

# 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-

**GAKKEN (PHILIPPINES), INC.** a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 130 GPI Bldg. Aurora Blvd., corner A Lake Street, San Juan City, Metro Manila, represented in this act by its Customer Support Specialist, **RAHIM G. GANUELAS**, herein referred to as the “**SUPPLIER**”. A copy of the notarized Secretary’s Certificate dated August 26, 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 Seven (7) Lots Consumable Items for the Existing PTS and PMW Printers under ITB No. CB22-07-062COR**, 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 June 1, 2022 for the procurement of the Project;

**WHEREAS, the SUPPLIER** has submitted a Second (2<sup>nd</sup>) Lowest Calculated Responsive Bid (LCRB) for the Project;

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

**WHEREAS, the Special Assistant to the President and Chief Operating Officer, duly delegated on November 24, 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.**

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

## TERMS AND CONDITIONS

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

- The **SUPPLIER** shall undertake the Supply and Delivery of Seven (7) Lots Consumable Items for the Existing PTS and PMW Printers for Lot 1 with the following technical specifications:

LOT 1 - For HITI Card Printer CS200E (Existing PTS and PMW Printer)		
Item No.	ITEM DESCRIPTION	QUANTITY/ UOM
1	<b>YMCKO RIBBONS</b> <ul style="list-style-type: none"> <li>• Color Ribbon 5 panels: Yellow, Magenta, Cyan, Black, Overlay</li> <li>• Number of prints per roll: up to 400 dual side</li> <li>• Type: Dye sublimation Thermal Transfer Ribbon</li> <li>• With cleaning kit included</li> <li>• Code: PHL</li> </ul>	30 Rolls
2	<b>BLACK RIBBONS</b> <ul style="list-style-type: none"> <li>• Cards per Ribbon: 1,000</li> <li>• Code: PHL</li> <li>• With cleaning kit included</li> </ul>	200 Rolls

- The total contract price shall be in the amount of Two Hundred Sixty-Six Thousand Nine Hundred Sixty-Four Pesos & 29/100 (Php266,964.29), VAT Exclusive, Zero-rated transaction, with breakdown as follows:

Item No.	Quantity	Description	Unit Cost	Total Cost
1	30 Rolls	<b>YMCKO RIBBONS</b> <ul style="list-style-type: none"> <li>• Color Ribbon 5 panels: Yellow, Magenta, Cyan, Black, Overlay</li> <li>• Number of prints per roll: up to 400 dual side</li> <li>• Type: Dye sublimation Thermal Transfer Ribbon</li> <li>• With cleaning kit included</li> <li>• Code: PHL</li> </ul>	PhP4,107.14	PhP123,214.29
2	200 Rolls	<b>BLACK RIBBONS</b> <ul style="list-style-type: none"> <li>• Cards per Ribbon: 1,000</li> <li>• Code: PHL</li> <li>• With cleaning kit included</li> </ul>	PhP718.75	PhP143,750.00
<b>Total Contract Price</b>				<b>PhP266,964.29</b>

**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 forty-five (45) calendar days from the date of receipt of the winning **SUPPLIER** of the Notice to Proceed. The **SUPPLIER** shall deliver at the **Corporate Supplies Section – Logistics Management Department (CSS-LMD), Ground Floor, PAGCOR Main Corporate Office, iMET BPO Tower, CBP-1A, Metropolitan Park, Roxas Boulevard, Pasay City 1300.**
4. **PAGCOR** shall pay the total amount of **Two Hundred Sixty-Six Thousand Nine Hundred Sixty-Four Pesos & 29/100 (Php266,964.29)**, VAT Exclusive, Zero-rated transaction, based on the following schedule:

99% of the costs of the items delivered subject to <b>PAGCOR's</b> 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 <b>three (3) months</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

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>three (3) months</b> from issuance of the IAR.	100% equivalent of the costs of the items delivered
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5. The **SUPPLIER/ CONTRACTOR** shall complete the supply and delivery of the required goods/items within the time agreed by both parties.

Should the **SUPPLIER/ CONTRACTOR** incurs delay or fails to satisfactorily deliver any or all of the goods/items required under the **CONTRACT** within the specified schedule, inclusive of any time extension duly granted, the **SUPPLIER/ CONTRACTOR** shall be liable for liquidated damages equivalent to one tenth (1/10) of one percent (1%) of the cost of the delayed or unperformed or unsatisfactorily performed Services for each day of delay, including Sundays and Holidays, until such goods/items are finally delivered add accepted by **PAGCOR**.

Such liquidated damages shall be paid by the **SUPPLIER/ CONTRACTOR** or deducted from any money due or which may become due to the **SUPPLIER/ CONTRACTOR**, or collected from any applicable securities or warranties posted by the **SUPPLIER/ CONTRACTOR**.

In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, **PAGCOR** may rescind or automatically terminate the **CONTRACT** and impose appropriate sanctions over and 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.
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 goods/items shall be replaced within (period for replacement as stated in the specifications for the Project) from receipt of notice. Should the **CONTRACTOR/ SUPPLIER** fail to replace the same within the agreed period, the **CONTRACTOR/ 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 by which may become due to the **CONTRACTOR/ SUPPLIER** or collected from any securities or warranties posted by the **CONTRACTOR/ SUPPLIER**.

In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, **PAGCOR** may rescind or automatically terminate the Contract and impose appropriate sanctions over and above the liquidated damages to be paid, without prejudice to other courses of action and remedies open to it"

- 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%)  <b>Thirteen Thousand Three Hundred Forty-Eight Pesos &amp; 21/100 (PhP13,348.21)</b>
(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.	

<p>(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.</p>	<p>Thirty Percent (30%) <b>Eighty- Thousand Eighty-Nine Pesos &amp; 28/100 (PhP80,089.28)</b></p>
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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 \_\_\_\_\_, 2023 at \_\_\_\_\_.


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

**GAKKEN (PHILIPPINES), INC.**  
TIN: 004-475-204-000

Represented by:

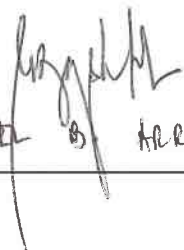
Represented by:

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

  
**RAHIM G. GANUELAS**  
Customer Support Specialist  
TIN No. 773-301-356-000

Signed in the presence of:

  
**ROWENA B. DIZON**  
Senior Procurement Officer

  
**MERCEDES B. ARRIOLA**

**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 27 MAR 2023, 2023, personally appeared:

**NAME**

**GOVERNMENT ID PRESENTED**

**ALEJANDRO H. TENGCO**

Land Transportation Office –  
Driver's License No. C07-80-010075  
Valid Until: March 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. 198 ;  
Page No. 41 ;  
Book No. VIII ;  
Series of 2023.  
MCLE Compliance No. \_\_\_\_\_

*Atty. Angelo Carlo T. Talatafa*  
ATTY. ANGELO CARLO T. TALATAFA  
NOTARY PUBLIC  
FOR AND IN THE CITY OF MANILA  
6<sup>TH</sup> FLR, NEW COAST HOTEL/MANILA & CASINO  
1588 M.H. DEL PILAR ST. MALATE, MANILA  
COM. No. 2023-099/ Valid Until 12-31-2024  
ROLL No. 68386/MANILA CHAPTER IV  
MCLE Compliance No. VII - 008391/ Valid Until 4-14-2025  
PTR No. 0873647/ Valid Until 12-31-2023

*PD received*  
*Andres ad*  
Andrea Marie V. Fontanilla  
*9/27, 3:55PM*

*[Handwritten signature]*

*[Handwritten signature]*

ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public for and in City of QUEZON CITY, Philippines, this  
\_\_\_\_\_ day of FEB 28 2023, 2023, personally appeared:

NAME

GOVERNMENT ID PRESENTED

RAHIM G. GANUELAS

Land Transportation Office –  
Driver's License No. N01-14-012002  
Valid Until: May 5, 2025

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. 310 ;  
Page No. 79 ;  
Book No. X1 ;  
Series of 2023.  
MCLE Compliance No. \_\_\_\_\_

*[Signature]*  
**ATTY. ROGELIO J. BOLIVAR**  
NOTARY PUBLIC IN QUEZON CITY  
Commission No. Adm. Matter No. NP 158 (2023-2024)  
IBP O.R. No. 180815 2023 & IBP O.R. No. 180816 2024  
PTR O.R. No. 2910669 D 01/03/2023 / Roll No. 33832 / TIN # 129-071-009-000  
MCLE EXTENSION APRIL 15, 2022 UP TO APRIL 14, 2023 AS QER S.C. EN BANG B.M. NO. 050  
Address: 31-F Harvard St. Cubao, Q.C.

*[Handwritten signature]*

*[Handwritten signature]*

*[Signature]*  
VICTOR O. DE LEON



# AUTHORITY OF SIGNATORY

## SECRETARY'S CERTIFICATE

I, **MANILYN C. MALLARI**, a duly elected and qualified Corporate Secretary of **GAKKEN (Philippines), INC.**, a corporation duly organized and existing under and by virtue of the law of the Philippines, DO HEREBY CERTIFY, that:

I am familiar with the facts herein certified and duly authorized to certify the same;

At the special meeting of the Board of Directors of the said Corporation duly convened and held on August 25, 2022 at which meeting a quorum was present and acting throughout, the following resolutions were approved, and the same have not been annulled, revoked and amended in any way whatever and are in full force and effect on the date hereof:

RESOLVED, that **GAKKEN (Philippines), INC.** be, as it hereby is, authorized to participate in the bidding of "**Lot 1: For HITI Card Printer CS200E (Existing PTS & PMW Printer) of the Supply and Delivery of Seven (7) Lots Consumable Items for the Existing PTS and PMW Printers under ITB No. CB22-07-062COR**" and that if awarded the project shall enter into a contract with the **PHILIPPINE AMUSEMENT AND GAMING CORPORATION** and in connection therewith hereby appoint **RAHIM G. GANUELAS** acting as duly authorized and designated representative of **GAKKEN (Philippines), INC.** are granted full power and authority to do, execute and perform any and all acts necessary and / or to represent **GAKKEN (Philippines), INC.** in the bidding as fully and effectively as the corporation might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representatives shall lawfully do or cause to be done by virtue hereof;

RESOLVED FURTHER THAT, the **BOARD OF DIRECTORS** hereby authorizes its Customer Support Specialist to:

- (1) Execute a waiver of jurisdiction whereby the corporation hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts;
- (2) Execute a waiver that the corporation shall not seek and obtain writ of injunctions or prohibition or restraining order **PHILIPPINE AMUSEMENT AND GAMING CORPORATION** or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.

WITNESS the signature of the undersigned as such officer of the said \_\_\_\_\_ this AUG 26 2022.

  
**MANILYN C. MALLARI**  
Corporate Secretary

AUG 26 2022

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2022 affiant exhibited to me her UMID I.D. 0111-2169980-7.

  
Notary Public **J. BOLIVAR**

Until \_\_\_\_\_

Commission Expires: SEP 20 2024

PTR No. \_\_\_\_\_

Issued at: \_\_\_\_\_

Issued on: \_\_\_\_\_

TIN No. \_\_\_\_\_

Address: \_\_\_\_\_


Doc. No. 248

Move Ahead:  
Create.  
Communicate.  
Innovate.



## BOARD RESOLUTION

In a special meeting of the Board of Directors held on August 25, 2022 of **GAKKEN (Philippines), INC.**, a corporation duly organized and existing under and by virtue of the laws of the Philippines, held at its office at 130 GPI Building, Aurora Blvd., corner A. Lake St., San Juan City, designate **RAHIM G. GANUELAS** as the authorized signatory to sign the contract and bind the corporation for the tender at the **PHILIPPINE AMUSEMENT AND GAMING CORPORATION**.

  
**MANILYN C. MALLARI**  
Corporate Secretary

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

QUEZON CITY / AUG 26 2022


BEFORE ME, a Notary Public for and in the \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2022, personally appeared:

<u>Name</u>	<u>UMID I.D. No.</u>
<b>MANILYN C. MALLARI</b>	<u>0111-2169980-7</u>
<u>Name</u>	<u>Driver's License I.D. No.</u>
<b>RAHIM G. GANUELAS</b>	<u>N01-14-012002</u>

Known to me and to me known to be the same persons who executed the foregoing BOARD RESOLUTION, consisting of (1) page and acknowledged to me that the same is their free and voluntary act and deed of the corporation they respectively represent.

WITNESS MY HAND and NOTARY SEAL on date and at the place first above mentioned.

Doc. No. 153 ;  
Page No. 12 ;  
Book No. XXXI ;  
Series of 2022

  
**ATTY. ROLANDO J. BOLIVAR**  
NOTARY PUBLIC  
Commission No. Adm. Reg. No. 10,174 (2021-2022)  
IBP O.R. No. 192104 MD 2021 & IBP O.R. No. 190076 MD 2022  
PTR O.R. No. 2400057D 1/02/2022 PL 114, 30032 / TMS 120-074-000  
MILENIO SKILL CENTER (MILENIO) ZONAS DE SERVICIOS Y NEGOCIOS  
Address: 817 Harvard St. Cebu, C.E.

www.gakken.com Board Resolution \_217/GAKKEN (Philippines), INC. 2022 Page 1 of 1

Main Office:  
130 GPI Building Aurora Boulevard,  
corner A. Lake St., San Juan City  
(T) (02) 7259373 (F) (02) 7228933

Pangasinan:  
Unit 1 DCU Building Arellano-Bani St.,  
Brgy. Pantal, Dagupan City, Pangasinan  
(TF) (075) 5223228

Bicol:  
Unit 5, Camelo Building, Tahao Road  
All. Gogon Legazpi City, Albay  
(TF) (052) 4808394

Davao:  
GPI Building Acacia St., corner  
Quimpo Boulevard, Davao City  
(TF) (082) 2953861 / (082) 2953919

Cebu:  
GPI Building, Gorordo Avenue,  
Camputhaw, Cebu City  
(TF) 032 2331293 / (032) 2336875



REPUBLIC OF THE PHILIPPINES  
 DEPARTMENT OF TRANSPORTATION  
 LAND TRANSPORTATION OFFICE  
 NEW PROFESSIONAL DRIVER'S LICENSE



License No. 144-108-108-108-108  
 Issued On 2022/05/05  
 Valid Until 2025/05/05

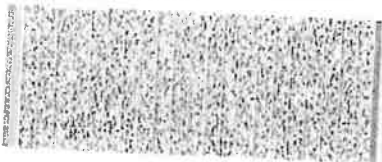
Licensee Name: GARCERAN RAHIM LABATIN  
 Address: 123 MANAYAT ST. BARCELON VALLEY

License Category: NONE

Signature: *Garcera*  
 Licensee Signature

IN EMERGENCY CALL 911  
 IN CASE OF EMERGENCY NOTIFY  
 THE POLICE IMMEDIATELY

153561212



*foli*

*foli*

*foli*

*foli*  
**CERTIFIED TRUE COPY**  
**SAKKEN (Philippines), Inc.**  
**130 GPI Bldg. Aurora Blvd.**  
**Cor. A Lake St. San Juan City**  
**Tel. Nos. 8725-9373 / 7748-7753**

*Handwritten signature/initials*