

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, 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, **ALEJANDRO H. TENGCO**, hereinafter referred to as "**PAGCOR**";

-and-

BK SYSTEMS PHILIPPINES, INC. a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 11 Manjos Comp., Sandoval Ave., Pinagbuhatan, Pasig City, Metro Manila, represented in this act by its Sales and Marketing Head, **JOY G. ABONALLA**, herein referred to as the "**SUPPLIER**". A copy of the notarized Secretary's Certificate dated August 18, 2022 is hereby attached as **Annex "A"**.

Each referred to as a "**PARTY**" and collectively as the "**PARTIES**"

ANTECEDENTS:

WHEREAS, PAGCOR has a requirement for **Supply and delivery of one (1) unit Central Processing Unit (CPU) for Bingo Machine Powerplay 500PL** under ITB No. **CB22-06-054COR** (Project), which was approved by the previous **PAGCOR** Board of Directors and included in the 2022 Annual Procurement Plan (APP);

WHEREAS, PAGCOR conducted a competitive bidding in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations on August 17, 2022 (Date of Procurement) for the procurement of the Project;

WHEREAS, the SUPPLIER has submitted the Single Calculated Responsive Bid (SCRB) for the Project;

WHEREAS, PAGCOR has accepted the bid of the **SUPPLIER**;

WHEREAS, the Vice President of the Human Resources and Development Group (HRDG), duly delegated on February 2, 2022, approved the award of the contract to the **SUPPLIER**;

WHEREAS, the contract for the project was finalized during the incumbency of the new PAGCOR Board of Directors (BOD), hence, the same shall be signed by the new Chairman and Chief Executive Officer.

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 Supply and delivery of one (1) unit Central Processing Unit (CPU) for Bingo Machine Powerplay 500PL with the following technical specifications:

| Item No. | ITEM DESCRIPTION | QUANTITY/ UOM |
|---|---|------------------|
| 1 | <p>Must at least have the following specifications and features:</p> <ul style="list-style-type: none"> • PC standard technology • Intel Pentium Dual CPU 3.1Ghz • Storage – 32GB of higher • Powerplay 500PL console compatible • Windows 7 Pro Operating System or higher • EVGA GeForce 6200 512mb • COM 1 on board • USB keyboard and mouse • DDR3 1GB 1333Mhz • Ability to verify all known card permutations • Ability to save and store multiple sessions • Programmable timer with visual and audible signal • Automatic prize calculations in case of multiple winners • Antivirus | One (1) Unit |
| <p>Period for correction of defects: within seven (7) calendar days from receipt of notification from the end-user (BD)</p> | | |

2. The total contract price shall be in the amount of One Hundred Ninety-Six Thousand Pesos (PhP196,000.00), VAT Exclusive, Zero-rated transaction.

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 complete the supply and delivery of said item/s within the completion schedule based on the Schedule of Requirements from the date of receipt of the winning **SUPPLIER** of the Notice to Proceed. The **SUPPLIER** shall deliver at the **PAGCOR Imus Complex, #363 PAGCOR Village, Bayan Luma, Imus, Cavite City**.
4. **PAGCOR** shall pay the total amount of One Hundred Ninety-Six Thousand Pesos (PhP196,000.00), 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 PO. | 99% equivalent of the costs of the items delivered |
| 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 |

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. | 100% equivalent of the costs of the items delivered |
|---|---|

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, 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**. 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 above the liquidated damages to be paid.

In case the **SUPPLIER** still fails to deliver the item after the lapse of thirty (30) calendar 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.

ANTHONY A. PARIS

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 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 the notice. Should the SUPPLIER fail to replace the same within the agreed period, 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 above the liquidated damages to be paid.
 - 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 security shall be required from the **SUPPLIER** for a minimum period of **three (3) months** from the date of delivery or acceptance of goods.
 - h. The obligation for the warranty security 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 (Percentage of the Total Contract Price) |
|---|---|
| (a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank. | Five Percent (5%) Nine Thousand Eight Hundred Pesos (₱9,800.00) |
| (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. | |
| (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. | Thirty Percent (30%) Fifty-Eight Thousand Eight Hundred Pesos (₱58,800.00) |

In case the **SUPPLIER** posted a Bid Security in the form of Cash, Cashier's or Manager's Check, the same may be utilized as additional payment to complete the amount of the performance security.

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.

15/

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

BK SYSTEM PHILIPPINES INC.
TIN: 204-952-083-000

Represented by:



ALEJANDRO H. TENGCO
Chairman and Chief Executive Officer
TIN: 114-275-668-000

Represented by:

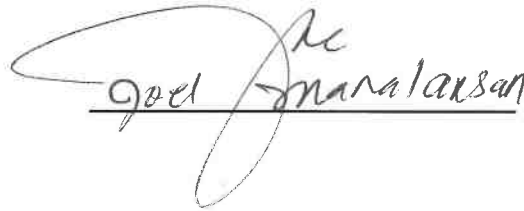


JOY G. ABONALLA
Sales and Marketing Head
TIN No. 276-995-038-000

Signed in the presence of:



CARLOS ROBERTO D. NEYRA, IV
SENIOR PROCUREMENT OFFICER



Noel Manalansan



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 20 FEB 2022, personally appeared:

NAME

GOVERNMENT ID NO.

ALEJANDRO H. TENGCO

Land Transportation Office –
Driver's License No. C07-80-010075
Valid Until: September 10, 2023

known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the page whereon the acknowledgments 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. 413 ;
Page No. 84 ;
Book No. VII ;
Series of 2022.
MCLE Compliance No. _____

ATTY. ANGELO CARLO T. TALATAVA
NOTARY PUBLIC
FOR AND IN THE CITY OF MANILA
6TH FLR, NEW COAST HOTEL, MANILA & CASINO
1588 M.H. DEL PILAR ST. MALATE, MANILA
COMM. No. 2023-099/ Valid Until 12-31-2024
ROLL No. 68386/ MANILA CHAPTER IV
MCLE Compliance No. VII - 0808361/ Valid Until 4-14-2025
PTR No. 0873647/ Valid Until 12-31-2023

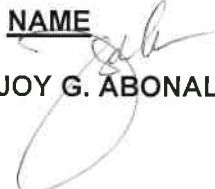
ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public for and in City of PASIG CITY, Philippines, this
DEC 14 2022 day of _____, 2022, personally appeared:

NAME

JOY G. ABONALLA



GOVERNMENT ID NO.

Unified Multi-Purpose ID
CRN - 0111-4799304-0

known to me and known to be the same person who executed the foregoing instrument consisting of eight (8) pages, including the page whereon the acknowledgments 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. 246;
Page No. 55;
Book No. 64;
Series of 2022.
MCLE Compliance No. _____

Lm Amon
ATTY. LETICIA M. AMON
Notary Public
Pasig Pateros & San Juan
Valid Until December 31, 2023
Roll No. 22188
PTR BCE No. 8121781 / 01-03-22
Lifetime IBP Member No. 04286
Official Receipt No. 574709, IBP Chapter
MCLE Compliance No. VII-0000050 / 6-18-2019
Ground Fir. Armal Center, U. Velasco Ave.,
Malinao, Pasig City



Anthony A. Paris
ANTHONY A. PARIS

SECRETARY'S CERTIFICATE


I, **GRACE G. DELA CRUZ**, of legal age, Filipino with office address at Penthouse Liberty Center – Picazo Law, 104 H.V. dela Costa St., Salcedo Village, Makati City, Metro Manila, after being duly sworn according to law, hereby certify that:

1. I am the duly appointed and incumbent Assistant Corporate Secretary of **BK Systems Philippines, Inc.** (hereinafter, the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Warehouse II, Manjos Industrial Compound, A. Sandoval Avenue, Pinagbulatan, Pasig City.

2. At the duly constituted meeting of the Board of Directors of the Corporation held on 16 August 2022, the Board passed and approved the following resolutions:


"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be authorized, as it is hereby authorized, to participate in the bidding being conducted by the Philippine Amusement & Gaming Corporation for the **SUPPLY AND DELIVERY OF ONE (1) UNIT CENTRAL PROCESSING UNIT (CPU) FOR BINGO MACHINE POWERPLAY 500PL** pursuant to and in accordance with ITB NO. CB22-06-054COR (the "Bidding");


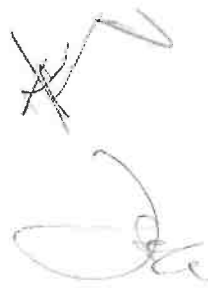
"RESOLVED, FURTHER, that in connection with the Bidding, Ms. Joy Abonalla, Sales and Marketing Head of the Corporation, be designated as the authorized representative of the Corporation, and as such authorized representative, she is hereby given full power and authority, for and on behalf of the Corporation, to sign, execute and deliver, any and all documents, and perform any and all acts and deeds, that may required or necessary to implement the foregoing resolution."


GRACE G. DELA CRUZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this AUG 18 2022 at Makati City, Metro Manila, affiant exhibiting to me her Driver's License No. N01-98-219571 valid until 21 June 2024 issued by the Department of Transportation – Land Transportation Office.

Doc. No. 252 ;
Page No. 32 ;
Book No. X ;
Series of 2022.


PAOLO DANIEL ROLANDO R. ANONUEVO
Appointment No. M-198
Notary Public for Makati City
Until December 31, 2022
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 75352
PTR No. 8855518/Makati City/01-04-2022
IBP No. 171541/REM/01-03-2022
MCLE Exempted-Admitted to the bar in 2020

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S

SECRETARY'S CERTIFICATE

I, **GRACE G. DELA CRUZ**, of legal age, Filipino with office address at Penthouse Liberty Center – Picazo Law, 104 H.V. dela Costa St., Salcedo Village, Makati City, Metro Manila, after being duly sworn according to law, hereby certify that:

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“**RESOLVED, FURTHER**, that in connection with the Bidding, **Ms. Joy Guevara Abonalla**, Sales and Marketing Head of the Corporation, be designated as the authorized representative of the Corporation, and as such authorized representative, she is hereby given full power and authority, for and on behalf of the Corporation, to sign, execute and deliver, any and all documents, and perform any and all acts and deeds, that may required or necessary to implement the foregoing resolution.”


GRACE G. DELA CRUZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this JAN 25 2023 at Makati City, Metro Manila, affiant exhibiting to me her Driver's License No. N01-98-219571 valid until 21 June 2024 issued by the Department of Transportation – Land Transportation Office.

Doc. No. 185;
Page No. 02;
Book No. 1;
Series of 2023.


LARAH ANGELA F. REGIS
Appointment No. M-306
Notary Public for Makati City
Until December 31, 2023
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 81214
PTR No. 9573208/Makati City/01-07-2023
IBP No. 260998/Makati City/01-05-2023
MCLE Exempted-Admitted to the bar in 2022



REPUBLIC OF THE PHILIPPINES
Unified Multi-Purpose ID



CRN - 0111-4799304-D

SURNAME ABONALLA

GIVEN NAME JOY

MIDDLE NAME GUEVARA

SEX FEMALE

DATE OF BIRTH 1987/06/08

ADDRESSES
210 G. BAUTISTA ST. SAN JOSE
RODRIGUEZ (MONTALBAN) RIZAL
PROVINCE PHL 1850



BK SYSTEMS PHILIPPINES, INC.

Unit 11 Manjos Industrial Compound
A. Sandoval Avenue, Pinacubatan, Pasig City
Tel. Nos. 628-4288 • 628-4792 • Telefax 643-5754



BK-0121



JOY G. ABONALLA
Sales and Marketing Manager

SECRETARY'S CERTIFICATE

I, **GRACE G. DELA CRUZ**, of legal age, Filipino with office address at Penthouse Liberty Center -- Picazo Law, 104 H.V. dela Costa St., Salcedo Village, Makati City, Metro Manila, after being duly sworn according to law, hereby certify that:

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GRACE G. DELA CRUZ
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this AUG 16 2022 at Makati City, Metro Manila, affiant exhibiting to me her Driver's License No. N01-98-219571 valid until 21 June 2024 issued by the Department of Transportation -- Land Transportation Office.

Doc. No. 252 ;
Page No. 52 ;
Book No. 2 ;
Series of 2022.


PAOLO DANIEL ROLANDO R. ANONUEVO
Appointment No. M-188
Notary Public for Makati City
Until December 31, 2022
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 75352
PTR No. 8855518/Makati City/01-04-2022
ISP No. 171541/RDM/01-03-2022
MCLE Exempted-Admitted to the bar in 2020

