

# Special Conditions of Contract

GCC Clause	
1	<p data-bbox="315 326 649 368"><b>General Requirements –</b></p> <p data-bbox="315 393 634 436"><b>A. SCOPE OF WORKS</b></p> <ol data-bbox="412 468 1511 618" style="list-style-type: none"><li>1. The Service Provider shall supply the Supervision and Expertise, Labor, Equipment, Tools and Parts for the Operation and Comprehensive Preventive Maintenance (CPM) of the Sewerage Treatment Plant (STP) located at SSS Hong Kong Sun Plaza Property, Roxas Boulevard, Pasay City.</li></ol> <p data-bbox="456 655 1511 779">The Service Provider must have at least three (3) years experience in the Operation and Maintenance of an Electro Contaminant Removal-Sewage Treatment Plant System, for the past five (5) years.</p> <ol data-bbox="412 812 1511 924" style="list-style-type: none"><li>2. The Service Provider shall operate and provide monthly Comprehensive Preventive Maintenance (CPM) including repairs and submit the report on or before the tenth (10th) day of the following month.</li></ol> <p data-bbox="456 956 1511 1036">Repair/Replacement of equipment/parts shall commence at the start of the 2<sup>nd</sup> year and to finish within the 1<sup>st</sup> quarter of the 2<sup>nd</sup> year of the Contract.</p> <ol data-bbox="412 1069 1511 1181" style="list-style-type: none"><li>3. The three (3) year Comprehensive Preventive Maintenance shall include the replacement of all damaged, defective minor and major parts of the equipment that are deemed necessary for the effective operation of the STP.</li></ol> <ol data-bbox="412 1213 1511 1293" style="list-style-type: none"><li>4. The Service Provider shall supply, deliver and replace with brand new equipment that are compatible with the existing piping connections as follows:</li></ol> <ol data-bbox="456 1325 1511 1993" style="list-style-type: none"><li>4.1 Six (6) unit Non-Clog Submersible Sewage Pump, 2hp, 220V, 1-phase, 60Hz, at 24/7 operation complete set with float switch and check valve.</li><li>4.2 One (1) unit, 2-HP non-clog, on-line submersible pump complete set with float switch and check valve.</li><li>4.3 Rotary Grit Bar/Screen which is a mechanical filter used to remove large objects such as rags, plastics, etc. from waste-water.</li><li>4.4 Fine bubble tube diffusers (48) pcs.</li><li>4.5 Chlorinator dosing pump, gas stripper and other accessories.</li><li>4.6 Two (2) units, non-clog Electromagnetic Flow Meter.</li><li>4.7 Installation of Dosing Pump for automatic dose dosing of Chlorine</li><li>4.8 Programmable Logic Controller (PLC) for the STP system.</li></ol> <ol data-bbox="412 2025 1511 2105" style="list-style-type: none"><li>5. The Service Provider shall supply, deliver and install brand new replacement Circuit Breaker Enclosure with complete circuit breakers as follows:</li></ol> <ol data-bbox="456 2138 997 2250" style="list-style-type: none"><li>5.1 Metal enclosure for the circuit breaker</li><li>5.2 Circuit Breakers, 100 A, 30 A, 50 A</li></ol>

	<p>5.3 Magnetic contactors</p> <p>5.4 Relays, terminal blocks</p> <p>5.5 Switches</p> <p>5.6 Pilot lights</p> <p>5.7 Royal cord, THHN wire, TF wire, others (Refer to attached detailed estimates)</p> <p>6. The Service Provider shall supply and deliver all the consumable items compatible with STP electrical system, mechanical equipment, and components per year:</p> <p>6.1 Appropriate V-belts for Roots Blower</p> <p>6.2 Appropriate bearings for motor blowers</p> <p>6.3 Grease / gear oil</p> <p>6.4 High Temperature Gasket Maker</p> <p>6.5 Float Switches</p> <p>6.6 360 pcs, Steel Electrodes for the ECR System</p> <p>7. The Service Provider shall grease the blower bearings every (6) six months.</p> <p>8. The operator must conduct monthly monitoring test such as Dissolved Oxygen, Settleability Tests, pH, Total Suspended Solids and Chlorine tests. The test results, whether positive or negative, are to be submitted to SSS-Engineering and Facilities Management Department.</p> <p>9. The Comprehensive Preventive Maintenance (CPM) program of the Electro Contaminant Remover – Sewerage Treatment Plant shall include but not be limited to the following:</p> <p>9.1 Operational checking of equipment.</p> <p>9.2 Inspection, cleaning, and re-greasing of parts.</p> <p>9.3 Cleaning and/or replacement of filters.</p> <p>9.4 Oil change of equipment.</p> <p>9.5 Minor repair such as but not limited to adjustment for clearances, tightness.</p> <p>9.6 Replacement of all expose PVC pipes to heavy duty PEX pipes</p> <p>10. The Service Provider shall monitor the effluent discharge and must be within the latest acceptable standards of Laguna Lake Development Authority (LLDA) and the Department of Environmental and Natural Resources-Environmental Management Bureau (DENR-EMB). The Service Provider must be abreast with the latest regulations of the LLDA and DENR-EMB and inform the SSS as soon as these are implemented.</p>
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	<p>11. The Service Provider shall provide timely submission of duly accomplished Self-Monitoring Report (SMR) or Compliance Monitoring Report (CMR) as required by the Government’s Regulating Agency (LLDA and DENR-EMB).</p> <p><b>B. MANPOWER REQUIREMENTS</b></p> <p>1. The ECR-STP shall be operated 24 hours a day, 7 days a week with the following personnel who are fully vaccinated with COVID 19 Vaccination.</p> <p>1.1 One (1) Supervisor. The Supervisor is the designated Pollution Control Officer (PCO) of the Service Provider with an Identification Card (ID) provided by LLDA as the accredited PCO. He shall be responsible in the overall management of the STP, and shall have direct supervision of the Team, seven (7) days a week, (8) hours per <b>day</b>.</p> <p>1.2 One (1) Mechanic Pipe Fitter with valid TESDA NC II Certificate. The mechanic pipe fitter will be in-charge of conducting repairs related to his position and should be at the STP seven (7) days a week, eight (8) hours per <b>day</b>.</p> <p>1.3 One (1) Electrician with valid TESDA NC II Certificate. The electrician will be in-charge of conducting repairs related to his position and should be at the STP seven (7) days a week, eight (8) hours per <b>day</b>.</p> <p>1.4 Three (3) STP Operators on a shifting schedule. Eight (8) hours per day with scheduled shifting for day-off. The STP operator must have three (3) years’ experience in the Operation and Maintenance of similar STP /SBR system. And with knowledge in plumbing, mechanical, electrical works and facilities/equipment maintenance. SSS has the right to request for replacement for the Service Provider personnel for whatever reason.</p> <p>2. Obligation of the Supervisor/Pollution Control Officer:</p> <p>2.1 Shall have the direct supervision on the assigned STP Operators and shall regularly monitor their activities.</p> <p>2.2 Supervise the quarterly effluent sampling of wastewater analysis reports to and from water analysis laboratory.</p> <p>2.3 Report within reasonable time to the Authority the breakdown of any pollution control facility, and the estimated and actual date of completion/repair and Operation.</p> <p>2.4 Supervise monthly the proper operation and maintenance of the STP and timely submission of duly accomplished Self-Monitoring Report (SMR) and Compliance Monitoring Report (CMR).</p> <p>2.5 The supervisor should be at the STP seven (7) days a week, eight (8) hours per <b>day</b>.</p> <p>2.6 Shall be the focal person of the SSS, and shall report any untoward incident within 24 hours from its occurrence</p> <p>3. Obligation of the STP Operator:</p> <p>3.1. Upkeep of the STP and its immediate surrounding seven (7) days a week.</p>
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	<p>3.2. Regularly check-up on the operation of the STP, equipment and appurtenances.</p> <p>3.3. Preparation of the chemical needed for treatment if any.</p> <p>3.4. Operation-tending of sludge de-watering facility and coordination with SSS Property Administration and/or the designated PCO for the hauling disposal of sludge cake.</p> <p>3.5. Technical recording of the operation for the STP.</p> <p>3.6. Shall regularly report to the Pollution Control Officer.</p> <p>4. Obligation of the Mechanic Pipe Fitter:</p> <p>4.1. The mechanic pipe fitter will be in-charge of conducting repairs and maintenance related to his position, such as installation of pipe systems, pipe supports, hydraulic and pneumatic equipment, etc.</p> <p>4.2. Should be at the STP seven (7) days a week, eight (8) hours per day.</p> <p>4.3. Shall regularly report to the Pollution Control Officer.</p> <p>5. Obligation of the Electrician:</p> <p>5.1. The electrician will be in-charge of conducting repairs related to his position, such as the installation of electrical hardware and repair of electrical wiring, systems, etc.</p> <p>5.2. Should be at the STP seven (7) days a week, eight (8) hours per <b>day</b>.</p> <p>5.3. Shall regularly report to the Pollution Control Officer.</p> <p>C. GENERAL CONDITIONS</p> <p>The Service Provider shall comply with the following:</p> <p>1. Administrative Requirements</p> <p>1.1. Visit and inspect the site to apprise oneself of the actual condition that will affect the implementation of the project to be done. The Service Provider shall secure a Certificate of Site Inspection from the Engineering and Facilities Management Department.</p> <p>1.2. Comply with the security, safety, SSS house rules, and plans for maintaining continued job site cleanup.</p> <p>1.3. Investigation and submission of report/s to SSS for any accident or untoward incident that may occur at the site for the duration of the project.</p> <p>1.4. Assume all responsibility for injuries to persons and damages to SSS and other property caused by the execution of the works and shall be liable for any claims against SSS on account of such injury and/or damage.</p> <p>1.5. Provide necessary protection to all property of SSS from theft that is due to the performance of his work.</p>
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	<p>1.6. Any fine/s <b>that will be</b> incurred by the SSS due to non-compliance to LLDA and DENR-EMB standards for the SSS STP effluent shall be for the account of the Service Provider until remedial measures are applied.</p> <p>2. Prohibitions</p> <p>2.1. Drinking of liquor and smoking in the SSS Sewage Treatment Plant and the Service Provider’s storage area.</p> <p>2.2.Loitering in areas other than the SSS Sewage Treatment Plant.</p> <p>2.3. Other acts that can impede the natural flow in the water body, or can pollute the water.</p> <p>3. Safety and Sanitation Requirements</p> <p>3.1. Service Provider personnel engaged in the project shall wear appropriate personal protective equipment.</p> <p>3.2. Service Provider personnel shall wear Company uniform / T-shirts marked with the Service Provider’s company name and shall be with valid company I.D. while inside the SSS premises.</p> <p>3.3. All areas disturbed by implementation of the project shall be thoroughly cleaned to the full satisfaction of the SSS.</p> <p><b>D. PERFORMANCE &amp; TESTINGS</b></p> <p>Upon repair/installation of spare parts/equipment, perform the necessary adjustments and calibrations to set the tolerance within the allowable and acceptable limits and in accordance with the standard manufacturer’s recommendations.</p> <p>All tests shall be witnessed by EFMD authorized representative/s to be set within the first week of the 2<sup>nd</sup> quarter of the 2<sup>nd</sup> year of the contract.</p> <p><b>Delivery and Documents –</b></p> <p>For purposes of the Contract, “EXW,” “FOB,” “FCA,” “CIF,” “CIP,” “DDP” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p>The delivery terms applicable to this Contract are delivered at: SSS Hong Kong Sun Plaza Property, Roxas Boulevard, Pasay City.</p> <p>Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods from Engineering and Facilities Management Department (EFMD).</p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI (Schedule of Requirements).</p> <p>For purposes of this Clause the Procuring Entity’s Representative is Architect Gilbert N. Magalit of <i>Engineering and Facilities Management Department (EFMD)</i> with telephone number (02) 8-709-7198 locals 5515, 5514 or (02) 8-924-3459</p>
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	<p><b>Incidental Services –</b></p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:</p> <ul style="list-style-type: none"><li>a. performance or supervision of on-site assembly or installation of the equipment;</li><li>b. furnishing of tools required for assembly and/or maintenance of the supplied spare parts/ equipment;</li><li>c. furnishing of a detailed operations and maintenance manual for each–appropriate unit of the supplied spare parts/equipment;</li><li>d. performance or supervision or maintenance and/or repair of the supplied spare part/equipment for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and</li></ul> <p>The Contract price for the preventive maintenance of the sewerage treatment plant shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.</p> <p><b>Spare Parts –</b></p> <p>The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:</p> <ul style="list-style-type: none"><li>1. such spare parts as the Procuring Entity may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract; and</li><li>2. in the event of termination of production of the spare parts:<ul style="list-style-type: none"><li>i. advance notification to the Procuring Entity of the pending termination, in sufficient time to permit the Procuring Entity to procure needed requirements; and</li><li>ii. following such termination, furnishing at no cost to the Procuring Entity, the blueprints, drawings, and specifications of the spare parts, if requested.</li></ul></li></ul> <p>The Supplier shall carry sufficient inventories to assure ex-stock supply of consumable or replaceable spare parts or components for the Goods for a period of thirty (30) calendar days.</p> <p>Spare parts or components shall be supplied as promptly as possible, but in any case, within two (2) months of placing the order.</p> <p><b>Packaging –</b></p> <p>The Supplier shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the Goods’ final destination and the absence of heavy handling facilities at all points in transit.</p> <p>The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.</p>
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	<p>The outer packaging must be clearly marked on at least four (4) sides as follows:</p> <p>Name of the Procuring Entity Name of the Supplier Contract Description Final Destination Gross weight Any special lifting instructions Any special handling instructions Any relevant HAZCHEM classifications</p> <p>A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.</p> <p><b>Transportation –</b></p> <p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP, or DDP, transport of the Goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in this Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.</p> <p>Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the contract price.</p> <p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered force majeure.</p> <p>The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP deliveries. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to the Procuring Entity until their receipt and final acceptance at the final destination.</p> <p><b>Intellectual Property Rights –</b></p> <p>The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.</p> <p><b>Pre-Termination</b></p> <p>Pre-termination of the service contract within thirty (30) calendar days upon receipt of written request from SSS in case the redevelopment plan of the SSS Hong Kong Sun Plaza commenced during the implementation of the contract.</p>
2.2	<p>The terms of payment shall be as follows:</p>

	<p>Payments shall be made quarterly, specifically every tenth (10<sup>th</sup>) day of the first month of the succeeding quarter, payable upon the service provider's submission of following complete billing documents, which shall be credited to the LANDBANK or DBP or any choice of bank account subject to applicable bank charges of the winning bidder:</p> <ol style="list-style-type: none"> <li>1. Billing Request Letter</li> <li>2. Sales Invoice or Billing Statement</li> <li>3. Monthly accomplishment reports for the applicable quarter signed by the Pollution Control Officer (PCO).</li> <li>4. Quarterly Self-Monitoring Report signed by the PCO</li> <li>5. Positive result of the quarterly waste-water analysis/test from the Laguna Lake Development Authority (LLDA).</li> </ol> <p>For the replacement of spare parts/equipment, payment shall be made after completion of the supply, delivery, installation and commissioning of the new spare parts/equipment subject to all applicable taxes.</p> <p>The payment shall be subject to retention of Withholding Tax and other applicable taxes in accordance with existing Laws and BIR Rules and Regulations, to be remitted directly to the BIR by the SSS.</p> <p>Payment using Letter of Credit is not allowed.</p>
4	Not applicable.
5.1	<p><b>Warranty</b></p> <p>Warranty Period for all brand new replaced parts and equipment is one (1) year.</p> <p>All spare parts, equipment or materials to be supplied or installed shall be brand new, free from defects and must conform to the required specifications, and must be immediately completed subject to the inspection and testing of the SSS Representatives.</p>
5.2	<p>Correction of defects within the warranty period shall be done <u>within three (3) days</u> after notification of defect was first communicated (verbally or in writing) by SSS to the Supplier.</p> <p>Within One (1) year from completion of the project. The contractor shall undertake the necessary repair works, at his own expense, immediately from the time the SSS has issued an order to undertake the repair for hidden defects, workmanship, quality of materials, etc.</p>
6	<p><b>Liability of the Supplier</b></p> <ol style="list-style-type: none"> <li>1. CONFIDENTIALITY. Neither party shall, without the prior written consent of the other, disclose or make available to any person, make public, or use directly or indirectly, except for the performance and implementation of the works, any confidential information, acquired from an information holder in connection with the performance of this Contract, unless: (i) the information is known to the disclosing party, as evidenced by its written records, prior to obtaining the same from the information holder and is not otherwise subject to disclosure restrictions on the disclosing party, (ii) the information is disclosed to the disclosing party by a third party who did not receive the same, directly or indirectly, from an information holder, and who has no obligation of secrecy with respect thereto, or (iii) required to be disclosed by law.</li> </ol> <p>The obligation of confidentiality by both parties, as provided herein, shall survive the termination of the Agreement.</p>



	<p>2. <b>MERGER AND CONSOLIDATION.</b> In case of merger, consolidation or change of ownership of the SUPPLIER with other company, it is the responsibility of the surviving company/consolidated company/acquiring entity to inform SSS of the change in corporate structure/ownership. Failure to do so shall translate in such company assuming all liabilities of the acquired/merged company under the Agreement.</p> <p>3. <b>FORCE MAJEURE.</b> SUPPLIER shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that SUPPLIER's delay in performance or other failure to perform its obligations under this Agreement is the result of a force majeure.</p> <p>For purposes of this Agreement the terms "force majeure" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or force majeure shall be interpreted to mean an event which SUPPLIER could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by SUPPLIER. Such events may include, but not limited to, acts of SSS in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.</p> <p>If a force majeure situation arises, SUPPLIER shall promptly notify SSS in writing of such condition and the cause thereof. Unless otherwise directed by SSS in writing, SUPPLIER shall continue to perform its obligations under this Agreement as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure.</p> <p>4. <b>NON-ASSIGNMENT.</b> SUPPLIER shall not assign its rights or obligations under this Agreement, in whole or in part, except with SSS's prior written consent. SUPPLIER shall not subcontract in whole or in part the PROJECT and deliverables subject of this Agreement without the written consent of SSS.</p> <p>5. <b>WAIVER.</b> Failure by either party to insist upon the other strict performance of any of the terms and conditions hereof shall not be deemed a relinquishment or waiver of any subsequent breach or default of the terms and conditions hereof, which can only be deemed made if expressed in writing and signed by its duly authorized representative. No such waiver shall be construed as modification of any of the provisions of the Agreement or as a waiver of any past or future default or breach hereof, except as expressly stated in such waiver.</p> <p>6. <b>CUMULATIVE REMEDIES.</b> Any and all remedies granted to the parties under the applicable laws and the Contract shall be deemed cumulative and may therefore, at the sole option and discretion, be availed of by the aggrieved party simultaneously, successively, or independently.</p> <p>7. <b>NO EMPLOYER-EMPLOYEE RELATIONSHIP.</b> It is expressly and manifestly understood and agreed upon that the employees of SUPPLIER assigned to perform the PROJECT are not employees of SSS. Neither is there an employer-employee relationship between SSS and SUPPLIER.</p> <p>The Agreement does not create an employer-employee relationship between SSS and the SUPPLIER including its personnel; that the services rendered by the personnel assigned by SUPPLIER to SSS in the performance of its obligation under the contract do not represent government service and will not be credited as such; that its personnel assigned to SSS are not entitled to benefits enjoyed by SSS' officials and employees such as Personal Economic Relief Allowance (PERA), Representation and Transportation Allowance (RATA), ACA, etc.; that these personnel are not related within the third degree of consanguinity or affinity to the contracting officer and</p>
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	<p>appointing authority of SSS; that they have not been previously dismissed from the government service by reason of an administrative case; that they have not reached the compulsory retirement age of sixty-five (65); and that they possess the education, experience and skills required to perform the job. The SUPPLIER hereby acknowledges that no authority has been given by SSS to hire any person as an employee of the latter. Any instruction given by SSS or any of its personnel to SUPPLIER's employees are to be construed merely as a measure taken by the former to ensure and enhance the quality of project performed hereunder. The SUPPLIER shall, at all times, exercise supervision and control over its employees in the performance of its obligations under the contract.</p> <p>8. <b>PARTNERSHIP.</b> Nothing in the contract shall constitute a partnership between the parties. No party or its agents or employees shall be deemed to be the agent, employee or representative of any other party.</p> <p>9. <b>COMPLIANCE WITH SS LAW.</b> SUPPLIER shall report all its employees to SSS for coverage and their contributions, as well as, all amortizations for salary/education/calamity and other SSS loans shall be updated. Should SUPPLIER fail to comply with its obligations under the provisions of the SS Law and Employees' Compensation Act, SSS shall have the authority to deduct any unpaid SS and EC contributions, salary, educational, emergency and/or calamity loan amortizations, employer's liability for damages, including interests and penalties from SUPPLIER's receivables under this Agreement.</p> <p>Further, prescription does not run against SSS for its failure to demand SS contributions or payments from SUPPLIER. Moreover, SUPPLIER shall forever hold in trust SS contributions or payments of its employees until the same is fully remitted to SSS.</p> <p>10. <b>COMPLIANCE WITH LABOR LAWS.</b> SUPPLIER, as employer of the personnel assigned to undertake the PROJECT, shall comply with all its obligations under existing laws and their implementing rules and regulations on the payment of minimum wage, overtime pay, and other labor-related benefits as well as remittances or payment of the appropriate amount or contributions/payment (SSS, EC, Pag-IBIG, PhilHealth and taxes) with concerned government agencies/offices.</p> <p>It is agreed further, that prior to the release of any payment by SSS to SUPPLIER, its President or its duly authorized representative, shall submit a sworn statement that all monies due to all its employees assigned to the PROJECT as well as benefits by law and other related labor legislation have been paid by SUPPLIER and that he/she assumed full responsibility thereof.</p> <p>11. <b>COMPLIANCE WITH TAX LAWS.</b> SUPPLIER shall, in compliance with tax laws, pay the applicable taxes in full and on time and shall regularly present to SSS within the duration of the Contract, tax clearance from the Bureau of Internal Revenue (BIR) as well as copy of its income and business tax returns duly stamped by the BIR and duly validated with the tax payments made thereon. Failure by SUPPLIER to comply with the foregoing shall entitle SSS to suspend payment of the Contract Price.</p> <p>As required under Executive Order (EO) 398, s. 2005, SUPPLIER shall submit income and business tax returns duly stamped and received by the BIR, before entering and during the duration of this Agreement. SUPPLIER, through its responsible officer, shall also certify under oath that it is free and clear of all tax liabilities to the government. SUPPLIER shall pay taxes in full and on time and that failure to do so will entitle SSS to suspend or terminate this Agreement.</p> <p>12. <b>LIQUIDATED DAMAGES.</b> If SUPPLIER fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in the PBD inclusive of duly granted time extensions if any, SSS shall, without prejudice to its other</p>
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	<p>remedies under this Agreement and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. Once the amount of liquidated damages reaches ten percent (10%), SSS may rescind or terminate this Agreement, without prejudice to other courses of action and remedies open to it.</p> <p>13. <b>HOLD FREE and HARMLESS.</b> SUPPLIER agrees to defend, indemnify, and hold SSS free and harmless from any and all claims, damages, expenses, fines, penalties and/or liabilities of whatever nature and kind, whether in law or equity, that may arise by reason of the implementation of the Agreement. In addition, SUPPLIER agrees to indemnify SSS for any damage as a result of said implementation.</p> <p>SUPPLIER hereby assumes full responsibility for any injury, including death, loss or damage which may be caused to SSS' employees or property or third person due to SUPPLIER's employees' fault or negligence, and further binds itself to hold SSS free and harmless from any of such injury or damage. SSS shall not be responsible for any injury, loss or damage which SUPPLIER or any of its employees may sustain in the performance of SUPPLIER's obligations under this Agreement.</p> <p>14. <b>SETTLEMENT OF DISPUTES.</b> If any dispute or difference of any kind whatsoever shall arise between SSS and SUPPLIER in connection with or arising out of this Agreement, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.</p> <p>If after thirty (30) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either SSS or SUPPLIER may give notice to the other Party of its intention to commence arbitration, in accordance with RA No. 876, otherwise known as the "Arbitration Law" and RA No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004," in order to settle their disputes.</p> <p>No arbitration in respect of this matter may be commenced unless such notice is given.</p> <p>Notwithstanding any reference to arbitration herein, the Parties shall continue to perform their respective obligations under this Agreement unless they otherwise agree.</p> <p>15. <b>VENUE OF ACTIONS.</b> In the event court action is necessary in order to promote Arbitration, such action shall be filed only before the proper courts of Quezon City, to the exclusion of all other venues.</p> <p>16. <b>GOVERNING LAW.</b> The Agreement shall be governed by and interpreted according to the laws of the Republic of the Philippines.</p> <p>17. <b>AMENDMENTS.</b> This Agreement may be amended only in writing and executed by the parties or their duly authorized representatives.</p> <p>18. <b>SEPARABILITY.</b> If any one or more of the provisions contained in the contract or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect under any applicable law, then: (i) the validity, legality and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired and shall remain in full force and effect; and (ii) the invalid, illegal or unenforceable provision shall be replaced by the parties immediately with a term or provision that is valid, legal and enforceable and that comes closest to expressing the intention of such invalid illegal or unenforceable term of provision.</p> <p>19. <b>BINDING EFFECT.</b> The Agreement shall be binding upon the Parties hereto, their assignee/s and successor/s-in-interest.</p>
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