



Philippine Amusement and Gaming Corporation
A Sure Bet for Progress in Gaming, Entertainment and Nation Building

PURCHASE ORDER

Page # 1
 Supplier : GLIMEX GLIMEX, INC.
 Address : U-504 METROSTAR BLDG., 1007 METROPOLITAN AVENUE, MAKATI CITY
 TIN : 000-459-563-000
 VAT : All Items are VAT Exclusive / Zero Rated

P.O. No. 94
 SEQ.# 1
 PO Date : 29 MAR 2012
 ITB Number : 01-19-2012
 Buyer Code : JAC *jk*

Gentlemen :
 Please furnish this Office the following articles subject to the terms and conditions contained herein;

Place of Delivery : PAGCOR IMLS WAREHOUSE

Payment Term : PER ANNEX A

Itemcode :	Description	Quantity	Unit	Unit Cost	Amount
FMD#60700	SLOT MACHINE DEPARTMENT				
1 103007316	SIGNAGE ALL ABOUT MONEY SIGNAGE	2.00	PC	24,000.00	48,000.00
2 103007316	SIGNAGE POWER STRIKE SIGNAGE	2.00	PC	24,000.00	48,000.00
3 104031590	KIT	24.00	PC	11,500.00	276,000.00
4 104031590	KIT	24.00	PC	9,200.00	220,800.00
--- NOTHING FOLLOWS ---					

Attachments: BUDGET, RV, CASF, AWARD OF CONTRACT, NOTICE OF AWARD,
 Remarks : TRANSACTION IN US DOLLAR CURRENCY

SUB-TOTAL : 592,800.00
 TOTAL : 592,800.00
 LESS DISCOUNT :
 CHARGE :
 GRAND TOTAL : 592,800.00

Total Amount in Words: FIVE HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED US DOLLARS ONLY *jk*

TERMS AND CONDITIONS OF PURCHASE

- > Delivery must be in accordance with the date specified in the Notice to Proceed.
- > 1/10 of 1% of the amount of the goods not delivered on the stipulated date will be deducted from the total amount involved for each day of delayed delivery.
- > Items delivered are subject to inspection and acceptance by Property Management Unit.
- > Please attach original copy of Sales Invoice, Delivery Receipt, Warranty Certificate and Purchase Order upon delivery.

"This is to certify that the procurement for the items contained in this Purchase Order is in accordance with Republic Act No. 9184, its Implementing Rules and Regulations and other applicable laws".

- Limited Source Bidding (Selective Bidding)
- Public Bidding
- Direct Contracting (Single Source Procurement)
- Negotiated Procurement
- Shopping

GILBERT N. GACRAMA
 Signature Over Printed Name of Supplier

Recommended by:

JORGE V. SANTIAGO
 PRESIDENT & COO *3/29*

Funds Available

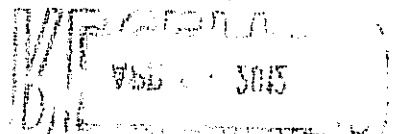
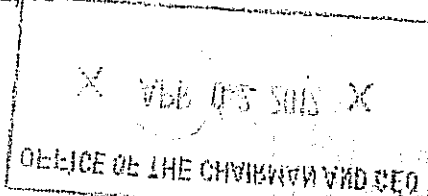
VIDA T. CABIGON JR.
 AVP/SA Acctg Dept/Section: *3/30*

Budget Authorization No. 12030561

Amount \$ 592,800.00

Approved By:

CRISTINO L. NAGUIAT, JR.
 OFFICER-IN-CHARGE, PD



Annex A – Terms and Conditions

1. The total price stated in the PO already includes all applicable taxes, fees and charges required by the government. **GLIMEX INCORPORATED** holds PAGCOR free from liability for any or all taxes arising out of this transaction.

The prices herein agreed shall not be subject to any increase or upward adjustment for any reason or cause whatsoever.

2. **GLIMEX INCORPORATED** shall complete the supply and delivery of the goods within the time prescribed in the PO. Should **GLIMEX INCORPORATED** incur delay in its performance, it shall pay a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the undelivered goods for each day of delay. The maximum deduction shall be ten percent (10%) of the amount of the contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, PAGCOR shall have the option to rescind the contract, without prejudice to other courses of action and remedies open to it.

In case **GLIMEX INCORPORATED** still fails to deliver the item after the lapse of 30 days from the supposed date of delivery, in addition to the forfeiture of the bond and the penalties agreed upon, PAGCOR shall have the option to terminate the purchase.

3. In the event that **GLIMEX INCORPORATED** fails to comply with its undertakings under this PO, PAGCOR shall be released from its obligations without prejudice to its rights of restitution, recovery and damages.
4. In the event that the facts and circumstances arise or are discovered which renders this PO 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.
5. No terms or conditions of this PO shall be deemed waived and no breach or default excused unless such waiver or excuse shall be in writing and signed by the party affected.
6. The rights or obligations under this PO 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 PO or any interest in it may not be assigned without the prior written consent of the other party.
7. This PO 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.
8. This PO 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 PO shall be binding UNLESS executed in writing by the parties. No waiver of any of the provisions of this PO 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.


Gilbert N. Garcia
Signature over printed Name of Supplier

9. The relationship between the parties shall be limited to the performance of the terms and conditions of this PO. 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 in 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.
10. 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 PO, to the exclusion of all other courts and venues. This exclusive venue provision shall apply even in cases for declaration of nullity of this PO in its entirety or in part and in cases arising after or by reason of the declaration of nullity of this PO in its entirety or in part.

11. **GLIMEX INCORPORATED** hereby further warrants and represents that:


- a. The goods and specifications shall be as described under the P.O. as follows:

Quantity	Technical Description
24 units	Conversion Kit (All About Money)
24 units	Conversion Kit (Power Strike)
2 pieces	All About Money Signage*
2 pieces	Power Strike Signage*

Note: All units are brand new

*One signage for every 12 units of machines

- b. It has good title to the goods described in the PO, 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. Defective items shall be replaced within thirty (30) calendar days from the date of return. Failure to replace the defective items within the same period shall make the supplier liable for a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the undelivered item for each day of delay, including Sundays and Holidays.
- e. PAGCOR accepts no liability for the damage of the goods during transit, risk and title 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 **GLIMEX INCORPORATED**, a warranty shall be required from it for a minimum period of one (1) year after delivery and acceptance of the machines, as specified and described above.


 Gilbert N. Gacasan
 Signature over printed Name of Supplier

The obligation for the warranty shall be covered by either Retention Money equivalent to at least ten percent (10%) of every progress payment or a special bank guarantee equivalent to at least 10% of the total contract price.

The said amounts shall only be released after the lapse of the warranty period provided, however that the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met.

In addition, the slot machines shall have a warranty of one (1) year from the date of acceptance, without prejudice to foregoing warranties. GLIMEX INCORPORATED shall carry sufficient inventories to assure supply of spares for the goods for a period of four (4) years. Spares shall be supplied within one (1) month from notice by PAGCOR.

12. Contract Amount: The total price for the Procurement of Electronic Gaming Machines subject of this PO shall be in the amount of **US DOLLARS FIVE HUNDRED NINETY TWO THOUSAND EIGHT HUNDRED AND 00/100 (US\$592,800.00)**. The break-down are as follows:

Description	Qty	Unit Price	Total Price
Conversion Kits (All About Money)	24	US\$11,500.00	US\$276,000.00
Conversion Kits (Power Strike)	24	US\$9,200.00	US\$220,800.00
All About Money Signage*	2	US\$24,000.00	US\$48,000.00
Power Strike Signage*	2	US\$24,000.00	US\$48,000.00
TOTAL	48		US\$592,800.00

Note: *One signage for every 12 units of machine

13. Schedule of payment: Payment of the purchase price, in US Dollars, via Telegraphic Transfer, shall be based on the following schedule:

a. 90% of the total contract price subject to PAGCOR's acceptance in writing of the items described in the PO.	US\$533,520.00
10% Retention of the total contract price to be paid after one (1) year from the formal acceptance, if and when no patent and latent defects are noted.	US\$59,280.00

Or;

b. 100% of the total contract price to be paid after performance of the contract, provided that the goods supplied are free from patent and latent defects and all conditions imposed under this annex have been fully met; subject to PAGCOR's acceptance in writing and upon submission of a Special Bank Guarantee equivalent to at least 10% of the total price of the delivered machines valid for one (1) year	US\$592,800.00
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Payment via Telegraphic Transfer shall be made to **GLIMEX INCORPORATED** upon presentation of the receipt and certificate of acceptance by PAGCOR's authorized representative. PAGCOR shall have a maximum period of fifteen (15) working days upon receipt of the items within which to determine to its satisfaction the condition of the Slot Machines with signages and to acknowledge receipt.

GILBERT N. GARCIA
Signature over printed Name of Supplier

The bank details are as follows:

Bank Name: Hongkong and Shanghai Banking Corporation (HSBC)
Address: 5th Avenue corner 32nd St. Fort Bonifacio, Taguig City
Account Name: GLIMEX, INC.
Account Number: 031-023633-130
Swift Code: HSBCPHMM

14. PAGCOR shall pay **GLIMEX INCORPORATED** the cost of freight amounting to US\$2,688.76 and other related charges in the amount of PhP96,628.66 provided that:
- Reimbursement of shipment expenses shall be for sea freight charges or its equivalent in the event shipment is done by air freight;
 - Brokerage/Forwarder Services contracted by **GLIMEX INCORPORATED** shall be with entities accredited by PAGCOR;
 - A Philippine flag vessel and/or air carrier shall be used in the shipment of the goods in compliance with P.D. 1466. Otherwise, **GLIMEX INCORPORATED** shall seek PAGCOR's approval prior to its application for a waiver from the Civil Aeronautics Board or the Freight Booking & Cargo Consolidated Center of the Philippine Shipper's Council, for any related waiver fees/charges to be reimbursed by PAGCOR.
15. No intellectual or industrial property rights, whether registered or not, including copyright, trade marks, patents, designs, circuit layouts, confidential information, know-how or inventions, that subsists in the goods subject of this PO (hereinafter referred to as "Intellectual Property") is conveyed to or vests in PAGCOR or any other person pursuant to this PO.
16. **GLIMEX INCORPORATED** grants to PAGCOR a non-exclusive and personal license of the Intellectual Property in each copy of the game provided by **GLIMEX INCORPORATED** to PAGCOR to do only those acts that are necessary to permit PAGCOR to operate the games lawfully at the licensed gaming venues owned or operated by PAGCOR. PAGCOR cannot modify, adapt, supply, reverse engineer, sub-license, transfer the license or rights under the license in any way or otherwise deal with the Intellectual Property in the game.
- The license granted automatically terminates when:
- The copy of the game or storage device is returned to **GLIMEX INCORPORATED** in satisfactory and reasonably functional condition; or
 - The copy of the game ceases to be in PAGCOR's possession, custody or control.
17. **GLIMEX INCORPORATED** shall provide training for two (2) PAGCOR personnel for seven (7) days at **GLIMEX INCORPORATED** facility in Macau, inclusive of airfare and hotel accommodations.
18. This Annex consisting of four (4) pages shall form part of PO #94.


GILBERT N. GACRAÑA
Signature over printed Name of Supplier/Date