

# PURCHASE CONTRACT

PO NO.22005

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 – Winford Acting Branch Manager I, **ANTONIO BENIGNO V. GUTIERREZ**, hereinafter referred to as "**PAGCOR**";

-and-

**GLOBAL QUALITY WATERS AND ENVIRONMENTAL SOLUTIONS TECHNOLOGIES INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Ground Floor 21 Examiner St. West Triangle Quezon City, represented in this act by its authorized representative, **RONALDO M. ROBINA**, hereinafter referred to as the "**SUPPLIER**".

A copy of the duly authorized Secretary's Certificate dated October 18, 2021, notarized on March 18, 2022 is attached hereto as Annex "A",

## ANTECEDENTS:

**WHEREAS**, **PAGCOR** has a requirement for Supply and Delivery of Water, Purified, 5 Gals. under ITB No.: FB22-03-003WINa-04;

**WHEREAS**, **PAGCOR** conducted a Two Failed Biddings in accordance with Republic Act No. 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on May 6, 2022 for the procurement of the Project;

**WHEREAS**, the **SUPPLIER** has submitted the Single Calculated Responsive Quotation (SCRQ) for Supply and Delivery of Water, Purified, 5 Gals.;

**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 Supply and Delivery of Water, Purified, 5 Gals. under ITB No.: FB22-03-003WINa-04 of the items with the following technical specifications:

<b>Supply and Delivery of Water, Purified, 5 Gals.</b>															
<b>QTY</b>	<b>Description</b>														
Twenty-One Thousand Three Hundred Twelve (21,312) bottles	<p>Twenty-One Thousand Three Hundred Twelve (21,312) bottles of Purified drinking water, 5Gal capacity with cap and sealed.</p> <p>Containers should be capable of handling five (5) gallons of water.</p> <p>Plastic container and shall conform to the test for heavy metals and migratory/leachable substances prescribed by the FDA-DOH.</p> <p>Containers and caps should be manufactured from virgin materials (materials which have not been recycled) of food grade quality with plastic label (seal); and free of adhesives or other substances that may interact physically or chemically with the product.</p> <p>Physical – Chemical Properties</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Guide Level</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>5 – 7</td> </tr> <tr> <td>TDS</td> <td>&lt;10ppm (Total dissolved Solids-TDS)</td> </tr> <tr> <td>Taste</td> <td>No Objectionable Taste</td> </tr> <tr> <td>Odor</td> <td>No Objectionable Odor</td> </tr> <tr> <td>Color</td> <td>5 TCU (True color units)</td> </tr> <tr> <td>Turbidity</td> <td>5 NTU (Nephelometric Turbidity units)</td> </tr> </tbody> </table>	Description	Guide Level	pH	5 – 7	TDS	<10ppm (Total dissolved Solids-TDS)	Taste	No Objectionable Taste	Odor	No Objectionable Odor	Color	5 TCU (True color units)	Turbidity	5 NTU (Nephelometric Turbidity units)
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Turbidity	5 NTU (Nephelometric Turbidity units)														
Technical Working Group/End-user	FMO1 Roberto Holgado Contact Number: Office (02) 85226898 Loc 1224 CP# 0975 116 7960														
Schedule of requirement	For the year 2022														
Delivery Site	Casino Filipino – Ronquillo-600, Winford-400, Malabon-400, MGO TG-250, GRANZ-70, MGO SM-56 Facilities Management Section														
Inspections and acceptance of delivered items	Inspections and acceptance will be conducted during or after delivery (whichever is applicable)														
Period of correction defects in the warranty period	<p>CF - Winford shall order the supplier (winning bidder) to recall and withdraw the particular batch of 5gal mineral water upon finding that same fails to comply with the quality standards or when the products are found adulterated or mislabeled.</p> <p>Defective items should be replaced / delivered within two (2) calendar days upon receipt of notice.</p>														
Terms and Conditions	Submission of a duly certified Microbial examination (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,														

ROGELIO F. DELA CRUZ

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	Color and Turbidity) of the previous month during the opening of bids and on a monthly basis for the duration of the contract. 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.
	As part of the Post Qualification Process, the TWG/End-user will conduct facility inspection of the <b>Lowest/Single Calculated Quotation</b> to check on their processing control and procedures, sanitary facilities.
	Winning bidder to provide CF-Winford <b>Thirty-Five (35) hot and cold water dispensers</b> in good working conditions for five (5) gallon drinking water, which will be cleaned regularly every month, all free of charge (on loan only). Supplier shall send a substitute or replacement for each defective dispenser not later than two (2) days from notice of request.
	Delivery fee and deposit for containers are waived and payment shall be based on staggered delivery.
	Bidder shall provide a valid and updated <b>Certificate of Health Regulatory Device Registration (CHRDR)</b> under its company or business name for water purification devices that produce safe drinking water conforming to the minimum quality standards set by FDA-DOH upon the opening submission of bids.
	Bidder shall provide a certification of "Gross Alpha Beta Activity Test" if the source of water is deep well water.

2. The total contract price shall be in the amount of **Seven Hundred Forty-Five Thousand Nine Hundred Twenty Pesos (PhP 745,920.00)**, with details as follows:

Item No.	Item Description	Quantity / UOM	Unit Cost	Total Cost
1	Water, Purified, 5 Gals.	21,312 bottles	PhP 35.00	PhP 745,920.00

**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 Republic Act (R.A.) No. 9184 and its revised Implementing Rules and Regulations (IRR) and the Revised Guidelines for Contract Price Escalation.

3. The **SUPPLIER** shall commence the Supply and Delivery of Water, Purified, 5 Gals. 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 – Winford. The delivery shall take place at the Casino Filipino – Ronquillo, 561 Ronquillo St. corner Rizal Avenue, Sta. Cruz Manila based on the following schedule:

**Water, Purified, 5 Gals.**

Schedule	Quantity	Delivered, Weeks/Months
1 <sup>st</sup> delivery	1,776 containers/btls	Within Seven (7) calendar days from the effectivity date specified in the Notice to Proceed or upon advise of the end-user
2 <sup>nd</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 1 <sup>st</sup> delivery or upon advise of the end-user
3 <sup>rd</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 2 <sup>nd</sup> delivery or upon advise of the end-user
4 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 3 <sup>rd</sup> delivery or upon advise of the end-user
5 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 4 <sup>th</sup> delivery or upon advise of the end-user
6 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 5 <sup>th</sup> delivery or upon advise of the end-user
7 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 6 <sup>th</sup> delivery or upon advise of the end-user
8 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 7 <sup>th</sup> delivery or upon advise of the end-user
9 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 8 <sup>th</sup> delivery or upon advise of the end-user
10 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 9 <sup>th</sup> delivery or upon advise of the end-user
11 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 10 <sup>th</sup> delivery or upon advise of the end-user
12 <sup>th</sup> delivery	1,776 containers/btls	Within thirty (30) calendar days after the 11 <sup>th</sup> delivery or upon advise of the end-user

4. **PAGCOR shall pay the total amount of Seven Hundred Forty-Five Thousand Nine Hundred Twenty Pesos (PhP 745,920.00), 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  PhP 738,460.80
1% Retention of the items delivered to be paid after <b>one (1) year</b> 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  PhP 7,459.20

*Handwritten signature/initials*

*Handwritten signature/initials*

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 <b>PAGCOR's</b> 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 <b>one (1) year</b> from issuance of the IAR.	PhP 745,920.00
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5. The **SUPPLIER** shall complete and/or deliver the goods within the time prescribed in this Contract.

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

ROGELIO F. DELA CRUZ

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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 Bidding Documents, 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.

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*[Signature]*

ROGELIO F. DELA CRUZ *[Signature]*

- 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.	<b>Five percent (5%)</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 Universal or Commercial Bank, if issued by a foreign bank; and/or	Thirty-Seven Thousand Two Hundred Ninety Six Pesos (PhP 37,296.00)
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> .	<b>Thirty percent (30%)</b> Two Hundred Twenty-Three Thousand Seven Hundred Seventy Six Pesos (PhP 223,776.00)

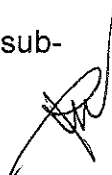

The Performance Security shall remain valid during the entire contract duration and shall be released only after the issuance of the Certificate of Final Acceptance (issuance of the IAR); Provided that **PAGCOR** has no claims filed against the contract awardee or the surety or insurance company and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

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- 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 \_\_\_\_\_, 2022 at \_\_\_\_\_.


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

**GLOBAL QUALITY WATERS AND ENVIRONMENTAL SOLUTIONS TECHNOLOGIES INC.**  
 TIN: 242-117-313-000

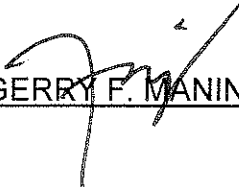
Represented by:

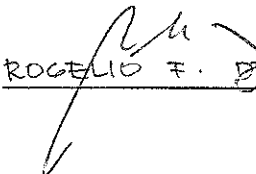
Represented by:

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

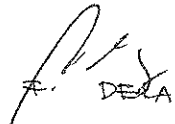
  
**RONALDO M. ROBINA**  
 Authorized Representative  
 TIN: 107-096-383-000

Signed in the presence of:

  
GERRY F. MANINGDING

  
ROGELIO F. DELA CRUZ



  
 ROGELIO F. DELA CRUZ

  
 GERRY F. MANINGDING



**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 22 SEP 2022, 2022, personally appeared:

**NAME**

**GOVERNMENT ID NO.**

**ANTONIO BENIGNO V.  
GUTIERREZ**

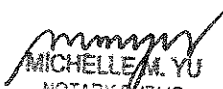
**DRIVERS LICENSE NO2-89-072513**  
Valid until: February 24, 2032

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 ten (10) 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. 165  
Page No. 39  
Book No. 1  
Series of 2022.  
MCLE Compliance No.

  
**MICHELLE M. YU**  
NOTARY PUBLIC  
IN AND FOR THE CITY OF MANILA  
6<sup>TH</sup> FLR, NEW WORLD MANILA BAY HOTEL & CASINO  
104 DEL PILAR ST. MALATE, MANILA  
Com. No. 2021-013 issued on 02-9-2021 Until 12-31-2022, Manila  
PTR No. 0162122 issued on 01-15-2022 Until 12-31-2022, Manila  
Roll No. 20113 / SEA No. 113 issued on 01-02-2022, Manila Chapter IV  
MCLE No. WA4000308 issued on 02-25-2022 valid until 4-14-2025





  
ROGELIO F. DELA CRUZ

  
GERRY F. MANINGDING

ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public for and in City of \_\_\_\_\_, Philippines, this  
\_\_\_\_\_ day of 20 SEP 2022, personally appeared:

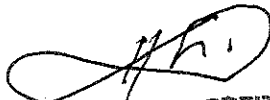
NAME	GOVERNMENT ISSUED ID
RONALDO M. ROBINA Authorized Representative	Unified Multi-Purpose ID CRN-0111-2001526-2

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).

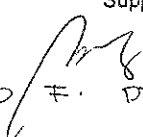
The instrument / document referred to is a Purchase Contract consisting of ten (10) pages including the page on which this Acknowledgement is written duly signed by the parties and their instrumental witnesses.

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

Doc. No. 24  
Page No. 05  
Book No. 64  
Series of 2022.  
MCLE Compliance No.

  
**ATTY. GERVACIO B. ORTIZ, JR.**  
 NOTARY PUBLIC OF MAKATI  
 UNTIL DECEMBER 31, 2022  
 IBP NO. 0078 LIFETIME MEMBER  
 MCLE COMPLIANCE NO. VI-DUE24312  
 APPOINTMENT NO. M-20 (2021-2022)  
 PTR NO. 2852511 JAN. 03, 2022  
 MAKATI CITY ROLL NO. 40091  
 01 LISAK AVE. CAMPOS RUEDA BLVD.  
 ARBY PID DEL PILAR MAKATI CITY



  
ROGELIO F. DELA CRUZ

  
GERRY F. MALINGDING