

ARTICLE X

INSPECTION AND CONSTRUCTION OF

CONTRACT WORK

10.01 Inspection of the contract work shall be made by the **PPA** while such contract work is in progress to ascertain that the completed works or stages comply in all respects, with the standards and requirements set forth in the Contract Documents. Notwithstanding such inspection, the **CONTRACTOR** shall be held responsible for the acceptability of the finished works. The **CONTRACTOR** shall promptly correct all works determined by the PPA as failing to meet requirements, at **CONTRACTOR's** own expense.

ARTICLE XI

NON-ASSIGNMENT AND NO SUB-CONTRACT

11.01 The **CONTRACTOR** shall not, without the written approval of the **PPA**, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contract or any other disposition, shall be sufficient ground for the **PPA** to terminate or cancel this Contract **motu proprio** without need of judicial action pursuant to Section 19.04 hereof. Should the **PPA** give its written approval, such consent, shall not relieve the **CONTRACTOR** of its responsibilities under the Contract. The **CONTRACTOR** shall ensure that the terms and conditions of any such sub- contract shall comply and conform to the terms and conditions of the Contract. The **CONTRACTOR** shall be responsible for the observance by any such sub-contractor of the terms and conditions of the Contract.

11.02 If any portion of the project sub-contracted is not prosecuted faithfully in accordance with the Contract, the sub-contractor shall be removed or replaced immediately upon the written request of the **PPA**, provided, however, that any failure of **PPA** to make such a request shall not relieve the **CONTRACTOR** of its obligations under the contract. **PPA** shall not be responsible for the delays or costs incurred by the **CONTRACTOR** because of the disapproval or removal of the sub-contractor or because of the late submittal of its or his approval.

ARTICLE XII

INSURANCE

12.01 The **CONTRACTOR** shall, prior to the commencement of work, secure the standard **CONTRACTOR's** all risk insurance (CARI) from the Government Service Insurance System (GSIS), to insure the works against all losses or damages arising from whatever cause for which the **CONTRACTOR** is responsible under the Contract.

ARTICLE XIII

WARRANTY

13.01 The **CONTRACTOR** shall assume full responsibility for the contract work from the time project construction commenced up to final acceptance thereof by the **PPA** and shall be held responsible for any damage or destruction of the works, except those occasioned by force majeure. The **CONTRACTOR** shall be responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the works, equipment, installation and the like to be affected by his construction work.

13.02 The defect liability period for the project covered by this Contract shall be one (1) year from project completion up to final acceptance thereof by the **PPA**. During this period, the **CONTRACTOR** shall undertake and complete the repair works, at his own expense, of any damage to the said project within Ninety (90) days from the time the **PPA** General Manager or his duly authorized representative has issued an order to undertake repair. In case of failure or refusal to