


days from the date, Notice to Proceed is received by the **CONTRACTOR**. Advance Payment equivalent to fifteen percent (15 %) of the total contract price shall be made only upon a written request of the contractor to be approved by the Head of the Procuring Entity. Likewise, the contractor shall then submit an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand issued by surety or insurance company duly licensed by the Insurance Commission and confirmed by the procuring Entity. The advance payment shall be made in lump sum and to be repaid by the contractor by deducting fifteen percent (15 %) from his periodic progress payments. Progress Payment by the CITY may be on monthly work accomplishment basis certified by the City project engineer. Materials and equipment delivered in the site but not completely put in place shall not be included for payment.

4. In consideration for the sum of **ONE MILLION ONE HUNDRED NINETY SIX THOUSAND FIVE HUNDRED PESOS & 65/100 (P 1,196,500.65)** or such other sums as may be ascertained, **GEMWEALTH CONSTRUCTION AND TRADING CORPORATION** agrees to **CONCRETING OF ROAD SITIO BUHUAN, COMUNAL, CALAPAN CITY** in accordance with his/her/its Bid.
5. The **CITY GOVERNMENT OF CALAPAN** agrees to pay the above-mentioned sum in accordance with the terms of the Bidding.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed the day and year first before written.


MARILOU F. MORILLO
City Mayor

For:

CITY GOVERNMENT OF CALAPAN


MR. CLYDE E. SOTTO
Contractor

For:

**GEMWEALTH CONSTRUCTION
AND TRADING CORPORATION**

Witnesses:


EDGARDO C. BASILAN
City Accountant


Atty. RAYMOND A. F. USSAM
City Administrator