

ARTICLE 1 – SCOPE OF WORK

The Contractor, In consideration of the payment to be made by the OWNER to the CONTRACTOR of the sum of money hereinafter named, agrees to furnish all labor, materials, equipment, plants, tools and other facilities and the satisfactory and faithful performance of all the work necessary to commence and complete the Project, ready for use except the works to be done by other parties as are specifically exclude here from by Drawings and described in the Specifications, Instructions and other related documents.

ARTICLE 2 – TIME OF COMPLETION

The work stipulated in this Contract shall be completed “broom” clean and ready for use not later than **ONE HUNDRED TWENTY (120) calendar days** in accordance with the provisions of the Bid Documents.

ARTICLE 3 – CONTRACT AMOUNT

The OWNER agrees that for and in consideration of the faithful performance by the CONTRACTOR of this contract, he shall pay to CONTRACTOR, in a manner provided hereinafter the amount of **ONE MILLION FORTY-SIX THOUSAND EIGHT HUNDRED SEVENTY-EIGHT PESOS AND EIGHTY-EIGHT CENTAVOS (PHP 1,046,878.88).**

Should the OWNER require the Contractor to perform work over and above that required by this agreement, the additional cost shall be added to the Contract Amount and likewise, should be ordered to omit work as required by this Agreement the corresponding cost shall be deducted from the contract amount. In either case, the cost of additions of deductions shall previously be mutually agreed upon in writing by both the OWNER, CONTRACTOR, and PAYOR before execution. Any payment due and payable to the CONTRACTOR may be offset against any liquidated damages payable to the OWNER under this CONTRACT.

ARTICLE 4 – MANNER OF PAYMENT

The OWNER shall pay the Contractor the Contract Price stated in Article 3 hereof subject to the following terms and conditions:

1. The OWNER shall, upon written request of the CONTRACTOR which shall be submitted as Contract Document, make an advance payment to the CONTRACTOR in an amount equal to fifteen percent (15%) of the total Contract Price, specified in the Instructions to Bidders and other relevant tender documents.
2. The advance payment shall be made only upon the submission to and acceptance by the OWNER of an irrevocable standby Letter of Credit or equivalent value from commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the OWNER.
3. The CONTRACTOR shall repay the advance payment by deducting fifteen percent (15%) from the periodic progress payments.