

PURCHASE CONTRACT

This PURCHASE CONTRACT (the "CONTRACT") is entered into and executed by and between:

PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR), a government-owned and controlled corporation created and existing by virtue of Presidential Decree 1869, as amended, with office address at the PAGCOR Executive Office, Fifth (5th) Floor, New Coast Hotel Manila, M.H Del Pilar cor. Pedro Gil Sts. Malate, Manila, represented in this act by its Chairman and Chief Executive Officer, **ANDREA D. DOMINGO**, hereinafter referred to as "PAGCOR";

-and-

M.G. SERRANO ENTERPRISE, a sole proprietorship duly registered under the laws of the Republic of the Philippines, with office address at 1337 Purok Pau, Calulut, City of San Fernando, Pampanga, represented in this act by its Proprietor, **MARVIN G. SERRANO**, hereinafter referred to as the "SUPPLIER".

Each referred to as a "PARTY" and collectively as "PARTIES".

ANTECEDENTS:

WHEREAS, PAGCOR has a requirement for the Supply and Delivery of Essential Non-food Items for COVID-19 Relief Goods under ITB No. EC20-06-005COR;

WHEREAS, PAGCOR conducted Negotiated Procurement (Emergency Cases) in accordance with the Republic Act (R.A.) 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations (IRR) on June 29, 2020 for the procurement of the Project;

WHEREAS, the SUPPLIER has submitted the lowest calculated responsive quotation (LCRQ) for Lot No. 1 (Supply and Delivery of COVID-19 Sando Bags with PAGCOR Logo) of the Project;

WHEREAS, PAGCOR has accepted the quotation of the **SUPPLIER**, subject to the terms and conditions hereunder stipulated;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereunder specified, **PAGCOR** and the **SUPPLIER** hereby enter into this Purchase Contract under the following terms, conditions and specifications:

TERMS AND CONDITIONS

The rights and obligations of the **PARTIES** are set forth as follows:

- The **SUPPLIER** undertakes to supply and deliver the requirements for Lot 1 of the Supply and Delivery of Essential Non-food Items for COVID-19 Relief Goods with the following technical specifications:

LOT NO.	DESCRIPTION / SPECIFICATIONS	QTY / Unit of Measurement (UOM)
1	Supply and Delivery of Sando Bags <ul style="list-style-type: none"> • Color : White • Folding : Two (2) Folds on both sides • Size : 18" x 21" • Thickness : 0.0015 inches or 0.0381mm • Full-color printing (<i>samples will be provided by the end-user</i>) 	300,000 Pieces

- The total contract price shall be in the amount of **One Million Four Hundred Forty Thousand Pesos (PhP1,440,000.00)**, VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

LOT NO./ DESCRIPTION	QUANTITY	UNIT PRICE	CONTRACT PRICE (VAT Exclusive, Zero-Rated Transaction)
Lot 1 Supply and Delivery of Sando Bags	300,000 Pieces	PhP4.80	PhP 1,440,000.00

PAGCOR and the **SUPPLIER** agree that the contract price already includes all applicable taxes, fees and charges required by the government. The **SUPPLIER** holds **PAGCOR** free from liability for any or all taxes arising out of this transaction.

The prices herein agreed shall be considered as fixed prices, and therefore not subject to price adjustment and escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the Government Procurement Policy Board (GPPB) pursuant to Section 61 of R.A. 9184 and its 2016 Revised IRR and the Revised Guidelines for Contract Price Escalation.

- The **SUPPLIER** shall complete the supply and delivery of the sando bags at the Old Nayon Pilipino Warehouse, Airport Road, Pasay City based on the following schedule:



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Description	Total Required Quantity	1 st Delivery Within Three (3) Calendar days from receipt of NTP or upon end-user's advice	2 nd Delivery Within Six (6) Calendar days from receipt of NTP or upon end-user's advice	3 rd Delivery Within Nine (9) Calendar days from receipt of NTP or upon end-user's advice	4 th Delivery Within Twelve (12) Calendar days from receipt of NTP or upon end-user's advice
Lot 1 Supply and Delivery of Sando Bags	300,000 Pieces	75,000 Pieces	75,000 Pieces	75,000 Pieces	75,000 Pieces

4. **PAGCOR** shall pay the total cost of the items per staggered delivery subject to the acceptance in writing of the end-user of **PAGCOR** [Issuance of the Inspection and Acceptance Report (IAR)].
5. The **SUPPLIER** shall complete the supply and delivery of goods within the time agreed by both parties. Should the **SUPPLIER** incur delay in its performance, it shall pay a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the unperformed portion for each day of delay. The maximum deduction shall be ten percent (10%) of the amount of the contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, **PAGCOR** shall have the option to rescind the contract, without prejudice to other courses of action and remedies open to it.

In case the **SUPPLIER** still fails to deliver the item/s after the lapse of thirty (30) days from the supposed date of delivery, in addition to the penalties agreed upon, **PAGCOR** shall have the option to terminate the Contract.
6. In the event that the **SUPPLIER** fails to comply with its undertakings under this Contract, **PAGCOR** shall be released from its obligations without prejudice to its rights of restitution, recovery and damages.
7. In the event that the facts and circumstances arise or are discovered which render this Contract disadvantageous to the Government, the **PARTIES** hereto agree immediately to re-negotiate its terms and conditions, or at the option of **PAGCOR** terminate the same.
8. No terms or conditions of this Contract shall be deemed waived and no breach or default excused unless such waiver shall be in writing and signed by the **PARTY** affected.
9. The rights or obligations under this Contract are of a personal nature and compliance thereof may not be assigned or subcontracted to another without the written consent of the other **PARTY**. This Contract or any interest in it may not be assigned without the prior written consent of the other **PARTY**.
10. This Contract contains all the covenants and stipulations agreed upon by the **PARTIES** and shall be modified, revised or amended only upon written agreement of both **PARTIES**.




11. This Contract constitutes the entire contract between the **PARTIES** pertaining to the subject matter contained in it, and supersedes all prior and contemporaneous agreements, representations, warranties and understandings of the **PARTIES**. No supplement, variation or amendment of this Contract shall be binding **UNLESS** executed in writing by the **PARTIES**. No waiver of any of the provisions of this Contract shall be deemed, or shall constitute, a waiver of any other provision, whether similar or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding **UNLESS** in writing and signed by the **PARTY** making the waiver.
12. The relationship between the **PARTIES** shall be limited to the performance of the terms and conditions of this Contract. Nothing herein shall be construed to create a general partnership/agency/employer-employee or any other relationship between the **PARTIES**, or to authorize any party to bind the other except as set forth herein, or to borrow money on behalf of another **PARTY**, or to use the credit of any **PARTY** for any purpose other than what has been set forth herein.
13. The **PARTIES**, waiving for this purpose any other venue, hereby agree that the courts of the City of Manila shall be the exclusive venue of any and all actions or suits between the **PARTIES** relative to this Contract, to the exclusion of all other courts and venues. This exclusive venue provision shall apply even in cases for declaration of nullity of this Contract in its entirety or in part and in cases arising after or by reason of the declaration of nullity of this Contract in its entirety or in part.
14. The **SUPPLIER** hereby further warrants and represents that:
- a. The goods and specifications shall be described in no. 1 of this Contract.
 - b. It has good title to the goods described in the Request for Quotation, full authority to sell and transfer the same and that the items are sold free and clear of all liens, encumbrances, liabilities and adverse claims, of every nature and description.
 - c. It will fully defend, protect, indemnify, and hold **PAGCOR** harmless from any and all adverse claims that may be made by any **PARTY** for the possession and/or the use of the goods.
 - d. The defective items shall be replaced based on the following:

SUPPLIER is required to bring a contingency should there be a need to replace defective delivered items, detailed as follows

- 1 – 500 pcs = 3%
- 501 – 1,000 pcs = 2%
- 1,001 up = 1 %

Failure to replace the defective items within the same period shall make the **SUPPLIER** liable for a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the unperformed portion for each day of delay, including Sundays and Holidays.



Page 4 of 7

PURCHASE CONTRACT – M.G. SERRANO ENTERPRISE
Supply and Delivery of Essential Non-Food Items for COVID-19
Relief Goods (Lot 1-Sando Bags) under ITB No. EC20-06-005COR



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- e. **PAGCOR** accepts no liability for the damage of the goods during transit. Title to the goods will be deemed to have passed to **PAGCOR** only upon receipt and final acceptance of the Goods.
- f. It shall pay taxes in full and on time, failure to do so will entitle **PAGCOR** to suspend payment.

IN WITNESS WHEREOF, the **PARTIES** have signed these presents on this _____ day of _____, 2020 at _____.

PHILIPPINE AMUSEMENT AND GAMING CORPORATION
TIN: 033-000-887-972

M.G. SERRANO ENTERPRISE
TIN: 182-372-216


Represented by:

Represented by:


ANDREA D. DOMINGO
Chairman and Chief Executive Officer
TIN: 118-684-814


MARVIN G. SERRANO
Proprietor
TIN: 182-372-216

Signed in the presence of:


Bryan P. Bicalbal


Joyvic Serrano

20DEC 29 03:56 PM






ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in City of CITY OF MANILA, Philippines, this
_____ day of DEC 29 2020, 2020, personally appeared:

NAME	ID ISSUED AT/ON
ANDREA D. DOMINGO	PASSPORT NUMBER P7681573A Date of Issuance : June 26, 2018 Valid until : June 25, 2028 Place of Issuance: DFA-Manila

known to me and known to be the same persons who execute the foregoing Purchase Contract consisting of seven (7) pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is her free and voluntary act and deed and that of the Corporation she represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Doc No. 413;
Page No. 84;
Book No. V;
Series of 2020

EMMANUEL R. SALADO, JR.
NOTARY PUBLIC
FOR AND IN THE CITY OF MANILA
6TH FLR NEW WORLD MANILA BAY HOTEL & CASINO
M.H. DEL PILAR ST MALATE, MANILA
COMM. NO. 2019-145/UNTIL DEC. 31, 2020
RO 1 NO. 71209/0BP MANILA CHAPTER
MCLE COMPLIANCE NO. VI-0016494/UNTIL-4-14-2022
PTR NO. 9087692/VALID 12/31/2020

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ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
MANILA CITY S.S.

BEFORE ME, a Notary Public for and in City of MANILA CITY, Philippines, this
_____ day of OCT 01 2020, 2020, personally appeared:

NAME

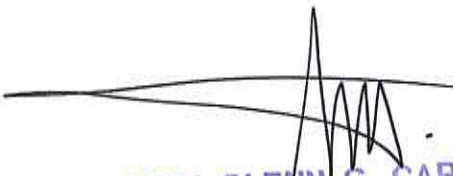
MARVIN G. SERRANO

ID ISSUED AT/ON
TIN 182-372-216
Valid until: _____
Issued by: _____

known to me and known to be the same persons who execute the foregoing Purchase Contract consisting of seven (7) pages, including the page whereon the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

WITNESS MY HAND AND NOTARIAL SEAL, at the place and on the date first above written.

Doc No. 120 ;
Page No. 25 ;
Book No. 11 ;
Series of 2020


ATTY. GLENN G. CABANEZ
Notary Public for City of Manila
Notarial Comm. No. 2727-036 Until 12/31/2021 Manila
19F License No. 19277/R-11 No. 33461
PTR No. 0113779 / 12/27/20 Until Dec. 31, 2020 Manila
MCLE No. VI-0013379 Issued on 10/3/2018 Until April 14, 2022
Unit 20 Tower C, Suntrust Adriatico Gardens, M. Adriatico St.,
Malate/Manila




PRISCILLA L. ALLAN

