

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 PAGCOR Corporate Annex Office, Carmen Bldg. 1105 U.N. Avenue corner Maria Orosa St., Ermita, Manila, represented in this act by its Assistant Vice-President, Procurement Department, **CHRISTINE ROSE J. FERNANDEZ**, hereinafter referred to as “**PAGCOR**”;

-and-

RBLG ENTERPRISES, a sole proprietorship duly organized and existing under the laws of the Republic of the Philippines, with office address at 17 E Marikit St., Manotoc Subdivision, Baesa, Quezon City, represented in this act by its Proprietor, **ARTHUR G. PALMA**, hereinafter referred to as the “**SUPPLIER**”.

Each of **PAGCOR** or **SUPPLIER** may hereinafter be referred to as a “**PARTY**” and collectively referred to as the “**PARTIES**”.

ANTECEDENTS:

WHEREAS, PAGCOR has a requirement for the Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at PAGCOR Imus Warehouse under ITB No. FB20-07-009CORb;

WHEREAS, PAGCOR conducted a Negotiated Procurement (Two-Failed Biddings) in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on July 7, 2020 for the procurement of the Project;

WHEREAS, the SUPPLIER has submitted the single calculated responsive quotation for Lots 1 and 2 for the Project;

WHEREAS, PAGCOR has accepted the offer 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:

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Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at
PAGCOR Imus Warehouse under ITB No. FB20-07-009CORb

1. The **SUPPLIER** shall undertake the Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at PAGCOR Imus Warehouse ITB No. FB20-07-009CORb with the following technical specifications:

LOT 1: SUPPLY AND DELIVERY OF ROLL-UP DOOR		
BRAND: GALVALUM		
Description	Qty	UOM
Supply and Delivery of metal Roll Up Door ga.#24, Manual operated, single panel, with vent holes for ventilations purposes (75mm C-type) with complete shutters & accessories (please see attached drawing/ details)	1	Lot
a) 4sets - 2.50 W x 2.50m H + Bx		
b) 2sets - 2.40 W x 2.40m H + Bx		
Location: PAGCOR Imus Complex		
LOT 2: SUPPLY AND DELIVERY OF WINDOW LOUVER		
BRAND: GALV 2		
Description	Qty	UOM
Supply and Delivery of fabricated Steel Window Louvers including fittings & accessories as follows:	1	Lot
96sets - .67 H x 1.5m L		
Material Specification :		
Blades : Ga. #18		
Frame : Ga. #16		
Material : Galvanized Iron		
Painting Finish : Epoxy Primer		

2. The total contract price shall be in the amount of Seven Hundred Eighteen Thousand Two Hundred Sixty-Five Pesos and 66/100 (PhP718,265.66), VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

Lot No. and Description	QTY	COST (VAT Exclusive, Zero-Rated Transaction)
LOT 1: SUPPLY AND DELIVERY OF ROLL-UP DOOR	1 LOT	One Hundred Sixty-Eight Thousand Forty-Four Pesos and 80/100 (PhP168,044.80)
LOT 2: SUPPLY AND DELIVERY OF WINDOW LOUVER	1 LOT	Five Hundred Fifty Thousand Two Hundred Twenty Pesos and 86/100 (PhP550,220.86)

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 Republic Act (R.A.) No.

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Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at PAGCOR Imus Warehouse under ITB No. FB20-07-009CORb

9184 and its revised Implementing Rules and Regulations (IRR) and the Revised Guidelines for Contract Price Escalation.

- The **SUPPLIER** shall complete the supply and delivery of said items within Forty-Five (45) calendar days from the date of receipt by the **SUPPLIER** of the Notice to Proceed.

The **SUPPLIER** shall deliver at the **PAGCOR** Imus Warehouse, #363 Gen. Yenco St. Bayan Luma VI, Imus, City.

- PAGCOR** shall pay the total amount of Seven Hundred Eighteen Thousand Two Hundred Sixty-Five Pesos and 66/100 (PhP718,265.66), VAT Exclusive, Zero-Rated Transaction, based on the following schedule:

<p>99% of the costs of the items delivered per lot subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.</p>	<p>Seven Hundred Eleven Thousand Eighty-Three Pesos (PhP711,083.00)</p> <table border="1" data-bbox="906 822 1429 1010"> <thead> <tr> <th>LOT</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PhP166,364.35</td> </tr> <tr> <td>2</td> <td>PhP544,718.65</td> </tr> </tbody> </table>	LOT	AMOUNT	1	PhP166,364.35	2	PhP544,718.65
LOT	AMOUNT						
1	PhP166,364.35						
2	PhP544,718.65						
<p>1% Retention of the items delivered per lot to be paid after three (3) months, from the formal acceptance (issuance of the IAR), if and when no patent and latent defects are noted (issuance of a Certificate of No Patent and Latent Defects).</p>	<p>Seven Thousand One Hundred Eighty-Two Pesos and 66/100 (PhP7,182.66)</p> <table border="1" data-bbox="906 1212 1429 1400"> <thead> <tr> <th>LOT</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PhP1,680.45</td> </tr> <tr> <td>2</td> <td>PhP5,502.21</td> </tr> </tbody> </table>	LOT	AMOUNT	1	PhP1,680.45	2	PhP5,502.21
LOT	AMOUNT						
1	PhP1,680.45						
2	PhP5,502.21						

OR

<p>100% of the costs of the items delivered per lot provided that the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met; subject to PAGCOR's acceptance (issuance of the IAR) in writing of the items described in this Contract and upon submission of a Special Bank Guarantee equivalent to at least one percent (1%) of the total contract price valid for three (3) months from issuance of the IAR.</p>	<p>Seven Hundred Eighteen Thousand Two Hundred Sixty-Five Pesos and 66/100 (PhP718,265.66)</p> <table border="1" data-bbox="906 1669 1429 1857"> <thead> <tr> <th>LOT</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PhP168,044.80</td> </tr> <tr> <td>2</td> <td>PhP550,220.86</td> </tr> </tbody> </table>	LOT	AMOUNT	1	PhP168,044.80	2	PhP550,220.86
LOT	AMOUNT						
1	PhP168,044.80						
2	PhP550,220.86						

- 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,

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Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at PAGCOR Imus Warehouse under ITB No. FB20-07-009CORb

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 after the lapse of thirty (30) days from the supposed date of delivery, in addition to the forfeiture of the Performance Security and 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.

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Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at
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- 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 within fifteen (15) calendar days upon receipt of notice. Failure to replace the defective items within the same period shall make **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.
 - 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.
 - g. Without prejudice to manufacturer's warranty, in order to assure that manufacturing defects shall be corrected by the **SUPPLIER**, a warranty shall be required from it for a minimum period of three (3) months from the date of delivery and acceptance of goods.
 - h. The obligation for the warranty shall be covered by either Retention Money or a special bank guarantee equivalent to at least one percent (1%) of the total contract price.
 - i. The said amount shall only be released after the lapse of the three (3) months warranty period provided the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met.
15. To guarantee the faithful performance of the **SUPPLIER** under this Contract, it shall post a Performance Security prior to the execution of the Contract, in accordance with any of the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)	
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Lot	Five Percent (5%)
		Thirty-Five Thousand Nine Hundred Thirteen Pesos and 28/100 (PhP35,913.28)
	1	Eight Thousand Four Hundred Two Pesos and 24/100 (PhP8,402.24)
(b) 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	2	Twenty-Seven Thousand Five Hundred Eleven Pesos and 04/100 (PhP27,511.04)

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Universal or Commercial Bank, if issued by a foreign bank.							
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security specific to the contract awarded.	<table border="1"> <tr> <td data-bbox="740 392 837 612">Lot</td> <td data-bbox="837 392 1390 612"> Thirty Percent (30%) Two Hundred Fifteen Thousand Four Hundred Seventy-Nine Pesos and 70/100 (PhP215,479.70) </td> </tr> <tr> <td data-bbox="740 612 837 763">1</td> <td data-bbox="837 612 1390 763"> Fifty Thousand Four Hundred Thirteen Pesos and 44/100 (PhP50,413.44) </td> </tr> <tr> <td data-bbox="740 763 837 913">2</td> <td data-bbox="837 763 1390 913"> One Hundred Sixty-Five Thousand Sixty-Six Pesos and 26/100 (PhP165,066.26) </td> </tr> </table>	Lot	Thirty Percent (30%) Two Hundred Fifteen Thousand Four Hundred Seventy-Nine Pesos and 70/100 (PhP215,479.70)	1	Fifty Thousand Four Hundred Thirteen Pesos and 44/100 (PhP50,413.44)	2	One Hundred Sixty-Five Thousand Sixty-Six Pesos and 26/100 (PhP165,066.26)
Lot	Thirty Percent (30%) Two Hundred Fifteen Thousand Four Hundred Seventy-Nine Pesos and 70/100 (PhP215,479.70)						
1	Fifty Thousand Four Hundred Thirteen Pesos and 44/100 (PhP50,413.44)						
2	One Hundred Sixty-Five Thousand Sixty-Six Pesos and 26/100 (PhP165,066.26)						

The Performance Security shall remain valid during the entire contract duration and shall be released only after the issuance of the Certificate of Final Acceptance (issuance of the IAR); Provided that **PAGCOR** has no claims filed against the contract awardee or the surety or insurance company and it has no claims for labor and materials filed against the contractor.

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

RBLG ENTERPRISES
 TIN: 154-798-472-000

Represented by:

Represented by:

CHRISTINE ROSE J. FERNANDEZ
 Assistant Vice President
 Procurement Department
 TIN: 250-681-925

ARTHUR G. PALMA
 Proprietor
 TIN: 154-798-472-000

Signed in the presence of:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

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

NAME

Government ID No.

ARTHUR G. PALMA

Drivers License: NO290138101
Expiry Date: July 25, 2022

known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the page where the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Sole Proprietorship he represents.

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

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 2020

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**Procurement of Two (2) Lots Various Hardware and Construction Materials for the Construction of Slot Machine Storage at
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ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

BEFORE ME, a Notary Public for and in City of Manila, Philippines, this _____ day
of _____, 2020, personally appeared:

NAME

Government ID No.

CHRISTINE ROSE J. FERNANDEZ

PAGCOR ID No. 18-0090
Issuance Date: March 2018
Place of Issuance: Manila

known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the page where 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.

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