or disclose to any unauthorized person, firm or entity, any classified information concerning the business affairs of NPC which any member of the security force of the AGENCY may have acquired by reasons of such contractual relationship;

**7.2 Time Management;**

7.2.1 The AGENCY hereby guarantees that the salaries of guards detailed with NPC shall be paid during the regular

BY: (NPC)

*[Signature]*  
**LORLINA E. BOMEDIANO**  
OIC, QVP/ Administration & Finance

BY: (NPC)

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**JONATHAN G. LABIOS**  
Manager, MRMD (NPC)

BY: (AGENCY)

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**EFRAIM C. ROMERO, CSP**  
Operation Manager

BY: (AGENCY)

*[Signature]*  
**ROSARIO BUENA OBRA-LIPATA**  
Marketing Officer In-Charge

working hours and at the installation where the guards are serving, not later than the 20th and 5th day of the succeeding month. Any repetitive or unjustified delays in the payment of the salaries attributable to the AGENCY, or if the guards are not paid the exact amount due to them as reflected in the payroll, shall be sufficient ground for NPC to terminate the service contract;

7.2.2 The AGENCY shall guarantee that all the employer's share being paid by NPC to the AGENCY, like the SSS premiums, State Insurance/ECC, PhilHealth, Pag-IBIG and others and the corresponding employee's shares being pre-deducted, are all remitted properly and on time to the concerned agencies and any unjustified delay or non-remittance of these amounts shall be a sufficient ground for NPC to remit these amounts directly to the concerned government agencies;

7.3 Management and Suitability of Personnel;

7.3.1 The AGENCY shall assign only members of the force who are acceptable to NPC (head of installation or his designee) and the AGENCY shall not pull out any security guard from NPC or redeploy any guard to another installation or facility of NPC without the written consent of the latter;

7.3.2 The AGENCY shall assign to NPC well trained, experienced, licensed, uniformed and armed guards who shall meet the qualifications listed below. NPC shall have the right to reject the AGENCY'S proposed guard/s if found not in accordance with NPC'S qualification requirement;

7.3.2.1 For Supervising/Senior Security Guards, must have finished Basic Security Supervisory Course and at least five (5) years experience in supervisory security work. For the Regular Guard, at least High School graduate and must have finished Pre-Licensing Training Course;


7.3.2.2 Physically fit as per NPC standard; 5' 4" in height; age-between 21 and 50 years (for new applicants and SG's in non-supervisory position);

7.3.2.3 Not related to any NPC personnel within the 4th degree of consanguinity or affinity in the area, complex, installation or project being serviced;

7.3.2.4 Of good moral character, mentally sound and without criminal or police record; must have



NATIONAL CUSTOMER SERVICE CENTER (NPC)

BY:   
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OIC, OVP-Administration & Finance

SECURITY GUARDS

  
**JONATHAN G. LABIOS**  
Manager, MRMD (NPC)

OPERATION

  
**EFRAM C. ROMERO, CSP**  
Operation Manager

(AGENCY)

BY:   
**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

clearance from the PNP Drug Testing Center, the National Bureau of Investigation, and a Certificate from a Neuro-Psychiatrist duly accredited by both the Philippine National Police;

7.3.2.5 Possess the qualifications as prescribed in Section 82 and 86, Rule 26 of Rules and Regulation implementing RA 11917;

**7.4 Contract Administration and Management;**

7.4.1 The AGENCY shall provide each guard with the appropriate AGENCY-owned and licensed firearms and ammunitions as required in this Contract, or that which may be required by NPC in the future as warranted by the situation, during his tour of duty, including but not limited to office and transportation equipment and such other accessories or related equipment, tools, supplies and materials for the use, service and control of the security force under this Contract;


7.4.2 The AGENCY shall, together with its billings, submit to NPC a certificate/proof of compliance from the END USER/NPC installation Head re: complete delivery/availability of materials/supplies/equipage required in this Contract. Any provision/material/gadget, tool paraphernalia, employee's uniform protective and safety gears, etc., required in this Contract regardless whether charge to NPC, AGENCY or their employees but were not provided by the AGENCY shall be deducted with 25% surcharge upon the AGENCY after two (2) consecutive written advise/demand without compliance;

7.4.3 The AGENCY shall exercise effective administration, control, supervision and inspection, through its Supervising Security Guards and/or the Senior Security Guards, to prevent any violation or commission of anomalous acts by the guards, whether on or off duty. The AGENCY shall be liable for any willful, intentional or negligent act or omission of the guards resulting in death/injury to NPC's personnel or visitors, or damage/loss to NPC's properties or those of its personnel or visitors within the service areas;

7.4.4 The AGENCY shall provide for free one (1) complete set of uniform to each guard at the start of this Contract;

7.4.5 The AGENCY shall provide NPC with the number of guards required by the contract as enumerated in the Annex of the contract, and any decrease or increase in

(AGENCY)

BY:   
**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

the number of guards shall require the written approval of NPC;

**7.5 Regular Progress Reports;**

7.5.1 The AGENCY shall submit promptly every morning to NPC (head of Installation or his designee) the shift guard mounting reports, as well as reports of all incidents of loss, injury or damage to life and property, involving NPC's property and personnel as well as non-NPC property or personnel, that occurred during the previous day.


**ARTICLE V  
PERFORMANCE SECURITY**

1. The AGENCY shall file a performance security in the form of cash, cashier's/manager's check, bank draft/guarantee or letter of credit, surety bond acceptable to NPC in the amount and form stipulated in Section IV - GCC 3 and Section V - SCC 3.2 of the Bidding Documents for a term or effective period co-terminus with the duration of this Contract plus sixty (60) days after NPC's acceptance of the last delivery/final acceptance of the contract, to guarantee the faithful and satisfactory fulfillment of all the AGENCY'S obligations under this Contract.
2. This security shall answer for any damages and losses that may be suffered by NPC as a result of the failure of the AGENCY to perform any of its obligations under this Contract. This security shall be released by NPC at the expiration or termination of this Contract provided that there are no pending claims filed against the AGENCY and/or the surety company.

**ARTICLE VI  
RIGHTS OF NPC**

1. NPC, TSSD or its authorized representative shall conduct inspection in ranks/formation of guards, firearms and other equipage as required in the Contract upon the initial assumption of the contracted services before posting, and at least once every month thereafter;
2. NPC, TSSD or its authorized representative shall have the authority and prerogative to conduct inspections of the guards during their tour of duty and to institute measures and implement plans/programs aimed to upgrade their state of morale, discipline, efficiency, fitness and general preparedness.
3. NPC, TSSD or its authorized representative shall have the right to screen, select, accept and/or reject AGENCY'S individual guards in accordance with NPC'S preset criteria.
4. NPC, TSSD or its authorized representative shall have the right to inspect the guards at any time to insure the proper security of the

(NPC)

BY:   
**LURLINA E. BOMEDIANO**  
OIC, OWP-Administration & Finance

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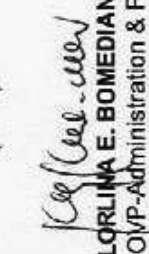
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**EFRAM C. ROMERO, CSP**  
Operation Manager

  
**JONATHAN G. LABIOS**  
Manager, MRMD  
(NPC)

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OIC, OVP-Administration & Finance

personnel, materials and equipment within its premises. Likewise, TSSD or its authorized representative shall have the authority and prerogative to conduct inspection and impose disciplinary actions for any violation(s) committed by the AGENCY guards, as provided in item 8.2. This right of inspection by NPC shall not relieve AGENCY from full responsibility for any inadequate security and protection of its personnel, premises and the contents thereof.

5. Whenever NPC, TSSD or its authorized representative informs AGENCY in writing that any contracted guard, including any AGENCY personnel, in its findings and/or opinion is undesirable, the AGENCY shall, within twenty-four (24) hours from notice, relieve the employee and never again be assigned to NPC's premises mentioned herein, or to any other NPC's installation, and if, for any reason which it deems necessary to protect its interest, NPC TSSD or its authorized representative shall request in writing the revamp of the entire security force, AGENCY shall effect the same without additional cost on the part of NPC.
6. AGENCY security guards and personnel shall be under the supervision and control of NPC, TSSD or its authorized representative with respect to deployment, work shifts and execution of security plans.
7. NPC, for the purpose of implementing the operational aspects of this Contract, shall officially deal only with the Licensee as indicated in the License to Operate the AGENCY.
8. NPC, TSSD or its authorized representative shall have access to record of payment of salaries and/or auditorial right over the payroll of AGENCY.
9. NPC, TSSD or its authorized representative shall deduct the penalties for absences and tardiness of the security guards and other violations of the guards and of the AGENCY from AGENCY's monthly billings as provided in Article VIII hereof.

**ARTICLE VII**  
**ADMINISTRATIVE SANCTIONS**

- 1 Sanctions Against Licensed Security Personnel
  - A. Classification of offenses. The following terms shall be construed to mean as indicated which shall likewise refer to the individual person as private security personnel:
 

Light offenses shall include, but not limited to:

    - a Unauthorized/improper use of uniforms and accoutrements;
    - b use of profane languages;

(AGENCY)

BY:

**ROSARIO BUENAOBRA-LIPATA**  
Marketing Officer In-Charge

**EFRAIM C. ROMERO, CSP**  
Operation Manager

**JONATHAN G. LABIOS**  
Manager, MRMD (NPC)

**LORLINA E. BOMEDIANO**  
OIC, OVR-Administration & Finance

- c acts of discourteousness;
- d failure to notify/call the head of installation or his designee, and nearest PNP Station or law enforcement agency, in case of disorders, riots or strikes and other emergency cases;
- e late or failure to maintain and/or submit records/reports;
- f Performing acts other than his/her official functions not related to security professions;
- g all acts prejudicial to good conduct, behavior, morals and similar acts, pursuant to existing laws, rules and regulations; and
- h Other similar offences.

Less grave offenses shall include, but not limited to:

- a not having in possession his/her license to exercise profession, duty detail order and/or firearms license (when carrying firearms), while on duty;
- b use of uniform not appropriate for one's ranks or position;
- c violation of any of the 11 General Orders;
- d illegal discharge of firearms;
- e. Deliberate refusal to cooperate with the implementation of law enforcement activities;
- f. Abusive behavior;
- g. Being under the influence of liquor or any other intoxicating substance while on duty; and
- h other similar offenses pursuant to existing laws, rules and regulations.

Grave offenses shall include, but not limited to:

- a using uniform other than that prescribed under the Implementing Rules of RA 5487;
- b using personally owned or unlicensed firearm during tour of duty;
- c allowing the use/lending issued firearms to unauthorized persons;

Contract between NPC and Grand Meritus Security Agency, Inc.  
Supply of 2 Years Security Services for OM-MRMD  
Contract No. LOG MSSP 2023-10-094-NIY

(NPC)

BY: