

**SERVICE CONTRACT**  
**(For Garbage Hauling and Disposal)**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract executed and entered into by and between:

**PHILIPPINE DEPOSIT INSURANCE CORPORATION**, a government instrumentality created and existing under and by virtue of RA 3591, as amended, with principal office address at SSS Building, No. 6782 Ayala corner V.A. Rufino St., 1226 Makati City, Metro Manila, represented herein by its Vice President, Administrative Services Group (ASG), Ms. **NINA NOREEN A. JACINTO** and hereinafter referred to as "**PDIC**"

- and -

**Mr. JUVER P. SIBAL**, Filipino, of legal age, with postal address at B-3 L-17, Opel Sreet, Payatas, Quezon City, doing business under the name of **Ombeng Hauling Services** and hereinafter referred to as the "**CONTRACTOR**"

**WITNESSETH: That,**

**WHEREAS, PDIC** needs the services of a garbage contractor for the disposal of waste material and garbage at its head office located at 2228 Chino Roces Avenue, Makati City (hereinafter referred to as the "**PREMISES**");

**WHEREAS**, in a Negotiated Small Value Procurement held for the purpose, the **CONTRACTOR** offered the lowest calculated responsive bid based on the criteria set by the **PDIC** and was issued a Notice of Award in accordance with the Guidelines for Shopping and Small Value Procurement under GPPB Resolution No. 09-2009 dated November 23, 2009;

**NOW, THEREFORE**, for and in consideration of the foregoing premises and of the terms and conditions hereinafter set forth, the parties hereby agree as follows:

**I. SCHEDULE AND SCOPE OF WORK**

1. Garbage collection shall be conducted at five in the morning (5:00 a.m) or six thirty in the evening (6:30 p.m.), every 10<sup>th</sup>, 20<sup>th</sup> and 30<sup>th</sup> day of each month, at the PREMISES. **PDIC** shall have the sole option to amend the frequency and schedule of the garbage collection and disposal, provided that notice of the change is given to the **CONTRACTOR** at least a day before the scheduled pick-up date.
2. If for any reason the **CONTRACTOR** would be unable to haul the waste material/garbage on any of the above agreed scheduled day of collection, the waste material/garbage shall be collected immediately on the day after the scheduled day of collection, if possible, and an additional day shall be added to the monthly schedule.

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3. The hauling and disposal services shall cover all office waste materials, leaves and other miscellaneous wastes deposited in a garbage bin/bag or designated garbage area within the PREMISES.
4. Loading of garbage into the garbage truck shall be made in the presence and with the consent/knowledge of authorized **PDIC** personnel.

## II. **CONTRACT RATE**

1. For and in consideration of the full, faithful and complete performance of the obligations, terms and conditions of this Contract by the **CONTRACTOR**, **PDIC** shall pay the **CONTRACTOR**, on a monthly basis, the amount of **FIFTEEN THOUSAND SEVEN HUNDRED FORTY PESOS AND 66/100 (P15,740.66)**, Philippine currency, inclusive of applicable taxes, upon presentation of the Statement of Account by the **CONTRACTOR** at the end of each and every month, and a certification is issued by **PDIC** regarding the satisfactory completion and acceptance of the work performed.
2. The **CONTRACTOR** shall submit to **PDIC** the Statement of Account on the day after the last day of the month serviced.
3. Payment for services rendered shall be made within five (5) working days from submission of the Statement of Account.

## III. **TERM OF CONTRACT**

This Contract shall be effective for a period of one (1) year, beginning on December 1, 2013 until November 30, 2014, with an option by **PDIC** to extend the same. However, **PDIC** reserves the exclusive right to pre-terminate this Contract for any cause, subject only to a thirty (30) day prior written notice to the **CONTRACTOR**.

## IV. **WARRANTIES/COVENANTS OF CONTRACTOR**

1. The **CONTRACTOR** warrants that it has been in the business of providing garbage collection and disposal for at least five (5) years prior to the execution of this Contract.
2. The **CONTRACTOR** warrants that the trucks (at least two) and other equipment to be used in hauling and disposal of garbage are sufficient to meet the needs of the said services.
3. The **CONTRACTOR** warrants that the schedule of garbage collection shall be followed religiously except when, due to acts of force majeure or events not attributable to the **CONTRACTOR**, the same can no longer be done despite due diligence and exhaustion of alternative remedies. In this case, the **CONTRACTOR** must notify **PDIC** by telephone within one (1) hour of the happening of the event of its inability to perform its obligation under this Contract.

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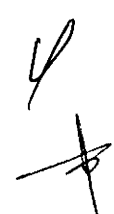
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4. The **CONTRACTOR** warrants that all its truck personnel possess the necessary valid licenses to drive a truck and/or haul garbage, and shall confine themselves to the garbage collection work area.
5. The **CONTRACTOR** agrees to provide additional/substitute service calls should there be a breakdown of the garbage truck/s designated to collect **PDIC's** waste material/garbage without additional charge to **PDIC**.
6. The hauling shall be done as expeditiously as possible and in an orderly manner, ensuring no littering within the PREMISES and immediate environs.
7. The **CONTRACTOR** shall see to it that its employees are properly identified during the hauling operations.
8. The **CONTRACTOR** shall ensure that garbage collection and hauling operations within the PREMISES shall not cause or result in any work disruption to **PDIC**.
9. The **CONTRACTOR** shall exercise extraordinary diligence in performing garbage collection and hauling activities within the PREMISES to ensure that no illness, accident and/or damage to person(s) and/or property of **PDIC** and/or any of its employees or guests will take place. The **CONTRACTOR** hereby assumes full responsibility for any damage, claim or liability that may arise by reason of such illness, accident and/or damage due to any or all acts of omission, negligence or fault of the **CONTRACTOR** and its agents, thereby rendering **PDIC** free and exempt from any such damage, claim or liability.
10. The **CONTRACTOR** further warrants that it has complied with all the laws and regulations applicable to its garbage collection operation and further warrants that its waste disposal activity is in compliance with the sanitary and waste disposal regulation/s of government authorities.

**V. PERFORMANCE SECURITY**

1. To guarantee the faithful performance of its obligations under this Contract, the Contractor shall post a performance security in favor of the CLIENT prior to the signing of the Contract in any of the following forms:

Form of Security	Minimum Amount in % of Total Contract Price
a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
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.	
c) Surety bond callable on demand issued	Thirty percent


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by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	(30%)
d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security.

2. In the event that the performance security offered by the **CONTRACTOR** would be deemed inadequate or otherwise rendered unacceptable, **PDIC** shall have the right to require the **CONTRACTOR** to post a performance security in the form and amount determined by **PDIC** and allowed under existing laws and regulations.
3. The Performance Security shall be released without interest, thirty (30) calendar days from the end of this Contract's term upon **PDIC**'s certification of the **CONTRACTOR**'s faithful and complete performance of its obligations under this Contract. The Performance Security shall answer for any damage **PDIC** may suffer by reason of the **CONTRACTOR**'s default of any of its obligations and/or breach of the term and conditions of this Contract. It shall likewise guarantee payment for any loss, damage or injury that may be caused by the **CONTRACTOR** to **PDIC**, its employees and guests.
4. The Performance Security shall be forfeited in favor of **PDIC** in the event it is established that the **CONTRACTOR** is in default or breach of its obligation under this Contract. Any changes made in this Contract shall in no way annul, release or affect the liability of the **CONTRACTOR** and the surety.
5. Upon demand by **PDIC**, the **CONTRACTOR** shall post an additional Performance Security, in the same form under Item V(1), to cover the additional garbage hauling and disposal services not covered by the first Performance Security heretofore mentioned.
6. Failure of the **CONTRACTOR** to comply with any of the terms and conditions of this Contract shall result in the forfeiture of the Performance Security.

**VI. NON - WAIVER OF RIGHTS**

The failure of **PDIC** to insist upon the strict performance of any of the terms, conditions and covenants hereof shall not be deemed a relinquishment or waiver of any right or remedy that **PDIC** may have; nor shall it be construed as a waiver of any subsequent breach or default of the terms, conditions and covenants hereof, which in turn, shall continue to be in full force and effect. No waiver of **PDIC** of any of its rights under this Contract shall be deemed to have been made unless expressed in writing and signed by **PDIC** through its duly authorized representative.

**VII. LIQUIDATED DAMAGES**

The **CONTRACTOR** shall be liable for payment of liquidated damages in case of breach of any of the provisions of this Contract. The amount of

liquidated damages shall be at least equal to one-tenth of one percent (0.1%) of the cost of the unperformed services for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, **PDIC** shall terminate this Contract, without prejudice to other courses of action and remedies open to it.

**VIII. RETENTION RIGHT**

**PDIC** is hereby given a lien upon any and all monies or other properties of the **CONTRACTOR**, which are in **PDIC**'s possession or with any third party acting on behalf of **PDIC**, including without limitation those left with **PDIC** by or for the account of the **CONTRACTOR**. **PDIC** is hereby given the right to retain the same to guarantee the payment or performance of any and all liabilities of the **CONTRACTOR** under this Contract, contingent or otherwise, for which **PDIC** may be held jointly or solidarily liable.

**IX. SEPARABILITY CLAUSE**

If any provision contained in this Contract should be declared illegal, invalid or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired and shall remain in full force and effect and enforceable in such manner as may be provided by law.

**X. MISCELLANEOUS**

1. The provisions of RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations shall be deemed part of this Contract.
2. In case of litigation, and if the **CONTRACTOR** is proven to have failed in performing its obligations hereunder, **PDIC** shall be entitled to attorney's fees of not less than TEN THOUSAND PESOS (P10,000.00) and to reasonable litigation expenses.
3. It is hereby agreed that any and all actions that shall arise from this Contract shall be instituted and tried in the proper court/courts of Makati City only.

**IN WITNESS WHEREOF**, the parties have hereunto signed and executed this Contract on the date and place appearing below their respective names.

**PHILIPPINE DEPOSIT  
INSURANCE COPORATION**

By: 

**NINA NOREEN A. JACINTO**  
Vice President, ASG

Date: \_\_\_\_\_


Place: \_\_\_\_\_



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**SIGNED IN THE PRESENCE OF:**

  
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**OMBENG HAULING SERVICES**

**By:**

  
**JUVER P. SIBAL**  
**OWNER**

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

**SIGNED IN THE PRESENCE OF:**


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**CERTIFICATION ON AVAILABILITY OF FUNDS**

This is to certify that pursuant to PDIC Board Resolution No. 2013-03-067 dated March 27, 2013, the amount of P235,950.00 has been set aside and made available for CY 2014 to cover for the implementation of the approved Service Contract (For Garbage Hauling and Disposal).

  
**IRENE D.L. ARROYO**  
Vice President, TG  
Financial Resource Management Group

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**ACKNOWLEDGEMENT**

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

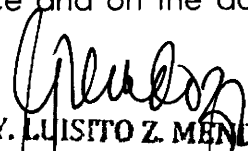
**BEFORE ME**, a Notary Public for and in the City of Makati, Philippines,  
personally appeared::

<u>Name</u>	<u>Identification</u>
Nina Noreen A. Jacinto	PDIC ID No. 1224

known to me to be the same person who executed the foregoing Contract and she acknowledged to me that the same is his/her free and voluntary act, as well as that of the corporation herein represented, and that he/she is duly authorized for the said purpose.

This instrument refers to a Service Contract consisting of eight (8) pages, including this page on which this Acknowledgement is written, signed by the parties and the witnesses on each and every page thereof and thereafter sealed with my notarial seal.

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

  
**ATTY. LUISITO Z. MENDOZA**  
 Commissioner, Public  
 NOTARY PUBLIC FOR MAKATI CITY  
 Commission Expires 2014  
 Roll No. 37000 / Roll No. 905493  
 6782 SSS Bldg, Ayala Ave., Makati

Doc. No. 93 ;  
 Page No. 19 ;  
 Book No. XVI ;  
 Series of 2013

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**ACKNOWLEDGEMENT**

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

**BEFORE ME**, a Notary Public for and in NOV 29 2013, personally appeared:

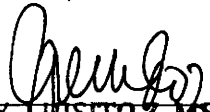
<u>Name</u>	<u>Identification</u>
<u>JUVER P. SIBAL</u>	<u>Postal ID NO: - 1018511</u>

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Doc. No. 93 ;  
Page No. 19 ;  
Book No. XXI ;  
Series of 2013

  
 ATTY. LUISITO Z. MENDOZA  
 Notary Public  
 Commission No. M-47  
 NOTARY PUBLIC FOR MAKATI CITY  
 EXPIRES: 11/31, 2014  
 Roll No. 37603 / ISF No. 905493  
 6782 SSS Bldg., Ayala Ave., Makati

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