



Republic of the Philippines
Department of Budget and Management
PROCUREMENT SERVICE

RR Road, Cristobal Street, Paco, Manila, Philippines 1007
Trunk line: 689-7750 Direct line: 563-9385 & 563-9395



REQUEST FOR SUBMISSION OF PROPOSALS

for the

**Provision of Canteen Concessionaire Services and Operation of
Procurement Service (PS) Canteen for Two (2) Years**

The Procurement Service (PS) for the hereunder project, invites all interested concessionaires to submit their proposals, subject to the terms and conditions stated in the Terms of Reference (TOR):

NAME OF PROJECT	Provision of Canteen Concessionaire Services and Operation of Procurement Service (PS) Canteen for Two (2) Years
LOCATION	Procurement Service, Conference Room, PS Complex, RR Road, Cristobal St., Paco, Manila
PRELIMINARY MEETING WITH PROSPECTIVE CONCESSIONAIRES	October 10, 2018; 10:00AM
DEADLINE FOR SUBMISSION AND OPENING OF PROPOSALS	October 17, 2018; 10:00AM

Concessionaires shall submit their sealed proposals in two separate envelopes in the designated bid box located at 2F, PS New Building, PS Complex, RR Road, Cristobal St., Paco, Manila.

For further information, please refer to:

Internal BAC Secretariat, General Administrative Division
2nd Floor, PS Complex
RR Road, Cristobal St., Paco, Manila
689-7750 loc. 4024, 563-9395
internal-bacsec@ps-philgeps.gov.ph

for 
DIR. JOELE H. EAYTE
BAC Chairperson 2

TERMS OF REFERENCE

I. SCOPE

The Procurement Service (PS) is in need of the services of a canteen concessionaire who will operate and manage the canteen, at the ground floor of the PS Building located at Cristobal St., Paco, Manila with an area of approximately two hundred fifty (250) square meters. The canteen concessionaire shall cater to the food requirement of the officials and employees, clients and guests of the PS, and shall charge rates within the agreed ceiling to be determined after the conduct of the bidding process.

The period of this Contract shall be for two (2) years subject to periodic assessment, conducted every six (6) months, by the General Administrative Division.

II. DOCUMENTARY REQUIREMENTS

Interested concessionaires must submit the following documents on or before the deadline for submission of proposals:

• Envelope 1

1. Registration certificate issued by the Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC) or the Cooperative Development Authority (CDA), as the case maybe;
2. 2018 Mayor's Permit;
3. Audited Financial Statement duly "stamped" received by Bureau of Internal Revenue (BIR), which must reflect a positive worth;
4. Valid Tax Clearance
5. List of previous client/s within the last two (2) years as caterer/ canteen concessionaire/ canteen operator (Annex A);
6. Technical Compliance Form (Annex B);
7. Sample menu for breakfast, lunch and snacks from Monday to Friday for at least one (1) month. (Annex C);

8. List of equipment and other materials pledged to the PS Canteen for the duration of the contract with proof of ownership, lease, or purchase agreement. (Annex D);
 9. Number of personnel to be assigned to the PS Canteen and their assignments (Annex E).
- **Envelope 2**
10. Proposal form (Annex F)

Sealing and Marking of Proposals:

Concessionaire shall enclose their original technical documents 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 outer envelope marked " ORIGINAL".

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.

The original and the number of the Bid shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representatives/s.

All envelopes shall:

- contain the name of the contract in capital letters;
- bear the name and address of the Concessionaires in capital letters;
- be addressed to the Procuring Entity's BAC – bear the specific identification of this projects; and
- bear a warning " DO NOT OPEN BEFORE..." the date and time for the opening of proposals.

III. FOOD TASTING PROCEDURE

1. A food tasting session shall be conducted among prospective concessionaires.
2. All participating concessionaires shall be notified by the Internal BAC Secretariat for the schedule of food tasting.
3. The presentation shall be conducted at the PS Office.
4. The following meals/snacks shall be prepared during the food tasting:
 - 4.1 one beef dish
 - 4.2 one pork dish
 - 4.3 one chicken dish
 - 4.4 one fish/ seafood dish
 - 4.5 one vegetable dish
 - 4.6 one soup dish
 - 4.7 one dessert
 - 4.8 one snack (pasta, sandwich, etc)

In addition, prospective concessionaire will provide a sample of breakfast set and lunch set for presentation during the food tasting activity

5. The meals shall be sufficient for the members of the IBAC and TWG to taste (9 persons)
6. Food samples shall be presented on chinaware plates and silverware utensils covered with plastic wrap for labeling. The soup shall be in small chinaware container.
7. The Internal BAC Secretariat shall keep the identities of the concessionaires' in secrecy in order to maintain the objectivity of the test.
8. Each meal shall be evaluated based on the following criteria:
 - 8.1 Taste and Freshness, (Annex G): 60%
 - 8.2 Price/cost: 40%

*Based on the above criteria, concessionaires shall be ranked according to their total equivalent percentage. Passing rate should be **eighty (80) percent**.*

IV. OTHER TERMS AND CONDITIONS

Other terms and conditions shall be those indicated in the agreement form (Annex H).

ANNEX A

List of Previous Clients

Name of concessionaire: _____

Business address: _____

Client Name	Contract Duration	Contact Person	Address	Telephone no/s.	Role (concessionaire/ operator/ caterer)	Capacity (in pax)

Submitted by: _____
(Printed Name & signature)

Designation: _____

Date: _____

Instruction: State all clients for the last two (2) years together with the requirements stated above.

I – Technical Compliance

REQUIREMENT	COMPLIANCE
<p>1. The sample menu (Annex B) shall cover breakfast, lunch and snacks from Mondays to Fridays for at least one (1) month.</p> <p>1.1 BREAKFAST</p> <p>The breakfast set shall consist of the following:</p> <ul style="list-style-type: none"> -one (1) cup of rice/ fried rice; -one (1) main dish; -one (1) egg (boiled/ sunny side up/ scrambled); and -one (1) cup of coffee/ milk/ chocolate/ tea. <ul style="list-style-type: none"> • Each set shall have a maximum price of fifty pesos (₱ 50.00); • The price of extra rice should be maximum of fifteen pesos (₱ 15.00) <p>1.2 LUNCH</p> <ul style="list-style-type: none"> • The budget meal shall consist of: <ul style="list-style-type: none"> - free soup; - one (1) cup of rice; and - one (1) main dish (pork, beef, chicken, seafood or fish); • The meal shall be priced at a maximum of sixty pesos (₱ 60.00); • The price of extra rice should be maximum of fifteen pesos (₱ 15.00) 	

- Ala carte serving of beef or seafood shall have a maximum price of fifty pesos (₱ 50.00);
- Ala carte serving of pork or chicken shall have a maximum price of fifty pesos (₱ 50.00);
- Ala carte serving of fish shall have a maximum price of forty pesos (₱ 40.00);
- Ala carte serving of fish or vegetable shall have a maximum price of thirty pesos (₱ 30.00);

1.3 SNACKS

- The snacks shall be:
 - Pasta dishes with a maximum price of thirty five pesos (P 35.00)
 - Sandwiches and other snacks shall be priced at a maximum of thirty five pesos (P 35.00)
 - Fruits shall be priced at a maximum of twelve pesos (P 12.00)

Prices of meals and beverages are subject to periodic review by the General Administrative Division or sooner but not earlier than six (6) months from last adjustment, upon the request of the concessionaire.

2. The above meals shall comply with the following serving sizes:
 - a. Serving size of pork, beef, chicken, fish, seafood, vegetable shall be at least one hundred thirty (130) grams;
 - b. Serving size of rice shall be at least one (1) cup equivalent to one hundred seventy five (175) grams;

<p>3. The concessionaire shall operate from Monday to Friday, between 7:00 a.m. until 5:00 p.m. (or Saturdays upon request). Dinner may also be served upon request of the General Administrative Division.</p>	
<p>4. The winning concessionaire shall comply with the following meals sets:</p> <ul style="list-style-type: none"> • Breakfast shall be served from 7:00 a.m. to 9:00 a.m. • One (1) main dish, • One (1) cup of rice/ fried rice • One (1) serving of egg • One (1) cup of coffee/ milk/ chocolate/ tea. <p style="margin-left: 40px;"><i>- There must be at least three (3) different types of main dish to choose from. It shall include, but not limited to any of the following: One (1) piece of big longganisa, hotdog, tapa, meat loaf, and the like, or</i></p> <p>a. Lunch shall be served from 11:30 a.m. to 1:00 p.m., the budget meal shall be composed of the following:</p> <ul style="list-style-type: none"> • One (1) serving of pork, beef, chicken, fish, seafood, • One (1) cup of rice, and • One (1) cup of soup. <p><i>Provided, that there shall be two (2) other available options for the main dish of the budget meal. In addition, there shall be at least six (6) ala carte servings of any of the following: pork, beef, chicken, fish, seafood and vegetable dishes.</i></p> <p>b. For the morning and afternoon snacks, the choices should be at least three (3) different</p>	

types of food.	
<p>5. The concessionaire shall be responsible for the physical arrangement of the canteen as well as provision of minimum equipment and other materials:</p> <p>A. Minimum equipment:</p> <ul style="list-style-type: none"> i. Refrigerator/ freezer; ii. Microwave; iii. Oven toaster (big); iv. Hot food display unit v. Water dispenser with hot and cold options; vi. Utensils sterilizer; vii. Condiments counter; viii. Tray holder; and ix. Dining tables and chairs. <p>B. Minimum kitchen utensils:</p> <ul style="list-style-type: none"> i. 150 sets of stainless spoons and forks; ii. 150 pieces of dining plates; iii. 150 pieces of medium-sized plates; iv. 150 pieces of soup bowls; v. 150 pieces of condiments plates; vi. 150 pieces of drinking glasses; vii. 150 sets of cups and saucers; viii. 150 pieces of teaspoons; ix. 150 pieces of steak knives; and x. 50 pieces of trays. <p>C. The foregoing is without prejudice to other equipment and kitchen utensils that may be required from the Concessionaire during the implementation of the contract.</p> <p>However, no additional electrical equipment may be provided by the winning concessionaire without prior approval from the General Administrative Division.</p>	
6. No cooking shall be allowed at the premises of the PS canteen. Any food preparation and cooking must be done in the designated area. The food	

<p>shall be available fifteen (15) minutes before the set time</p>	
<p>7. All personnel of the Concessionaire to be assigned at the PS Canteen shall have a Health Certificate issued by the Sanitation Division of the Manila Health Department and must wear the following:</p> <ul style="list-style-type: none"> a. Identification Card issued by the PS, b. Proper attire c. Hairnet d. Apron e. Appropriate footwear (closed shoes) 	
<p>8. The PS shall provide the concessionaire the following for free: (a) electricity for canteen operation; (b) water for cleaning and washing of kitchen utensils; (c) rent of the PS Canteen, subject to PS rules and regulations.</p>	
<p>9. The concessionaire shall use the property with diligence of a good father of a family. Damage to any property of the PS due to the fault of the concessionaire or any of his personnel shall be repaired within a reasonable time at his own expense. In case the same is not repaired within fifteen (15) calendar days, the same may be repaired by the PS at the expense of the concessionaire.</p>	
<p>10. The concessionaire is not allowed to subcontract his right to operate and manage the PS Canteen.</p>	
<p>11. The winning concessionaire must post the price of their menu.</p>	
<p>12. The winning concessionaire must post all necessary valid permits as required.</p>	
<p>13. In case the concessionaire decides to unilaterally terminate the contract within the minimum six (6)</p>	

months without any valid reason, the PS will impose appropriate legal sanction against him.	
14. Provision of equipment, such as additional electrical appliances other than those contemplated above, shall be subject to prior approval of the GAD.	

Name of Canteen

Concessionaire:

**Signature over Printed Name of
Authorized Representative:**

Date:

ANNEX C

SAMPLE MENU

Week 1	Breakfast	Lunch	Morning and Afternoon Snacks
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			

Week 2	Breakfast	Lunch	Morning and Afternoon Snacks
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			

Week 3	Breakfast	Lunch	Morning and Afternoon Snacks
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			

Week 4	Breakfast	Lunch	Morning and Afternoon Snacks
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			

**Concessionaires are encouraged to use this form for the sample menu.*

ANNEX D

**PROSPECTIVE BIDDER'S LIST OF EQUIPMENT AND MATERIALS PLEDGED
FOR THE PS CANTEEN**

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.
11.
12.
13.
14.

ANNEX E

LIST OF PERSONNEL AND DESIGNATION

NAME OF PERSONNEL	DESIGNATION
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____

ANNEX F

Proposal Form

Date: _____

PS IBAC Chairperson
RR Road, Cristobal Street,
Paco, Manila

Sir/Madam:

Having examined the Terms of Reference including Supplemental Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to *Provide Canteen Concessionaire Services and Operate PS Canteen for two (2) years* in conformity with the said Terms of Reference for the prices stated hereunder.

Meals	Serving	Bid Offer
Breakfast meal	One (1) serving	
Price in words: _____		
Budget meal	One (1) serving	
Price in words: _____		
Ala Carte Serving (Beef and Seafood)	One (1) serving	
Price in words: _____		
Ala Carte Serving (Pork and Chicken)	One (1) serving	
Price in words: _____		
Ala Carte Serving (Vegetable and Fish)	One (1) serving	
Price in words: _____		

Pasta Dishes	One (1) serving	
Price in words: _____		
Sandwich	One (1) serving	
Price in words: _____		
Dessert (fruits)	One (1) serving	
Price in words: _____		

We undertake, if our Proposals is accepted, to render the required services.

Until a formal Contract is prepared and executed, this Proposals, 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 proposals you may receive.

We certify/confirm that we comply with the eligibility requirements and technical requirements of the Request for Proposals.

Dated this _____ day of _____ 20_____.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

ANNEX G**Food Evaluation**

Name of Concessionaire : _____

Food/ Dishes	Food Taste & Freshness Rating				
	Undesirable	Mildly Undesirable	Desirable	Above Ave. Desirable	Off the Chart
Beef dish	1	2	3	4	5
Pork dish	1	2	3	4	5
Chicken Dish	1	2	3	4	5
Fish dish	1	2	3	4	5
Vegetable Dish	1	2	3	4	5
Snacks	1	2	3	4	5
Desert	1	2	3	4	5
Total Rating:					

Evaluated by:

Signature over Printed Name

ANNEX H

Form of Contract Agreement

KNOW ALL MEN BY THESE PRESENTS:

THIS Contract, made this [insert date] day of [insert month], [insert year] between [name and address of PROCURING ENTITY] (hereinafter call the "Entity") and [name and address of Concessionaire] (hereinafter called the "Concessionaire")

WITNESSETH:

WHEREAS, the _____ (the "COMMITTEE") conducted a request for submission of proposals for the selection of the _____ Canteen Concessionaires, that will manage and operate the _____;

WHEREAS, _____ prospective concessionaires, namely _____ expressed interest in said undertaking;

WHEREAS, upon examination of the submitted eligibility documents and technical proposals, the Committee declared the following as eligible: ();

WHEREAS, on (date of contract signing), the (Head of the Agency) adopted the said recommendation and awarded the Contract for the Canteen Concessionaire to (name of Winning Concessionaire).

NOW, THEREFORE, the parties agree, as it hereby agreed, that:

1.0 Attachments to the Contracts

1.1 The following documents shall form an integral part of this Contract, to wit:

<u>Description of Document</u>	<u>Annex</u>
Eligibility Document	A
Technical Requirement	B
Financial Submission	C
Approved List of Equipment and Materials	D
List of Personnel	E

2.0 Contract Period

2.1 The canteen Concessionaire service and Operation of PS Canteen Contract shall commence on (Date). The period of this Contract shall be for two (2)

years subject to periodic assessment, conducted every six (6) months, by the Internal Bids and Awards Committee (Internal BAC) thru the General Administrative Division (GAD).

2.2 Upon expiration of the original two (2) year period, this Contract may be renewed for the succeeding year/s, upon favorable recommendation by the Internal Bids and Awards Committee to the Head of Procuring Entity. This is without prejudice, however, to any modification or amendment of the terms and conditions of this Contract. The Concessionaire shall not hold the PS liable in any way in case this Contract is not renewed after the expiry of the two (2) year period.

3.0 Authorized Representative/s

3.1 In implementation of this Contract, the PS shall be represented by (Head of the Agency) and/or his duly authorized representative/s while the Concessionaire shall be represented by its proprietor/ress, (name of Proprietor/tress).

3.2 Whenever the provisions of this Contract refer to (Agency), it is understood that the same refers to (Head of the Agency) and/or his duly authorized representative/s, unless otherwise specified in this Contract. Thus, only acts of the foregoing are considered as acts of the (Agency).

3.3 In view, however, of the nature of the services involved in this Contract, the Concessionaire shall refer to its authorized representative/s as well as all of its employees. Accordingly, the Concessionaire shall refer to its authorized representative/s and employees as fully as if these were the Concessionaire's own acts, defaults or negligence.

4.0 Rights, Duties and Obligation of PS

4.1 Rights of PS

4.1.1 The PS shall at all times retain complete control over the PS canteen and may make necessary changes, alterations and improvements therein.

4.1.2 The PS, through the General Administrative Division (GAD), shall regularly inspect and evaluate the Concessionaire's operations to ensure that the terms and conditions of the Contract are complied with.

4.1.3 The PS, through the Administrative and Finance Group (AFG), shall approve all actions to be undertaken by the Concessionaire involving any proposed changes.

4.1.4 The PS, through the AFG, shall approve all actions to be undertaken by the Canteen Concessionaire to ensure efficient and quality service for the whole duration of this Contract.

4.1.5 The PS, through the AFG, shall allow the continuance of the PS Canteen Concessionaire Contract for the second year of the Contract period, subject to the satisfactory performance by the Concessionaire during the first year of the operations. After the original two (2) year period, the Head of the Procuring Entity may renew this Contract upon the favorable recommendation of the AFG.

4.2 Duties and Obligations of PS

4.2.1 The PS shall provide the Concessionaire the following for free: (i) space for the PS Canteen, (ii) electricity required for the canteen operations, (iii) water for cleaning and washing utensils used for the PS and (iv) use of the air conditioning units and other facilities and equipment found within the premises of the PS Canteen. Provided, that the use of the foregoing shall be subject to the rules and regulations to be prescribed by the AFG.

4.2.2 The PS, through the GAD may require provision for meals and/or snacks during official events, activities, and meetings from the Concessionaire. These events may be scheduled on a Saturday, Sunday or holiday. On the other hand, all PS officials and employees shall be encouraged to patronize the concessionaire in all of its meals and/or snacks needs or requirements.

5.0 Rights, Duties, and Obligation of the Concessionaire

5.1 Rights of the Concessionaire

5.1.1 The Concessionaire shall have the right to manage and operate the PS Canteen. The concession rights granted herein shall be carried out in the space provided for the PS Canteen at the ground floor of the PS Building, Paco, Manila.

5.1.2 The Concessionaire may provide or service the meals and/or snacks needs or requirements during all official PS events, activities, and meetings: During these occasions, the Concessionaire shall provide the required servers and shall not rely on PS employees to serve the food. However PS may opt to source its meal requirement outside for variety purposes.

5.2 Duties and Obligation of the Concessionaire

5.2.1 The application and processing of business permits and licenses that may be required by any government agency and/or local government unit in the operations and management of the PS Canteen shall be the sole responsibility and accountability of, and to be procured at the expense of the Concessionaire

5.2.2 The Concessionaire shall carry out the services specified under item 6.0 of this Contract.

5.2.3 The Concessionaire shall provide quality and efficient service in the operations and management of the PS Canteen.

5.2.4 The Concessionaire shall ensure the proper use and maintenance of the PS Canteen and all the facilities and equipment therein. It shall be held liable for the cost of damages and/or necessary repairs caused by, or those that are reasonably attributable to the neglect or misuse by the Concessionaire and its employees.

5.2.5 The Concessionaire shall comply with all the rules and regulations to be prescribed by the AFG in the operations and management of the PS Canteen.

5.2.6 The Concessionaire shall be solely liable for any damages caused to third parties in the course of its operations, without prejudice to the right of the PS to institute any action/s for any damages resulting there from.

5.2.7 Design and Construction of the PS Canteen

5.2.7.1 The Concessionaire shall propose the plan to AFG.

5.2.7.2 The Concessionaire shall, at its own expense and upon approval by the PS of its proposed design for the PS Canteen, implement the same, in coordination with the GAD, before the commencement of the operations of the PS Canteen. Provided, that PS reserves the right to recover damages from the Concessionaire if the final plan for the design of the PS Canteen are not begun and completed as stipulated.

5.2.8 Provision for Equipment and Materials

5.2.8.1 The Concessionaire shall be responsible for the provision of the minimum equipment, kitchen utensils and other materials specified in the Technical specifications document attached hereto as Annex "B". This is without

prejudice, however, to other equipment, kitchen utensils and materials that may be required by the PS from the Concessionaire during the implementation of this Contract:

5.2.8.2 The electrical equipment to be used by the Concessionaire in the operations and management of the PS Canteen shall be limited to those approved by the AFG and attached as Annex "D".

5.2.8.3 Any additional equipment necessary to ensure the efficient operations and management of the PS Canteen may only be used by the Concessionaire upon prior approval from the AFG through GAD.

5.2.8.4 The foregoing equipment shall remain to be property of the Concessionaire during the contract period unless otherwise agreed upon by the Parties.

5.2.8.5 The Concessionaire shall, at all times and at its own expense, repair, keep and maintain all its equipment, as well as the tables, chairs, countertops and other furnishings used in the PS Canteen, in clean, sanitary and orderly condition and appearance.

5.2.8.6 If any of the foregoing equipment and materials used in the PS Canteen are rendered unusable due to the normal use and regular wear and tear attendant thereto or other causes, the Concessionaire shall replace it with the same or similar specifications at its own expense.

5.2.9 Canteen Personnel

5.2.9.1 The Concessionaire in the operation of the PS Canteen shall employ only qualified individuals to ensure the highest standard of service. All employees of the Concessionaire while on or about the PS premises, shall be appropriately attired, neat in appearance and courteous to all PS officials, employees and guest at all times.

5.2.9.2 The Concessionaire shall provide the PS Canteen with the following minimum number of personnel:(i) one (1) operations manager, (ii) two (2) kitchen attendants, (iii) two (2) busboys, (iv) two (2) servers.

5.2.9.3 All personnel of the Concessionaire to be assigned at the PS Canteen shall have a Health Certificate issued by the sanitation Division of the Manila Health Department.

5.2.9.4 The Concessionaire shall comply with all the relevant labor laws and other issuances.

5.2.9.5 The Concessionaire shall make sure that the employees assigned in the PS Canteen comply with the rules and regulations issued by the AFG governing the conduct and decorum applicable to all PS employees.

5.2.9.6 The Concessionaire shall furnish the GAD and post in a conspicuous place within the canteen premises, a list of the names of all its personnel assigned in the PS Canteen.

5.2.9.7 The Concessionaire shall prominently display at all times, the price list of its menu.

6.0 Hours of Operations

6.1 The Concessionaire shall operate from Mondays to Fridays between 7:00 a.m. until 5:00p.m. Breakfast shall be served from 7:00a.m. to 9:00a.m., while lunch shall be served from 11:30 a.m. to 1:00p.m. Dinner may also be served upon request of the AFG.

Moreover, the Concessionaire shall provide full meals requested for PS events, activities, and meetings. Requests for meals shall be made by the GAD to the Concessionaire at least one (1) calendar day before the scheduled event, activity or meeting except in urgent cases.

The Concessionaire shall likewise assign the appropriate number of employees who shall serve the meal provision during events, activities and meetings. However, the PS, at its discretion, may request from the Concessionaire additional personnel as the need arises.

6.2 The Concessionaire shall immediately bill PS after acceptance by the GAD of the requested meal provision. The PS endeavors to make prompt payment of billing request, subject to pertinent budgeting and auditing rules and regulations.

6.3 Any deviation from the hours specified shall be subject to prior written approval by the AFG through GAD.

6.4 Meal provision for the Provision of Canteen Concessionaire Services and Operation of PS Canteen for two (2) years and Price approval of the AFG.

6.4.1 The Concessionaire shall offer the following: (i) at least three (3) breakfast sets, (ii) a budget meal, (iii) at least six (6) ala carte servings.

6.4.2 The discounted prices for the budget meals (Annex "A")

6.4.3 All meals offered by the Concessionaire shall comply with the following serving sizes: (i) serving size of pork, beef, chicken, fish, seafood and vegetable shall be at least one hundred thirty (130) grams; (ii) serving size of least one (1) cup equivalent to one hundred seventy five (175) grams.

6.4.4 Moreover, the Concessionaire shall likewise provide premium meals to be offered at discounted prices to PS officials and employees.

6.4.5 The Concessionaire shall determine the regular prices for the budget meals, ala carte meals, premium meals, and the coffee beverages and pastries.

6.4.6 The Concessionaire shall display inconspicuous places within the premises of the PS Canteen, the prices for the budget meals, ala carte meals, premium meals and the coffee beverages and pastries. In no case shall the Concessionaire increase its prices without the prior approval of the PS Canteen Committee. In addition, the Concessionaire shall keep a separate complaint box and menu suggestion box in the canteen premises for the patrons of the PS Canteen. Said boxes shall be open to inspection by the PS through the GAD. The Concessionaire shall also inform the AFG of the action taken in respect to the complaints and/or suggestions placed in the said boxes, one (1) week upon receipt of the summarized complaints/suggestions from GAD.

6.4.7 The Concessionaire shall ensure that an adequate number of menus showing their corresponding prices, be provided to properly inform the PS Canteen patrons of the budget meals, ala carte meals, premium meals and other food and beverages to be served in the PS Canteen. Further, the Concessionaire shall likewise ensure that the notices for the respective menu for the day be regularly and properly disseminated to the PS employees through available and reasonable means of communications.

7.0 Operating Responsibilities of Winning Concessionaire

7.1 The Concessionaire agrees that it will not make use of the premises of the PS Canteen in any manner which might interfere with the regular operations of the PS. The use of the foregoing premises for purposes not expressly

permitted herein shall constitute breach of this Contract and is a ground for termination of this Contract.

7.2 The Concessionaire shall not provide any product or service, nor conduct any activity or event unless clearly specified under this Contract. Any product, service or activity beyond those authorized under this Contract may only be undertaken upon prior approval by the AFG.

7.3 The Concessionaire must operate and manage the PS Canteen in an environmentally sensitive manner; furthermore, it shall not use or allow the use on the premises of environmentally unsafe products.

7.4 The Concessionaire shall, at its own expense, keep the premises of the PS Canteen clean and sanitary at all times. No offensive or refuse matter or, any material constituting an unnecessary, unreasonable, or unlawful fire hazard, or any material detrimental to the public health shall be kept in the premises.

The Concessionaire shall also see to it that all garbage and other waste materials are collected as often as necessary, and subject to the Rules and Regulations to be prescribed by the AFG.

7.5 The Concessionaire shall schedule and provide full maintenance of the premises, employ, train, and supervise personnel with appropriate qualifications and experience to assist in such functions, supervise employees in the performance of all tasks related to the operations, maintenance and repair of the PS Canteen.

7.6 No cooking shall be allowed in the premises of the PS Canteen. Any food preparation and cooking must be done in the commissary of the Concessionaire. Violation of this provision constitutes a material breach of this Contract and is a ground for termination thereof.

The Concessionaire shall maintain a commissary which should be situated within accessible distance from PS Canteen during the period of this Contract. Moreover, the Concessionaire shall ensure the quality and cleanliness of the food prepared in its commissary.

7.7 The Concessionaire shall serve quality food and beverages. In addition, it shall provide the PS Canteen, safe drinking water, without any additional charges. It shall, at its own expense, ensure that the water dispenser be regularly cleaned and maintained, the water regularly tested and the water filters changed monthly or as often as maybe necessary.

7.8 The Concessionaire and its employees shall at all times conduct its business in a proper and orderly manner to the satisfaction of the PS.

8.0 Maintenance of the PS Canteen

- 8.1 During the whole contract period, the Concessionaire shall, at its own expense, undertake janitorial duties and all repairs necessary in the operations and management of the PS Canteen to the satisfaction of the PS, through the AFG.
- 8.2 The Concessionaire's maintenance duties shall include cleaning, servicing, repairing, replacing and interior painting that may be required for the proper upkeep and maintenance of the PS Canteen in a safe, clean, operable and attractive condition. This includes electrical, mechanical and plumbing maintenance in the premises. This is without prejudice to any maintenance and/or repair works that need to be undertaken by the GAD.
- 8.3 If all or a portion of the PS Canteen be damaged by fire, explosion, flooding and other similar causes due to the fault or negligence of the Concessionaire or its employees, the same will be repaired by the Concessionaire at its own cost and expense: Provided, That if the Concessionaire is not able to immediately repair said damage to the detriment of the operations of the PS, the PS may undertake the repair thereof subject to payment by the PS of reimbursement of cost by the Concessionaire.
- 8.4 The Concessionaire shall, at its own expense, be responsible for pest control in the PS Canteen, including but not limited to abatement of insects, rodents, vermin and other nuisance pests. It shall take all reasonable measures to prevent the proliferation of pests, including maintaining the premises clean and orderly.
- 8.5 All the foregoing activities shall be undertaken by the Concessionaire subject to consultation and/or approval by the AFG, as the case may be.

9.0 Employer-Employee Relationship

- 9.1 Nothing in this Contract shall be construed as to create an employer-employee relationship between PS and the Concessionaire's employees. The Concessionaire is and will be treated as an independent contractor. The PS shall not be responsible for the provision of any workers compensation insurance, medical, or disability insurance or any other form of insurance coverage or other labor claims of the Concessionaire's employees which should be for the sole account of the Concessionaire. The Concessionaire shall hold PS harmless from any labor-related claims, demands or liabilities and should indemnify PS for any liability imposed upon the PS by reason of the foregoing.

10.0 Liability

10.1 The Concessionaire undertakes and agrees to defend, indemnify and hold harmless the PS from any claims, losses and expenses including but not limited to the following: (i) damages or liability of whatever nature, for death or injury to any person, including the Concessionaire's employees, and (ii) damage or destruction of any property of either Party hereto, or of third parties, arising in any manner by reason of or incident to, the performance of this Contract on the part of the Concessionaire and its employees.

10.2 The Concessionaire is acting under this Contract as an independent contractor and not as agent or employee of the PS. The Concessionaire shall not represent or otherwise hold itself to be an agent or employee of the PS.

11.0 Prohibited Acts

11.1 The Concessionaire shall not:

11.1.1 Allow anything to be done, which may interfere with the effectiveness or accessibility of utility, ventilation or air conditioning systems on the PS Canteen or elsewhere within the PS premises.

11.1.2 Rent, sell, lease or otherwise offer any space in the premises for use of others.

11.1.3 Do or permit to be done any act that will increase the risks normally attendant upon the operations contemplated under this Contract and pose a hazard to health and the environment.

11.1.4 Permit undue loitering on or about the premises.

11.1.5 Sublet the subject premises or any part thereof.

11.1.6 Assign or otherwise alienate any of its rights under this Contractor delegate, subcontractor otherwise transfer any of its duties hereunder.

12.0 Business Records

12.1 The Concessionaire shall maintain during the period of this Contract, all of its books, ledgers, journals and accounts pertaining to the operation and management of the PS Canteen. The foregoing shall be made available for inspection and examination of the PS at any time during the term of this Contract.

13.0 Termination of Contract

13.1 This Contract shall take effect when signed by the Parties, and shall continue to be in force and effect unless otherwise terminated by either or both Parties, pursuant to Items 14.2, 14.3 and 14.4 of this Contract and after thirty (30) calendar days prior written notice given to the other Party.

13.2 The grounds for the termination of this Contract include but are not limited to the following: (i) use by the Concessionaire of the PS Canteen for purposes not expressly permitted under this Contract, (ii) conduct of any cooking activity in the PS Canteen, except as permitted by the AFG (iii) non-compliance with any of the terms and conditions of this Contract, (iv) in case of fortuitous event under Item 14.4 when resumption of service is no longer feasible and (v) such other valid or justifiable reasons as determined by the Parties. The termination of the Contract based on the foregoing reasons shall not release either Party from any of its accrued obligations.

13.3 The PS may unilaterally terminate this Contract when any of the following conditions are present:

13.3.1 Failure of the Concessionaire to obtain the favorable recommendation by the AFG under Item 2.1 of this Contract;

13.3.2 The failure of the Concessionaire to perform any of its obligations pursuant to the terms of this Contract due to no fault of PS;

13.3.3 Any material misrepresentation by the Concessionaire under this Contract or during the implementation period; or

13.3.4 If there is a pattern of continuing, or repeated non-compliance, willful violation nor non-performance of other terms and conditions hereof.

13.4 Neither Party shall be liable for any delay or non-performance of its obligations under this Contract due to fortuitous events. For this purpose a fortuitous event refers to an event which the Parties could not have foreseen, or which thought foreseen, was inevitable. Fortuitous event shall include, but is not limited to acts of God, laws, regulations or orders of any government entities, judgments or orders of any courts, riots, wars, strikes, lockouts, terrorism, natural calamities, storm, flood, volcanic eruptions, or other severe and unusual weather conditions, accidents, or any other cause similar to the foregoing.

During the occurrence of the fortuitous event, both Parties shall continue to take all necessary actions within its power to comply with the irrespective obligations under this Contract. However, in case any of the Parties is unable to perform its obligation by

reason of said fortuitous event, it shall furnish the other Party, within twenty four (24) hours from the occurrence thereof, with detailed information of the events constituting the same. In any case, the Party affected thereby shall automatically resume performance of its obligation under this Contract upon cessation of the fortuitous event. Should the resumption be no longer reasonable period of time, and if the Parties cannot reach any solution, either Party may terminate the Contract after giving prior written notice thereof.

13.5 In case of termination of this Contract, the PS shall have the right to retain the equipment and other materials used by the Concessionaire for the operations and management of the PS Canteen and deduct from any applicable billing due the Concessionaire, the amount corresponding to any unsettled claims or liability arising from damages sustained by the PS or any third party against the Concessionaire, until full payment thereof is made. The foregoing action is without prejudice to other legal remedies available to PS.

13.6 If the termination of this Contract is without justifiable causes or due to the willful act or negligence by either Party, the innocent party may, in addition to the remedies under this Contract, claim payment for damages and such other legal remedies.

13.7 PS, upon the expiration or earlier termination of this Contract, reserves the right to substitute another concessionaire who shall operate and manage the PS Canteen.

13.8 Removal of Concessionaire's equipment, supplies, furnishings, inventories and personal property:

13.8.1 The PS, in case of expiration or earlier termination of this Contract reserves the right to purchase or take possession of the equipment, supplies, furnishings, inventories, and personal property necessary in the continued operations and management of the PS Canteen from the Concessionaire at a discounted price as may be agreed upon by the Parties.

13.8.2 The Concessionaire shall vacate the premises of the PS Canteen on the date of the expiration or earlier termination of this Contract promptly, peaceably and in proper order and condition: Provided, That within thirty (30) calendar days from the expiration or earlier termination of the Contract, the Concessionaire, subject to the rights granted to PS in the preceding item, shall remove its equipment, supplies, furnishings, inventories and personal property from the PS Canteen, provided that no damage shall be caused to the premises due to the removal there of as determined by the

GAD: Provided, Further, That should the Concessionaire fail to remove the foregoing properties within the said period, the PS may use or dispose of the same as it sees fit.

14.0 Penalty for violation of this Contract

14.1 In case of violation by the Concessionaire of any of the terms and Conditions of this Contract, the PS shall be entitled to any or all of the following: (i) to rescind the Contract; (ii) to receive damages and penalties; (iii) avail, upon such terms and in such manner as may be appropriate, services similar to those not performed, and hold the Concessionaire liable for any excess costs for said services and (iv) in case of delay in the services, payment of liquidated damages in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed service, for every day of delay. Such amount shall be deducted from any money due or which may become due to the Concessionaire.

15.0 Miscellaneous Provisions

15.1 If any provision of this Contract is held by competent judicial authority to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the other provisions shall be unaffected.

15.2 The Parties shall first settle any issue or dispute in the interpretation or implementation of this Contract through compromise or amicable settlement. In case the dispute cannot be settled amicably, the Parties shall submit to mediation or arbitration proceedings in accordance with the provisions of applicable laws, or as may be agreed upon by the Parties.

15.3 The PS Legal Service shall first have the authority to render legal opinion on the proper interpretation of the Contract. Any dispute arising from said interpretation shall be resolved by the Parties in accordance with item 16.2 herein. Further, any action brought to enforce or interpret this Contract shall be brought only in the proper court of the City of Manila.

16.0 Confidentiality

16.1 No information determined by the Parties as confidential in nature may be released by the Parties to any third Person. Moreover, the Concessionaire shall ensure that its officers, employees and other personnel, during the effectivity and after termination of this Contract maintain confidentiality and secure any confidential information.

16.2 PS hereby agrees to grant the Concessionaire permission to publicize the awarding of the project through the Concessionaire's press releases, sales

presentations, website, and corporate profile, provided that the Confidentiality clause is observed.

17.0 Entire Contract

17.1 This Contract is deemed to contain the entire terms and conditions as agreed upon by the Parties. This Contract shall supersede any and all prior agreements entered into between the Parties.

17.2 Any amendment or additional terms and conditions to this Contract must be in writing, signed and acknowledged by the parties.

IN WITNESS WHEREOF, the Parties have hereunto signed this Contract this _____ day of _____ 2018, in the City of Manila, Philippines.