

that it has paid the salaries and benefits of its personnel for the period covered, per submitted payroll and remitted the corresponding premiums to Pag-Ibig, SSS, PhilHealth, ECC, etc. as well as the withholding taxes to BIR.

- c. Any payment due to the CONTRACTOR may be set off against liquidated damages payable to PPA.
- d. All payments shall be subject to existing government accounting and auditing rules and regulations.

The CONTRACTOR agrees to pay the salaries of its janitors assigned to PPA in accordance with the rates indicated in the Detailed Estimate of Financial Offer (F-Form 2) including 13<sup>th</sup> month pay, 5-day incentive pay, and such other benefits and emoluments as may be applicable, and as may be granted by law, wage orders, and rules and regulations issued by the Department of Labor and Employment. For this purpose, CONTRACTOR shall provide its personnel with pay slips evidencing the amount of their salaries and deductions thereof, should there be any, in at least two (2) days before the scheduled payment of their salaries which would be in every fifteenth (15<sup>th</sup>) and thirtieth (30<sup>th</sup>) of each month.

3.02 **Duration** – This Contract shall be for a period of **Six (6) Months** or from **July 1, 2018 up to December 31, 2018**.

3.03 **Performance Security** – To guarantee the faithful performance of the CONTRACTOR under this Contract, it shall post upon signing of the Contract a performance security in accordance with the following schedules:

- 1. Cash, or cashier's, manager's check issued by a Universal or Commercial Bank; five percent (5%) of the total contract price.
- 2. 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; five percent (5%) of the total contract price
- 3. 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%) of the total contract price

The performance security shall be posted in favor of PPA, and shall be forfeited in favor of the PPA in the event it is established that the CONTRACTOR is in default in any of its obligations under this Contract.

In the execution of the performance security, the following conditions shall be complied with:

- a. It shall be executed in accordance with the form prescribed in this Article.
- b. It shall be at least co-terminus with the contract.

Should any surety posted upon performance of this Contract become unacceptable to the Authority, the CONTRACTOR shall promptly furnish such replacement security as may be required from time to time up to the sum equal to the amount of the original surety.

3.04 **Assignment of Personnel** – The CONTRACTOR shall assign its janitor as the PPA may deem proper under this Contract. The CONTRACTOR