

PURCHASE CONTRACT

PO NO.22008

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, New Coast Hotel Manila, 1588 M.H Del Pilar corner Pedro Gil Sts. Malate, Manila, represented in this act by its Casino Filipino – Ronquillo Acting Branch Manager I, **ANTONIO BENIGNO V. GUTIERREZ**, hereinafter referred to as "**PAGCOR**";

-and-

PHILIPPINE SPRING WATER RESOURCES INC., a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 700 Apelo Cruz St. Brgy 162 Malibay, Pasay City, represented in this act by its authorized representative, **JAY G. CRISTOBAL**, hereinafter referred to as the "**SUPPLIER**".

A copy of the duly authorized Secretary's Certificate dated May 10, 2022, notarized on May 10, 2022 is attached hereto as Annex "A",

ANTECEDENTS:

WHEREAS, **PAGCOR** has a requirement for Lot No. 1: Bottled Water 350ml of the Supply and Delivery of Two (2) Lots Bottled Water and Softdrinks for VIP Bar under ITB No. FB22-07-008WIN;

WHEREAS, **PAGCOR** conducted a Negotiated Procurement Two Failed Biddings in accordance with Republic Act No. 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on July 29, 2022 for the procurement of the Project;

WHEREAS, the **SUPPLIER** has submitted the Single Calculated Responsive Quotation (SCRQ) for Lot No. 1: Bottled Water 350ml of the Supply and Delivery of Two (2) Lots Bottled Water and Softdrinks for VIP Bar;

WHEREAS, **PAGCOR** has accepted the bid 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:

1. The **SUPPLIER** shall undertake the Lot No. 1: Bottled Water 350ml of the Supply and Delivery of Two (2) Lots Bottled Water and Softdrinks for VIP Bar under ITB No.: FB22-07-008WIN of the items with the following technical specifications:

Lot No. 1: Bottled Water 350ml of the Supply and Delivery of Two (2) Lots Bottled Water and Softdrinks for VIP Bar	
Eight Thousand One Hundred Fifty-Five (8,155) Boxes Bottled Water	
Technical Specifications	
A) Physical – Chemical Properties	
Description	Guide Level
1. pH	5-7
2. TDS	<10ppm
3. Taste	No Objectionable Taste
4. Odor	No Objectionable Odor
5. Color	5 TCU
6. Turbidity	5 NTU
B) Nutritional Facts	
Product	Purified bottled drinking water
Serving size per Bottle	350 ml
Calories	0g
Total Carbohydrates	0g
Protein	0g
Total fat/sodium	0g
<ul style="list-style-type: none"> • 350 ML in a clear plastic bottle • 40 bottles per box • The plastic label is measured 40mm x 185mm fit for 50mm diameter plastic bottle. Bottle height and width is 185mm x 50mm or depending on the manufacturers design, the bottle container should be capable of carrying the 350ml water content • Bottles and caps shall be manufactured from virgin materials (i.e. materials which have not been recycled) • Plastic bottles and caps shall conform to the test for heavy metal and migratory/leachable substances prescribed by FDA-DOH • All bottled water shall be packed in containers made of food grade materials. They shall be free of adhesives or other substances that may interact physically or chemically with the product. • The bottles which will contain 350ml water should have a perform standard bottle weight of 12.5grams to 14grams. Winning bidders shall submit a sample of empty PET (Poly-Ethylene-Terephthalate) bottles 350ml (12.5grams, 13.0grams and 14.0grams) • The labeling of 350ml drinking water shall include: <ul style="list-style-type: none"> • The code/batch or Lot Identification Number • The Food Registration (FR) number • The License to Operate (LTO) number • The type of water prominently printed on the labels display panel. • The complete registered name and address of the manufacturer • Batch number of the finished product • The 350 ml bottled water product shall undergo change in specifications, packaging and labeling without prior written approval from PAGCOR • Expiration of product: Must be Eight (8) months to One (1) year 	
Upon Opening of Bids:	

- Bidder/s should be a holder of valid License To Operate (LTO) a processing plant for bottled water from the Food and Drugs Administration (FDA).
- Bidder/s should present a valid Certificate of Product Registration issued by the Food and Drugs Administration of Department of Health (FDA-DOH).
- Winning bidder should present on a regular monthly basis a duly certified of Microbial Examination of Water from a reputable DOH-accredited laboratory and from the Health Department of the City or Municipality Government covering the place of business and the physical and chemical properties of purified water such as TDS, pH, Color and Turbidity. These documents shall form part of the legal documents evidencing the statements/declaration under oath of the contents. PAGCOR reserves the right to demand sufficient samples for random validation of laboratory analysis

Winning bidder shall provide a certificate of "Gross Alpha Beta Activity Test" if the source water is a deep well water.

OTHER REQUIREMENTS

1. Items shall be rejected and shall be immediately replaced when:

- a. Its expiration dates are not visible and clearly printed.
- b. Items are found adulterated or mislabeled.

2. Due to space limitation at the delivery site, Ronquillo, Malabon and MGO (TG) Satellites, the contact person stated in the term and references shall coordinate with the bidder for their deliveries from First to Last.

FACILITIES MANAGEMENT & ENGINEERING SECTION – RONQUILLO SATELLITE

Contact Person/s:

Facilities Management Officer 1: ROBERTO M. HOLGADO

Telephone No. 09951390693

F & B Supervisor II: ROSELLE M. MANZANO

Telephone No. 09669430349

Delivery Address: 561 Ronquillo st., corner Rizal Ave., Sta Cruz Manila

Delivery details with the supplier in staggered basis and the delivery schedule shall be based upon the advice from CF-Ronquillo until such time the whole contract is consummated

Item No	Quantity	Delivered, Weeks/Months
1 st delivery	680 boxes	Within seven (7) calendar days from the effectivity date specified in the NTP or upon advise of the end-user
2 nd delivery	680 boxes	Within thirty (30) calendar days after the 1 st delivery or upon advise of the end-user
3 rd delivery	680 boxes	Within thirty (30) calendar days after the 2 nd delivery or upon advise of the end-user
4 th delivery	680 boxes	Within thirty (30) calendar days after the 3 rd delivery or upon advise of the end-user
5 th delivery	680 boxes	Within thirty (30) calendar days after the 4 th delivery or upon advise of the end-user
6 th delivery	680 boxes	Within thirty (30) calendar days after the 5 th delivery or upon advise of the end-user
7 th delivery	680 boxes	Within thirty (30) calendar days after the 6 th delivery or upon advise of the end-user
8 th delivery	680 boxes	Within thirty (30) calendar days after the 7 th delivery or upon advise of the end-user
9 th delivery	680 boxes	Within thirty (30) calendar days after the 8 th delivery or upon advise of the end-user
10 th delivery	680 boxes	Within thirty (30) calendar days after the 9 th delivery or upon advise of the end-user

11 th delivery	680 boxes	Within thirty (30) calendar days after the 10 th delivery or upon advise of the end-user
12 th delivery	675 boxes	Within thirty (30) calendar days after the 11 th delivery or upon advise of the end-user

Delivery Site / Contact person

Delivery Address
 RONQUILLO / MGO (TG) SATELLITE
 561 Ronquillo St., corner Rizal Ave, Sta Cruz Manila
 MALABON SATELLITE
 110 Mac Arthur Highway, Brgy Potrero, Malabon City
 Contact Person/s: Facilities Management Officer I: ROBERTO M. HOLGADO
 Telephone No. 09951390693
 F & B Supervisor II: ROSELLE M. MANZANO
 Telephone No. 09669430349

Inspection and acceptance of delivered items

Inspection and acceptance will be conducted during or after delivery (whichever is applicable)

Period of correction defects in the warranty period

Defective items should be replaced/delivered within Seven (7) calendar days upon receipt of notice.

Terms and conditions

Delivery details with the supplier in staggered basis and delivery schedule shall be based upon the advice from the contact person stated in the Schedule of Requirements.

Delivery fee is waived

The End-user shall order the supplier to recall and withdraw the products or a particular batch upon finding that the same failed to comply the quality standards.

Label Design

Casino Filipino Mineral Water Bottle Label Design (size: 7.25" x 1.65")



Payment

Payment shall be based on staggered delivery.

2. The total contract price shall be in the amount of One Million Nine Hundred Fifty-Seven Thousand Two Hundred Pesos (PhP 1,957,200.00) VAT Exclusive, Zero-Rated Transaction, with details as follows:

<u>Item Description</u>	<u>Quantity / UOM</u>	<u>Unit Cost/Box</u>	<u>Total Cost</u>
Bottled Water 350ml	8,155 boxes	PhP 240.00	PhP 1,957,200.00

Handwritten initials and a signature on the right margin of the page.

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

- The **SUPPLIER** shall commence the Lot No. 1: Bottled Water 350ml of the Supply and Delivery of Two (2) Lots Bottled Water and Softdrinks for VIP Bar from the date of receipt of the winning supplier/contractor of the Notice to Proceed upon advise of the end-user. The **SUPPLIER** shall deliver at the Facilities Management and Engineering Section, Casino Filipino – Ronquillo. The delivery shall take place at the Casino Filipino – Ronquillo, 561 Ronquillo St. corner Rizal Avenue, Sta. Cruz Manila based on the following schedule:

Lot no. 1: Water, Purified, 350ML Bottle		
Schedule	Quantity	Delivered, Weeks/Months
1 st delivery	680 boxes	Within seven (7) calendar days from the effectivity date specified in the NTP or upon advise of the end-user
2 nd delivery	680 boxes	Within thirty (30) calendar days after the 1 st delivery or upon advise of the end-user
3 rd delivery	680 boxes	Within thirty (30) calendar days after the 2 nd delivery or upon advise of the end-user
4 th delivery	680 boxes	Within thirty (30) calendar days after the 3 rd delivery or upon advise of the end-user
5 th delivery	680 boxes	Within thirty (30) calendar days after the 4 th delivery or upon advise of the end-user
6 th delivery	680 boxes	Within thirty (30) calendar days after the 5 th delivery or upon advise of the end-user
7 th delivery	680 boxes	Within thirty (30) calendar days after the 6 th delivery or upon advise of the end-user
8 th delivery	680 boxes	Within thirty (30) calendar days after the 7 th delivery or upon advise of the end-user
9 th delivery	680 boxes	Within thirty (30) calendar days after the 8 th delivery or upon advise of the end-user
10 th delivery	680 boxes	Within thirty (30) calendar days after the 9 th delivery or upon advise of the end-user

11 th delivery	680 boxes	Within thirty (30) calendar days after the 10 th delivery or upon advise of the end-user
12 th delivery	675 boxes	Within thirty (30) calendar days after the 11 th delivery or upon advise of the end-user

4. **PAGCOR** shall pay the total amount of One Million Nine Hundred Fifty-Seven Thousand Two Hundred Pesos (PhP1,957,200.00), VAT Exclusive, Zero-Rated Transaction, based on the following schedule:

99% of the costs of the items delivered subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the Purchase Contract.	99% equivalent of the costs of the items delivered One Million Nine Hundred Thirty-Seven Thousand Six Hundred Twenty-Eight Pesos (PhP1,937,628.00)
1% Retention of the items delivered to be paid after one (1) year 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).	1% equivalent of the costs of the items delivered Nineteen Thousand Five Hundred Seventy-Two Pesos (PhP19,572.00)

OR

100% of the costs of the items delivered 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 one (1) year from issuance of the IAR.	One Million Nine Hundred Fifty-Seven Thousand Two Hundred Pesos (PhP1,957,200.00)
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5. The **SUPPLIER** shall complete and/or deliver the goods within the time prescribed in this Contact.

Should the **SUPPLIER** incur delay in its performance of the Services, inclusive of duly granted time extensions if any, the **SUPPLIER** shall pay liquidated damages equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods/items for everyday of delay, including Sundays and Holidays, until such goods/items are finally delivered and accepted by **PAGCOR**. Such amount shall be deducted from any money due, or which may become due to the **SUPPLIER** or collected from any securities or warranties posted by the **SUPPLIER**. In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, **PAGCOR** may rescind the contract and impose appropriate sanctions over and above the liquidated damages to be paid by the **SUPPLIER**, without prejudice to other courses of action and remedies open to it.

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 within seven (7) calendar days upon receipt of notice. Failure to replace the defective items within the same period, the **SUPPLIER** shall pay liquidated damages equal to one-tenth (1/10) of one percent (1%) of the cost of the defective goods/items for everyday of delay including Sundays and Holidays, until such goods/items are finally delivered and accepted by **PAGCOR**. Such amount shall be deducted from any money due, or which may become due to the **SUPPLIER** or collected from any securities or warranties posted by the **SUPPLIER**
 - 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) years 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 one (1) year-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 Security	Amount of the Performance Security (Percentage of Total Contract Price)
Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
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; and/or	Ninety-Seven Thousand Eight Hundred Sixty Pesos (PhP 97,860.00)
Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security <u>specific for the contract awarded.</u>	Thirty percent (30%) Five Hundred Eighty-Seven Thousand One Hundred Sixty Pesos (PhP 587,160.00)

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.

MISCELLANEOUS PROVISIONS

- a) 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.
- b) No terms and conditions of this Contract shall be waived and no breach or default excuse unless such waiver or excuse shall be in writing and signed by the party affected.
- c) This Contract, and all rights and interests herein, may not be assigned or sub-contracted to another without prior consent of the other party.
- d) All notices and other communications provided for or permitted hereunder shall be in writing and sent to the parties at their respective addresses as indicate in this Contract.
- e) If any provision hereof is prohibited or made unenforceable under any applicable law of by a competent court or authority, the same shall not affect any other provision of this Contract, which are otherwise valid and enforceable.
- f) Any right or remedy conferred by this Contract upon the parties shall not be exclusive of any other right or remedy of each party, whether under this Contract or provided or permitted to the parties at law or in equity, but each right or remedy shall be cumulative of every other right or remedy available to them.
- g) This Contract constitutes the entire agreement between the parties pertaining to the subject matter contained in it, and supersedes all prior and/or contemporaneous agreements, representations, warranties and understanding of the parties.
- h) No supplemental, variation or amendment of this Contract shall be binding unless executed by the parties in writing.

IN WITNESS WHEREOF, the parties have signed these presents on this
day of OCT 12 2022, 2022 at PARAY CITY.

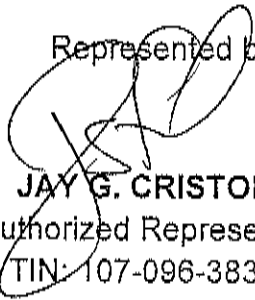
**PHILIPPINE AMUSEMENT AND GAMING
CORPORATION**
TIN: 033-000-887-972

**PHILIPPINE SPRING WATER
RESOURCES INC.**
TIN: 00-063-916-198

Represented by:

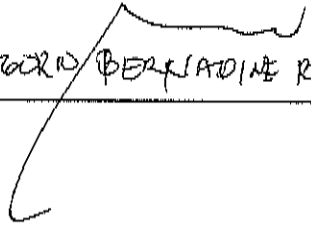
Represented by:


ANTONIO BENIGNO V. GUTIERREZ
Acting Branch Manager
Casino Filipino – Ronquillo
TIN: 135-552-311


JAY G. CRISTOBAL
Authorized Representative
TIN: 107-096-383-000

Signed in the presence of:


GERRY F. MANINGDING


GREGORIO BERNADINE D. PANES

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 13 OCT 2022, 20____, personally appeared:

NAME

GOVERNMENT ID NO.

ANTONIO BENIGNO V.
GUTIERREZ


DRIVERS LICENSE NO2-89-072513
Valid until: February 24, 2032

and presented to me an integrally complete document / instrument for
acknowledgement. He represented and declared to me that he voluntarily affixed the
signature appearing on the instrument / document for the purposes stated therein and
that he executed the instrument / document as his free and voluntary act and deed
(and if he acted in representative capacity, he has the authority to sign in that capacity).

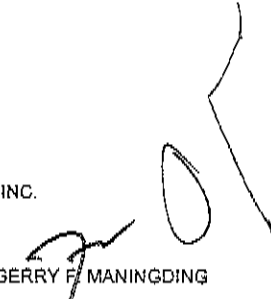
The instrument / document referred to is a Purchase Contract consisting of
twelve (12) pages including the page on which this Acknowledgement is written duly
signed by the parties and their instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial
Seal on the date and place first above written.

Doc. No. 241
Page No. 50
Book No. 12
Series of 2022.
MCLE Compliance No.


ATTY. EMMANUEL A. PALADO, JR.
NOTARY PUBLIC
FOR AND IN THE CITY OF MANILA
611 P.B. PACOR OFFICE, NEW COAST HOTEL & CASINO
M.M. DEL PILAR ST., COR. DEPED BLDG. MALATE MANILA
Comm. No. 2022-10 / Valid Until: 12/31/23
ROLL No. 71227 / ROLL No. 10071, 10072, 10073, 10074 Chapter
NOT. SEC. REG. No. 100101 / 00104/14/25
PTR No. 61900 / 100101 / 00104/14/25

Albay


GERRY F. MANINGDING

ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public for and in City of PASAY CITY, Philippines, this
day of OCT 12 2022, 20____, personally appeared:

NAME	GOVERNMENT ISSUED ID
JAY G. CRISTOBAL	DRIVER'S LICENSE
Authorized Representative	CO7-97-159628

and presented to me an integrally complete document / instrument for acknowledgement. He represented and declared to me that he voluntarily affixed the signature appearing on the instrument / document for the purposes stated therein and that she executed the instrument / document as his free and voluntary act and deed (and if he acted in representative capacity, he has the authority to sign in that capacity).

The instrument / document referred to is a Purchase Contract consisting of twelve (12) pages including the page on which this Acknowledgement is written duly signed by the parties and their instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal on the date and place first above written.

Doc. No. 95
Page No. 23
Book No. 2
Series of 2022.
MCLE Compliance No.

[Signature]
MA. CLEOPE L. JAIME
 NOTARY PUBLIC
 UNTIL DECEMBER 31, 2022
 COMMISSION NO. 20-04
 ROLL NO. 27802
 PTR NO. 7697373 PASAY CITY 1-3-2022
 IBP OR NO. 178431 ISSUED BY IBP
 NAT'L OFFICE - 2 - 16 - 22
 MCLE COMPL. VB-0019102
 ISSUED ON - MAY 26, 2022 VALID UNTIL
 APRIL 14, 2025

[Signature]
GERRY F. MANINGDING