

**GENERAL CONSTRUCTION AGREEMENT
REFURBISHMENT AND COMPLETION OF UP BAGUIO CULTURAL HUB
(BULWAGANG JUAN LUNA) - PHASE 2**

This Agreement made this ^{FEB 28 2020} 27th day of December 2019 at Baguio City, by and between:

The UNIVERSITY OF THE PHILIPPINES SYSTEM, the national university, a public a secular institution of higher learning, created by virtue of Act. No. 1870, as amended and re-organized and operating by virtue of Republic Act No. 9500, with official address at Quezon Hall, UP Diliman, Quezon City, represented herein by its Executive Vice President, **TEODORO J. HERBOSA**, by the authority of President, **ATTY. DANILO L. CONCEPCION**, herein after referred to as the "UNIVERSITY";
AND

GREAT ZONE ENTERPRISE/M. VERANO CONST. CORP. (JV), with address at 2/F Leo's Building, 8133 Dra. Santos Avenue, San Dionisio, Parañaque City, duly represented herein by its Authorized Representative, **MARLON B. VERANO**, granted full power and authority to do, execute and perform any and all acts necessary to comply with the provisions of this Construction Agreement, hereinafter referred to as the "CONTRACTOR";

WITNESSETH: That

WHEREAS, the UNIVERSITY has decided to undertake the REFURBISHMENT AND COMPLETION OF UP BAGUIO CULTURAL HUB (BULWAGANG JUAN LUNA) - PHASE 2, located at the University of the Philippines Baguio, Governor Pack Road, Baguio City, hereinafter referred to as the PROJECT;

WHEREAS, a public bidding was conducted on 26 November 2019 in accordance with Republic Act (RA) 9184 or otherwise known as the Government Procurement Reform Act 26 and its 2016 Revised Implementing Rules and Regulations (IRR), herein CONTRACTOR having submitted the lowest calculated responsive bid;

WHEREAS, a notice of award dated 18 December 2019 was issued to the CONTRACTOR who has accepted the PROJECT under set terms and conditions, representing itself to be especially competent, skilled, and fully equipped with the necessary materials, manpower and equipment necessary for undertaking the PROJECT;

NOW THEREFORE, for and in consideration of the foregoing premises, the parties hereto agree as follows:

**ARTICLE I
SCOPE OF WORK**

1.1 The CONTRACTOR shall:

- a. Supply and provide all labor, materials, tools, and equipment, including power and water, transportation and other facilities, services and all related work for the PROJECT, in accordance with the issued plans, drawings, schedule, technical specifications, and other related contract documents, necessary to prosecute the work to completion, as called for in the Plans and Scope of Works;
- b. At its own expense, be responsible for the unloading, unpacking, and inspection of all contract-furnished materials, machinery, and equipment delivered to the construction site, and shall also be responsible for the storage, control, transportation, safekeeping, and any other necessary arrangement for such materials, machinery, and equipment within the site;
- c. Ensure adequate protection at all times of all materials, machinery, and equipment

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in the construction site against damage, robbery, and pilferage, and shall be responsible for any damage or loss to the same. Render warranty services on all work performed in accordance with the provisions of this Agreement and the Contract Documents incorporated hereto.

1.2 The detailed tasks involved for each individual item of work set forth in the immediately preceding paragraph are enumerated in the Scope of Work and Technical Specifications attached with related papers which form part of this Agreement.

ARTICLE II CONTRACT DOCUMENTS

2.1 The following Contract Documents are incorporated hereto and made an integral part of this Agreement:

- a. Invitation to apply for Eligibility and to Bid (Annex "A")
- b. Bidding Documents (Annex "B");
- c. Project Manual and Technical Specifications (Annex "C");
- d. Eligibility requirements, documents and statements (Annex "D");
- e. Bid Form including all documents/statements contained in the winning bidder's two bidding envelopes (Annex "E");
- f. Notice of Award with the Contractor's acceptance thereon (Annex "F");
- g. Performance Security (Annex "G");
- h. Drawings (Annex "H");
- i. Bill of Quantities (Annex "I");
- j. Rules and Regulations of the University (Annex "J");

2.2 The terms, conditions, stipulations, and warranties under the foregoing Contract Documents are deemed part of this Agreement. In case of doubt or conflict between and among any items or provisions of the Contract Documents, and/or between and among any of the Contract Documents and this Agreement, the CONTRACTOR shall refer the same in writing to the UNIVERSITY for clarification and guidance. The clarification or determination made by the UNIVERSITY shall be binding and conclusive upon the parties.

2.3 The CONTRACTOR shall under no circumstances make any change or alteration in the plans, conditions, and specifications of the PROJECT without prior written approval by the UNIVERSITY.

2.4 The parties may, in writing, agree to any revision, alteration or addition to the terms and conditions of this Agreement or the Contract Documents.

ARTICLE III CONTRACT PRICE

3.1 For and in consideration of the performance and accomplishment of the PROJECT, the UNIVERSITY shall pay the CONTRACTOR the total amount of **Ninety Two Million Three Thousand One Hundred Forty-Nine Pesos and Fifty-Five Centavos (Php92,003,149.55)** only subject to Article VI (Payments) of the Agreement and pertinent laws on government contracts and auditing procedures.

3.2 The Contract Price is inclusive of all duties, taxes, licenses, premiums, fees and charges which may accrue by virtue of the PROJECT, such as but not limited to permit and registration fees, municipal and personal property taxes, fees for storage or consumption, employment taxes, payments and contributions imposed by law. All such fees shall be for the account of the CONTRACTOR. Any exemption in the payment of the foregoing shall be credited to the UNIVERSITY. The CONTRACTOR is obligated to inform the UNIVERSITY in writing of any exemptions obtained by or granted to it with respect to taxes, licenses, and other fees. The CONTRACTOR shall pay all costs incurred in the preparation of this Agreement, including notarial fees.

3.3 No changes shall be made on the Contract Price by reason of escalation in currency, the price of materials, tools, equipment, or labor supervening during the course of the PROJECT, except in accordance with guidelines provided by law.

3.4 The payment of escalation costs shall be subject to the unilateral and written approval of the UNIVERSITY and to availability of funds.

3.5 Should the UNIVERSITY require the CONTRACTOR to perform additional work not required under this Agreement, the additional cost of such work shall be added to the Contract Price.

3.6 Should the UNIVERSITY require the CONTRACTOR to omit any work or portion of the PROJECT, the cost of work omitted shall be deducted from the Contract Price.

3.7 In case of the two immediately preceding sections, the cost of additions or deductions shall be subject to prior written agreement by both parties, upon recommendation of the Construction Management Team composed of the Chancellor, Vice Chancellor for Administration, Budget Officer, Design Consultant, General Engineering Consultant & Project Engineer before execution or implementation of any such requirement.

3.8 Any amount payable to the CONTRACTOR may be compensated against liquidated damages payable to the UNIVERSITY under this Agreement.

ARTICLE IV TIME OF COMPLETION AND LIQUIDATED DAMAGES FOR DELAY

4.1 The CONTRACTOR shall perform and complete the PROJECT to the satisfaction of the UNIVERSITY Three Hundred Sixty-Five (365) calendar days from date of effectivity as indicated in the notice to proceed. In relation thereto, the CONTRACTOR must submit a monthly progress report to the UNIVERSITY. Such report should also be posted at a conspicuous place at the construction site.

4.2 Time being of the essence of the PROJECT, delay in the completion of the PROJECT may be excusable only if the same is due to *force majeure*, additional work approved by the UNIVERSITY, or for any other special circumstance as may be determined by the UNIVERSITY.

4.3 *Force Majeure* is defined as any circumstance beyond the control of the parties, which directly prevents the parties from performing their obligations such as, but not limited to extraordinary weather conditions, fires, earthquakes or other natural calamities, valid work stoppage or suspension, orders of competent authority, civil disorder, war, and other hostilities.

4.4 Should there arise any circumstance provided in 4.2 above which affects the performance of its obligations, the party concerned shall notify the other in writing setting forth such facts and circumstances within five (5) days of its occurrence. Should there be need to extend the period of compliance with its obligations, both parties shall agree on a reasonable period within which to comply with the undertaking. Any other request for extension by the CONTRACTOR may be granted or denied by the UNIVERSITY at its sole discretion.

4.5 Upon the occurrence of any circumstance of *Force Majeure*, the CONTRACTOR shall endeavor to continue in the performance of its obligations so far as reasonably practicable. In such cases, the CONTRACTOR shall give the UNIVERSITY written notice of the steps it proposes to take, including any reasonable alternative means for the performance of its obligations. The CONTRACTOR shall not take any such steps unless authorized in writing by the UNIVERSITY.

4.6 In no case shall extension of time for completion be granted in any of the following circumstances:

- a. Ordinary unfavorable weather conditions;
- b. Labor problems or disputes involving the Contractors' employees, workers, or personnel, or those of its sub-contractors, agents, or suppliers;
- c. When the reason given for the request for extension has already been considered in the determination of the original completion time.

4.7 Should delay or default be due to any cause attributable to the CONTRACTOR, the CONTRACTOR shall be liable to pay liquidated damages in accordance with the provisions of item 4.8 (liquidated damages), Annex "E" of the Implementing Rules and Regulations, Part A of RA 9184 Contract Implementation Guidelines for the procurement of Infrastructure Projects. The UNIVERSITY shall have the option to demand the payment of, or deduct such damages from any amounts due the CONTRACTOR. The UNIVERSITY shall notify the CONTRACTOR in writing of its choice of action under this section.

4.8 The provisions on liquidated damages notwithstanding, the UNIVERSITY has the right to take all necessary and appropriate steps to effect an immediate takeover of the construction work either by itself or by another contractor, and to forfeit the Performance Bond and charge against the CONTRACTOR and its sureties any excess cost occasioned thereby in finishing the PROJECT, together with any liquidated damages that may be due the UNIVERSITY under any of the following circumstances:

- a. If the progress of the work is delayed by at least twenty percent (20%) of the contract period plus any extension duly granted, or does not conform with the work schedule such that from all indications the CONTRACTOR may not be able to complete the PROJECT within the stipulated time; or
- b. If the construction is not in accordance with the approved plans and specifications; or
- c. If at any time during the progress of the work the CONTRACTOR should fail, refuse, or neglect to supply and provide the required tools, materials, supplies, equipment, facilities, and labor-workmen in accordance with the schedule; or
- d. If the CONTRACTOR should abandon, fail to continue with the construction; or
- e. If this Agreement or any part hereof is being subcontracted or assigned to third parties without the previous written consent of the UNIVERSITY; or
- f. If the CONTRACTOR violates any of the conditions, warranties, or covenants under this Agreement.

4.9 In the event of takeover, whatever contracts entered into by the CONTRACTOR in the pursuit of its obligations under this Agreement which the UNIVERSITY may want to assume are hereby deemed assigned to the UNIVERSITY; Provided, that the UNIVERSITY shall not be liable for unpaid obligations previously incurred by the CONTRACTOR prior to the takeover. The right of the UNIVERSITY to take over the PROJECT shall be without prejudice to other rights and legal remedies it may be entitled to.

4.10 The lawful occupation by the UNIVERSITY of any portion of the PROJECT shall not be deemed a waiver of any of its rights nor shall it diminish any liability of the CONTRACTOR for liquidated damages or delays in other portions of the PROJECT.

ARTICLE V PERFORMANCE BOND

5.1 The Performance Bond submitted by the CONTRACTOR shall be coterminous with the date of final acceptance of the PROJECT by the UNIVERSITY.

The Performance Bond may be in the form of Cash, certified check, cashier's/ manager's check, Bank Draft/guarantee by a Universal or Commercial Bank, or Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security, or any combination of the foregoing.

The required amount of the above forms of security shall be in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Ten percent (10%)
(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 upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

5.2 If the PROJECT cannot be completed for final acceptance within the period prescribed under Section 4.1 to the satisfaction of the UNIVERSITY, the CONTRACTOR shall post a substitute Performance Bond or effect an extension of the original Performance Bond to cover the period of extension until final acceptance of the PROJECT is made.

5.3 The CONTRACTOR shall post the substitute Performance Bond immediately upon determination of the UNIVERSITY of the inability of the CONTRACTOR to complete the PROJECT for final acceptance. This determination shall be made by the UNIVERSITY within ten (10) working days immediately preceding the expiration date of the Performance Bond.

5.4 The CONTRACTOR shall post an additional performance security to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements.

5.5 Until and unless the CONTRACTOR shall have complied with Section 5.3 and 5.4 hereof the UNIVERSITY shall withhold all payments due the CONTRACTOR.

ARTICLE VI PAYMENTS

6.1 The UNIVERSITY shall, upon a written request of the CONTRACTOR which shall be submitted as a contract document, make an advance payment to the CONTRACTOR in an amount equal to fifteen percent (15%) of the total contract price, to be made in lump sum or at the most two installments according to a schedule specified in the Instructions to Bidders and other relevant Tender Documents.

6.2 The advance payment shall be made only upon the submission to and acceptance by the UNIVERSITY of an irrevocable standby letter of credit of equivalent value from a commercial bank or a guarantee payment bond, callable on demand, issued by a surety or insurance company duly licensed by the Office of the Insurance Commissioner and confirmed by the implementing agency.

6.3 The advance payment shall be repaid by the contractor after deducting fifteen percent (15%) from his periodic progress payments until the amount of advance payment is fully liquidated.

6.4 The UNIVERSITY shall pay the CONTRACTOR progress payments based on billings for actual works accomplished as certified by the Construction Management Team of the UNIVERSITY. In no case shall progress billings be made more than once every thirty (30) calendar days. Materials or equipment delivered on the site but not completely put in place or used in the PROJECT shall not be included for payment.

6.5 All progress payments shall be subject to a retention fee of ten percent (10%). Such retention shall be based on the amount due the CONTRACTOR prior to deductions and shall be retained from every progress payment until fifty percent (50%) of the value of the works, as determined by the UNIVERSITY, are completed. If, after 50% completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the 10% retention shall be imposed. The CONTRACTOR may, however, request for its release/substitution prior to Final Acceptance subject to the guidelines set forth in R.A. 9184 and its Implementing Rules and Regulations.

6.6 In addition to the 10% retention mentioned above, the UNIVERSITY reserves the right to deduct from the progress billing of the CONTRACTOR such amount as may be necessary to cover third party liabilities, as well as uncorrected discovered defects in the project in the event that the costs of such liabilities as well as uncorrected discovered defects in the project exceed the 10% already retained by the University.

6.7 The UNIVERSITY shall issue a Certificate of Final Acceptance to the CONTRACTOR upon satisfactory completion of the PROJECT. Before such certificate is issued, the CONTRACTOR shall submit a sworn statement certifying that all taxes due from it, and all obligations for materials used and labor employed in connection with the project have been duly paid. Final payment shall be made within a reasonable period upon Final Acceptance by the UNIVERSITY.

6.8 No payments made by the UNIVERSITY shall be construed as a waiver of any claim for defects in the work, materials, or breach of obligations under this Agreement. Acceptance by the CONTRACTOR of final payment shall be deemed a waiver of all its claims except those previously made in writing, which remains unsettled at the time of Final Acceptance.

**ARTICLE VII
WARRANTIES AND
RESPONSIBILITIES OF THE CONTRACTOR**

7.1 The CONTRACTOR shall secure all pertinent permits required by any government office or agency in connection with the PROJECT. Such permit/s must be submitted to the UNIVERSITY within the first thirty (30) days of the construction period.

7.2 The CONTRACTOR shall comply with all laws, rules, and regulations promulgated by the government of the Republic of the Philippines, including those on labor, environment, safety and sanitation, those regulating the construction industry, and other pertinent laws. The CONTRACTOR shall be solely liable for any violation of the same.

7.3 Should the CONTRACTOR find that any portion of this Agreement or part of the Contract Documents are contrary to any law, rule, or regulation, the CONTRACTOR shall immediately notify the UNIVERSITY in writing and comply with the instructions to be given by the UNIVERSITY.

7.4 The Engineers and personnel identified by the CONTRACTOR in their organizational staff pattern which was submitted during the bidding should be physically present at the construction site at least once a week during the construction period to ensure that the specifications required by the UNIVERSITY are strictly followed.

7.5 The CONTRACTOR shall take all precautionary measures to ensure the safety and convenience of the workers and the general public, and to take all appropriate steps to prevent damage or injury to persons or property in or about or adjacent to the premises where the work is

being performed. The provisions of item 7.12, 7.13 of Article VII, and Article XIII shall apply in case of damage or injury to persons or property.

7.6 The CONTRACTOR warrants and guarantees that all materials to be used for the PROJECT are new, free from hidden defects, and fully comply in every respect with the specifications, approved samples, and other requirements of the Contract Documents. The CONTRACTOR shall make no substitution of materials required to be furnished by it unless prior written approval is obtained from the UNIVERSITY. The CONTRACTOR hereby holds the University free and harmless from any liability arising out of claims or liens on materials supplied. The CONTRACTOR warrants that his/its suppliers/workers shall not put a lien nor execute against the Building or any portion thereof. In case of any substitution with inferior materials without the prior written consent of the UNIVERSITY and the same cannot be removed and replaced, the CONTRACTOR shall credit the UNIVERSITY an amount equivalent to the difference in cost plus one hundred percent (100%) of the credit amount as liquidated damages.

7.7. All materials to be used in the construction shall be first inspected by the representative of the UNIVERSITY before installation. As such, the CONTRACTOR should report the delivery of every tranche of materials being brought to the construction site for inspection of the UNIVERSITY. As proof of the inspection as well as the acceptance of the UNIVERSITY of such materials, a certificate of inspection and acceptance of the materials shall be issued by the UNIVERSITY prior to the use of such materials.

7.8 The CONTRACTOR warrants that the works done under this Agreement, including those performed by sub-contractors, if any, shall be free from any defect, shrinkage, or other fault due to defective or improper materials, planning, or workmanship. If any such defect, shrinkage, or fault, whether pertaining to that portion of the work performed by the CONTRACTOR or to a portion performed by any sub-contractor arise, the CONTRACTOR shall, at its own expense, promptly repair, correct, or make good such defect, shrinkage, or fault to the satisfaction of the UNIVERSITY. In case deviations, defects, shrinkage, faults, or deficiencies in the work are not remedied to the satisfaction of the UNIVERSITY within a reasonable time, the UNIVERSITY shall, without prejudice to any other right or remedy, cause the repair or correction to be made for the account of the CONTRACTOR. The CONTRACTOR shall be responsible for any loss, injury, or damage arising or resulting from any such deviation or defect, shrinkage or fault.

Violation of the warranties under items 7.1 to 7.6 shall entitle the UNIVERSITY to pre-terminate this Agreement by mere written notice to the CONTRACTOR effective upon receipt thereof.

7.9 In the event of pre-termination, the CONTRACTOR, its representatives, personnel of sub-contractors shall voluntarily turn over the PROJECT to the UNIVERSITY and in no case continue occupying the premises and its surroundings. The CONTRACTOR hereby constitutes the UNIVERSITY as Attorney-In-Fact to take possession of the PROJECT to protect the interest of the UNIVERSITY. Expenses arising from the pre-termination shall be charged against the CONTRACTOR until the PROJECT is properly turned over to the UNIVERSITY.

7.10 The CONTRACTOR shall leave the work in good order upon completion.

7.11 The CONTRACTOR shall be responsible for the storage and safekeeping of all UNIVERSITY supplied materials, if any, fully turned over to its custody by the UNIVERSITY.

7.12 The CONTRACTOR assumes full responsibility for the acts, omissions, or negligence of its employees, workers, agents and those of its sub-contractors and their employees, as well as for all other persons doing work under this Agreement.

7.13 The CONTRACTOR shall hold the UNIVERSITY free and harmless from, and hereby binds and obligates itself to indemnify the UNIVERSITY for liabilities, losses, damages, injuries including death claims, demands, suits, proceedings, judgments, awards, fines, penalties, and all expenses of whatever kind and nature arising from and by reason of this Agreement, due to its

negligence, act, omission, delay, conduct, breach of trust, or non-observance or violation of this Agreement, or those of its employees, agents, representatives, or sub-contractors.

7.14 The warranties required under the Contract Documents are incorporated hereto and the CONTRACTOR agrees to comply with all such provisions.

**ARTICLE VIII
GUARANTEE BOND**

8.1 The CONTRACTOR shall be required to put up a warranty security in the form of cash or bank guarantee, effective for a period of one (1) year reckoned from the date of Final Acceptance, in accordance with the following schedule:

Form of Warranty /Security Bond		Amount of Warranty Security Bond (Not less than the Percentage of the Total Contract Price)
a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.		
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.		Ten percent (10%)
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.		Thirty percent (30%)

The warranty security shall be stated in Philippine pesos, shall remain effective during the applicable warranty period for one year, and shall be returned only after the lapse of the said warranty period.

**ARTICLE IX
INSURANCE**

9.1 If the university so requires, the CONTRACTOR shall submit an insurance contract to protect the UNIVERSITY against all claims of damages for personal injury or death, and claims for damages of the UNIVERSITY'S property and adjoining property, which may arise from operations pursuant to this Agreement. The adequacy of protection and reliability of the insurance company shall be subject to the approval of the UNIVERSITY provided that the Insurance Company is duly certified by the Insurance Commission as authorized to issue such security. The cost of such insurance shall be borne by the CONTRACTOR and the policy therefore shall be delivered to the UNIVERSITY as beneficiary.

**ARTICLE X
ACCEPTANCE**

10.1 The UNIVERSITY shall issue to the CONTRACTOR a Certificate of Final Acceptance upon satisfactory completion of the PROJECT. Acceptance shall not be implied from any other act of the UNIVERSITY.

10.2 Minor defects discovered in the final inspection must be corrected by the CONTRACTOR within sixty (60) days from the date of Certificate of Final Acceptance. Otherwise, the Guarantee Bond shall be forfeited.

10.3 Before issuance of the Certificate of Final Acceptance, the CONTRACTOR must submit a sworn statement that all payrolls, materials, bills, and other indebtedness and obligations for the PROJECT have been fully and duly paid. Any claim submitted to the UNIVERSITY at any time by any party arising from this Agreement shall be sufficient reason for the UNIVERSITY to withhold any payment due the CONTRACTOR.

10.4 The issuance of a Certificate of Final Acceptance by the UNIVERSITY shall not relieve the CONTRACTOR of any liability for any defect in the work or from Article 1723 of the New Civil Code.

ARTICLE XI ASSIGNMENT AND SUB-CONTRACTING

11.1 The CONTRACTOR cannot assign, transfer, pledge, sub-contract, or otherwise dispose of this Agreement or any part or interest herein without the prior written approval of the UNIVERSITY. Any such approval shall not relieve the CONTRACTOR from any liability or obligation under the law or this Agreement, nor shall it create any contractual relation between the sub-contractor, pledgee, transferee, or assignee, and the UNIVERSITY.

11.2 In case of sub-contracting, the CONTRACTOR shall submit, before Final Acceptance, a sworn statement executed by the sub-contractor attesting to the fact that the latter has been fully paid by the CONTRACTOR for the materials furnished and the labor performed under the sub-contract.

11.3 In case of sub-contracting, the CONTRACTOR shall incorporate or cause to be incorporated in any contract or agreement with the sub-contractor or third parties a provision of its assignability to and assumption by the UNIVERSITY, at the option of the UNIVERSITY.

ARTICLE XII NO EMPLOYER-EMPLOYEE RELATIONSHIP

12.1 The relationship of the UNIVERSITY to the CONTRACTOR is that of an independent contractor. Nothing in this Agreement shall be construed as creating an employer-employee relationship between the UNIVERSITY and the CONTRACTOR, its sub-contractors, employees, agents, or workers. *The Contractor is responsible for informing all his sub-contractors, employees, agents or workers of the University rules and which they are expected to observe at all times. Such rules and regulations are hereto attached as Annex "J". Moreover, the provisions of the Anti-Sexual Harassment Act shall be strictly applied and followed, workers actually on site should attend the Anti-Sexual Harassment Orientation.*

ARTICLE XIII INDEMNIFICATION

13.1 The CONTRACTOR shall indemnify, hold free and harmless, and defend at its own expense the UNIVERSITY and its officials, agents, employees, or workers, from and against all suits, claims, demands and liabilities of any nature or kind, including costs and expenses associated therewith, arising out of acts or omissions of the CONTRACTOR, its employees, workers, or sub-contractors in the performance of any activity in connection with the PROJECT, including those that may be initiated by its employees, workers, agents, sub-contractors, or by any other entity or person against the UNIVERSITY by reason of or in connection with the PROJECT.

ARTICLE XIV TERMINATION

14.1 Except for the provisions on pre-termination found in items 7.1 to 7.7, any violation of any provision of the Agreement shall give the UNIVERSITY the right to terminate, cancel, or rescind this Agreement without need of judicial intervention by giving at least thirty (30) days prior written notice to the CONTRACTOR. This Section shall not diminish or affect the immediate takeover provided in Section 4.8 above. Such notice shall be final and binding upon the parties.

14.2 Upon notice of termination the UNIVERSITY may take over and continue the PROJECT, and any contract or agreement of the CONTRACTOR with sub-contractors or third parties,

which the UNIVERSITY, in its discretion, may want to assume. In such eventuality such sub-contracts or agreements are hereby assigned to the UNIVERSITY.

14.3 Within thirty (30) days after termination, cancellation, or rescission of this Agreement, the parties shall settle their respective obligations as of the date of termination, cancellation, or rescission, including the refund of any and all advances made plus legal interest from the date of receipt of the amount so advanced.

ARTICLE XV MISCELLANEOUS PROVISIONS

15.1 The Construction Management Team of the UNIVERSITY shall have the following functions and responsibilities:

- a. Supervise all phases of the construction works covered under this Agreement. This provision shall not relieve the CONTRACTOR of its duties and responsibilities under Article I hereof.
- b. Conduct regular inspection of the ongoing construction works, its premises, including the inspection of the materials and supplies being used for construction;
- c. Recommend to the UNIVERSITY or its proper authorities, any work changes, suspension, or stoppage of the works; and
- d. Certify as to the percentage of completion of the construction works.

15.2 Failure of the UNIVERSITY to require performance by the CONTRACTOR of any provision hereof shall not affect the right of the UNIVERSITY to enforce the same.

15.3 All rights or remedies available to the UNIVERSITY under this Agreement or by law are separate and cumulative. No right or remedy whether or not exercised, shall exclude any other right or remedy. No failure or delay by the UNIVERSITY in exercising any such right or remedy shall be construed as a waiver of any breach or default by the CONTRACTOR. Any waiver, permit, consent, or approval of any kind or character by the UNIVERSITY in connection with this Agreement shall be specified in writing and shall be effective only to the extent that such writings set forth.

15.4 Should it be rendered necessary for the UNIVERSITY to institute any proceeding to enforce any provision of this Agreement, the CONTRACTOR shall be liable to pay ten (10%) of the Contract Price as liquidated damages therefore. The damages provided under this section are in addition to those that may be adjudged, plus twenty five percent (25%) of the total amount of damages sought as attorney's fees.

15.5 The damages provided under the immediately preceding section are without prejudice to such other damages provided herein and under applicable laws.

15.6 The provisions of RA 9184 and its IRR and the uniform conditions of the contracts for government construction drafted by the Construction Industry Authority shall apply in a suppletory capacity insofar as they are not inconsistent with the provisions of the Agreement.

15.7 If any provision of this Agreement is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

ARTICLE XVI SETTLEMENT OF DISPUTES

16.1 Should there be any conflict with respect to the interpretation or operation of any of the provisions of this Agreement, the parties shall exert their best efforts to amicably settle such dispute. Should no settlement be reached within a reasonable period, the dispute shall be settled through arbitration, which shall be governed by Executive Order No. 1008 (Construction Arbitration Law) or the courts in accordance with the provisions hereunder.

16.2 Disputes with respect to the following matters shall be submitted to arbitration:

- a. Matters with respect to the Contract Documents and the incorporation of their provisions under Article II;

- b. Matters with respect to the payment of taxes and other fees referred to in Section 3.2;
- c. Matters with respect to contract price adjustment under Article III;
- d. Matters with respect to the time of completion, liquidated damages for delay, takeover under Article IV;
- e. Matters with respect to the Performance Bond under Article V;
- f. Matters with respect to payments under Article VI;
- g. Matters under Articles I & VII;
- h. Matters with respect to the Guarantee Bond under Article VIII;
- i. Matters with respect to acceptance under Article X;
- j. Matters with respect to termination under Article XIV;
- k. Matters with respect to the duties of the Construction Management Team under Section 15.1.

16.3 Disputes with respect to any other legal matter shall be submitted to the jurisdiction of the courts of Baguio City, to the exclusion of all others.

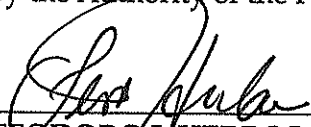
IN WITNESS WHEREOF, the parties have hereunto affixed their signatures on the date and place above indicated.

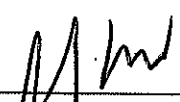
UNIVERSITY OF THE PHILIPPINES
SYSTEM


GREAT ZONE ENTERPRISE/M. VERANO
CONST. CORP. (Joint Venture)

By the Authority of the President:

By:



TEODORO J. HERBOSA JR.
Executive Vice President, UP System


MARLON B. VERANO
Authorized Representative
M. Verano Const. Corp.

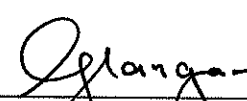

WILLIAM U. TAN
Proprietor
Great Zone Enterprise

SIGNED IN THE PRESENCE OF:


RAYMUNDO D. ROVILLOS
Chancellor


JESSICA K. CARIÑO
Vice Chancellor for Administration

Certified: Funds Available


CECILE G. DANGAWEN
Chief, Accounting Office

ACKNOWLEDGMENT

Republic of the Philippines)
PARANAQUE CITY) S.S.

BEFORE ME, a Notary Public for and in the PARANAQUE CITY personally appeared on FEB 28 2020, the following persons, presenting to me their respective Competent Evidence of Identity, as indicated below:

Name	GIID NO.	Issued at / on
TEODORO J. HERBOSA MARLON B. VERANO	<u>Passport # PASO 8513A</u>	_____

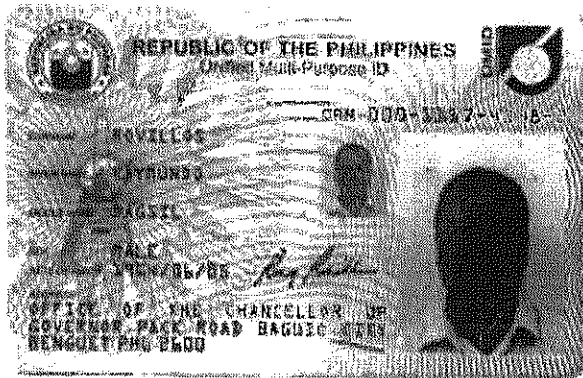
known to me and identified by me through competent evidence of identity to be the same persons who executed the foregoing instrument denominated as the GENERAL CONSTRUCTION AGREEMENT FOR THE REFURBISHMENT AND COMPLETION OF THE UP BAGUIO CULTURAL HUB (BULWAGANG JUAN LUNA) - PHASE 2 consisting of twelve (12) pages, including this page, having acknowledged before me that it is their own, respective, free and voluntary act and deed and that of the institutions that they represent.

TO THE TRUTH OF THE FOREGOING, witness now my hand and seal on the date and at the place indicated.

Doc. No. 2762 ;
Page No. 153 ;
Book No. 11 ;
Series of _____ ;

~~LEFKY RODRIGO L. ALANO~~
NOTARY PUBLIC PARANAQUE
T.M. NO. 114-2019 UNTIL 12-31-20
138 SAN ANTONIO AVE. PARANAQUE
ROLL NO. 23323
IBP NO. 049352 08-15-2018
MCLE V00814404-23-2018
T.M. NO. 2215056 01-02-20 1999

[Handwritten signatures and initials on the left margin]



University of the Philippines
Baguio

RAYMUNDO D. ROVILLOS

Employee #. 181030673

FACULTY



Raymundo D. Rovillos
Chancellor

GSIS

For TELDSERVICE call 1-800-8-847467 (GLOBE) 1-800-70-847467 (SMART / PLDT)

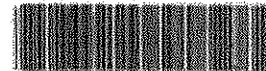
956 1354609 01 8

ACCT No. 1 189576917852 VALID IN ALL WORLDWIDE


3638-0-190

MEMBERS

PERSON TO NOTIFY IN CASE OF EMERGENCY	
ROSALINA R. PEPINO	BLOOD TYPE
23 INTERIOR B, SALACDAG, STQ. TOMAS PROPER, BAGUIO CITY	B
TEL. NO. (074) 447 0015 / (074) 442 3969	
EMPLOYMENT STATUS	This is to certify that the person whose picture and signature appear herein is an employee of the University of the Philippines Baguio.
PERMANENT	
TIN: 181-037-032	
GSIS NO.: 6408US01627	
PAG IBIG NO.: 1293-00878351	
PHILHEALTH NO.: D4-00002151E-5	<i>Raymundo D. Rovillos</i> DR. RAYMUNDO D. ROVILLOS Chancellor



REPUBLIC OF THE PHILIPPINES
 DEPARTMENT OF TRANSPORTATION
 LAND TRANSPORTATION OFFICE
NON-PROFESSIONAL DRIVER'S LICENSE



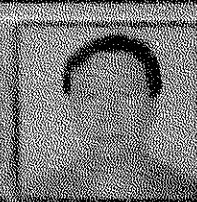
TAN, WILLIAM JR. UY
 Sex: M Date of Birth: 1968/11/18 Height: 1.65
 Address:
 8 BARANGA ST. BACOD CITY BACOD

License No: 201-47-01007 Expiration Date: 02/28/19/ 034
 Valid Until: 02/28/19
 Issued: 02/28/19
 Signature: *[Signature]*
 Director: PA. JUAN

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
 Manila

PROFESSIONAL REGISTRATION CARD

Last Name: TAN
 First Name: WILLIAM JR
 Middle Name: UY
 ID No: 00560307
 Registration No: 87/31/3801
 Expiry Date: 11/15/2030



11/15/1968
 1/15/2037

