

The CONTRACTOR shall be issued a final warning and required to come up with a more detailed program of activities with weekly physical targets, together with the required additional input resources. Onsite supervision shall be intensified, and evaluation of project performance will be done at least once a week. At the same time, OWNER or his duly authorized representative shall prepare contingency plans for the termination/rescissions of the contract and/or takeover of the work by administration or contract.

Negative slippage 15% ("Make-or-Bread" Stage)

The OWNER or his duly authorized representative shall initiate termination/rescission of the contract and/or take-over of the remaining work by administration or assignment to another contractor/appropriate agency. Proper transitory measures shall be taken to minimize work disruptions, e.g., take-over by administration while re-bidding is going on.

In case that the delay in the completion of the work exceed a time duration equivalent to twenty percent (20%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, the OWNER may forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified contractor through negotiated contract.

In no case however, shall the total sum liquidated damages exceed fifteen percent (15%) of the total contract price, in which event the contract shall automatically be taken over the OWNER or award the same to a qualified CONTRACTOR'S performance security shall be forfeited. The amount of the forfeited performance security shall be set aside from the amount of the liquidated damages that the CONTRACTOR shall pay the OWNER under the provisions of this clause.

IN WITNESS WHEREOF, the PARTIES affixed their signatures this day of

DEC 07 2018

_____, 2018

CEBU NORMAL UNIVERSTIY

By:  **DR. FILOMENA T. DAYAGBIL**

SUC President III

BL PANGAN CONSTRUCTION

By:  **Engr. BRAULIO L. PANGAN**

Proprietor

SIGNED IN THE PRESENCE OF.



Cebu Normal University



BL Pangan Construction