



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

PURCHASE ORDER

Page # 1
Supplier : SUAREZ SUAREZ & SONS, INC.
Address : 282 E. RODRIGUEZ SR. AVENUE, QUEZON CITY*
TIN : 000-392-095-001
VAT : All Items are VAT Exclusive / Zero Rated

P.O. No. 123
SEQ.# 1
FO Date : 28 MAY 2012
ITB Number : 04-05-2012
Buyer Code : EAA *cyu*

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

Place of Delivery : PAGCOR HOUSE, ROXAS BLVD.

Payment Term : PER ANNEX A

Itemcode :	Description	Quantity	Unit	Unit Cost	Amount
FMD#62737	HUMAN RESOURCE DEPARTMENT				
1 102010094	RING FOR MALE, 18K YELLOW GOLD WITH JEWELRY BOXES	500.00	PC	20,300.00	10,150,000.00
2 115002005	RING FOR FEMALE, 18K YELLOW GOLD WITH JEWELRY BOXES	185.00	PC	20,300.00	3,755,500.00

--- NOTHING FOLLOWS ---

Attachment: BUDGET, RV, CASF, AWARD OF CONTRACT, NOTICE OF AWARD, ABSTRACT

SUB-TOTAL :	13,905,500.00
TOTAL :	13,905,500.00
LESS DISCOUNT :	
CHARGE :	
GRAND TOTAL :	13,905,500.00

Remarks : PLEASE REFER TO ANNEX A FOR THE TERMS AND CONDITIONS
Total Amount in Words: THIRTEEN MILLION NINE HUNDRED FIVE THOUSAND FIVE HUNDRED PESOS ONLY

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

Signature
BELINDA F. DELOS SANTOS 7/5/12
Signature Over Printed Name of Supplier

Recommended by:

JORGE V. SARMIENTO
PRESIDENT AND COO *hms*

: Funds Available	
: VIDAL T. CARSON JR.	
: AVP/SA Acctg Dept/Section:	
: Budget Authorization No. 12020204	Amount 13,905,500-

Approved By:

Signature
CRISTINO L. MAGUIAT, JR.
CHAIRMAN AND CEO

Annex A – Terms and Conditions of Purchase Order No. 00123

1. The total price stated in the Purchase Order (PO) already includes all applicable taxes, fees and charges required by the government. **SUAREZ AND SONS, INC.** 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. **SUAREZ AND SONS, INC.** shall complete the (*supply and delivery*) of the goods within the time prescribed in the PO. Should **SUAREZ AND SONS, INC.** incur delay in its performance, it shall pay liquidated damages in the amount of at least one-tenth of one percent (1/10 of 1%) of the total cost of the unperformed portion 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 **SUAREZ AND SONS, INC.** 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 purchase.

3. In the event that **SUAREZ AND SONS, INC.** 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.

Authorized Signatory of SUAREZ AND SONS INC.

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.

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. **SUAREZ AND SONS, INC.** hereby further warrants and represents that:

a. The goods and specifications shall be described as follows:

QTY	DESCRIPTION
685 pieces	<ul style="list-style-type: none"> • Eighteen (18) karat yellow gold • Minimum of ten (10) grams • Each ring shall have the initial of the first name and the full surname of the recipient employee and year of award • With the following designs (as per sample) <ol style="list-style-type: none"> 1. PAGCOR logo, 2. 20 years logo, and 3. Service Award logo • Shall be molded from a machine made metal cast/s • The rings are packed in individual black velvet jewelry box with PAGCOR logo printed in gold inside cover of box (as per sample); The dimension of the jewelry box are as follows, (i) Length = 52mm;(ii) Width = 50mm; and (iii) Height = 40mm • For Male = 500 pieces; • For Female = 185 pieces

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.

for my

7.5-25/12

Authorized Signatory of SUAREZ AND SONS INC.

- 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 thirty (30) calendar days upon receipt of notice. Failure to replace the same within the same period shall make **SUAREZ AND SONS, INC.** 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.
- 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 replace the defective items on Article I within thirty (30) calendar days from the date of return. Failure to replace the defective rings 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.
- g. It shall pay taxes in full and on time, failure to do so will entitle PAGCOR to suspend payment.
- h. It shall deliver the Six Hundred Eighty-Five (685) pieces memento rings in accordance with the technical specifications. Should supplier incur return of rings for repair or replacement in the maximum quantity of twenty-five percent (25%) of the total requirement, PAGCOR shall have the option to rescind the contract, without prejudice to other courses of action and remedies open to it.
- i. In cases wherein an additional expense is to be incurred due to delivery of substandard quality items that are non compliant with the agreed specifications, such expense to reproduce items to agreed specifications and quality shall be at the expense of the supplier
- j. To ensure the good quality and durability of the rings with big sizes, additional grams shall be included as follows:

Ring Size	Additional gram
11.51 to 12.49	One (1) gram
12.5 to 13.0	Two (2) grams
13.01 and above	Three (3) grams

- k. Re-engraving of names may be requested without any additional cost to PAGCOR.

Handwritten signature

7-5-2012
 Authorized Signatory of SUAREZ AND SONS INC.

- l. **SUAREZ AND SONS, INC.** shall bring their own densimeter machine every testing of the ring; otherwise, it shall cause delay in the acceptance and approval.
- m. Without prejudice to manufacturer's warranty, in order to assure that manufacturing defects shall be corrected by **SUAREZ AND SONS, INC.**, a warranty shall be required from it for a minimum period of one (1) year after performance and acceptance of the contract.
- n. 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 ten percent (10%) of the total contract price.
- o. 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.
- p. In addition, the goods shall have a warranty of one (1) year from the date of acceptance of specified items in the Purchase Order, without prejudice to manufacturer's warranty.

12. Schedule of payment: PAGCOR shall pay the total amount of **THIRTEEN MILLION NINE HUNDRED FIVE THOUSAND FIVE HUNDRED PESOS (PhP13,905,500.00) or TWENTY THOUSAND THREE HUNDRED PESOS (PhP20,300.00) per piece**, VAT exclusive, zero rated transaction, based on any of the following:

- A. 90% of the total contract price upon completion of supply and delivery subject to PAGCOR's acceptance in writing of the items described in the PO. **PhP12,514,950.00**
- B. 10% Retention to be paid after one (1) year from the formal acceptance, if and when no patent and latent defects are noted **PhP 1,390,550.00**

OR;

100% of the contract price to be paid, 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 in writing of the items described in the PO and upon submission of a Special Bank Guarantee at least ten percent (10%) of the total amount valid for one (1) year **PhP13,905,500.00**

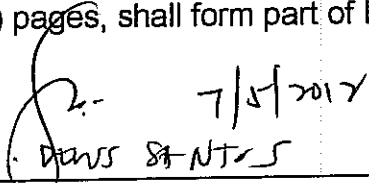
Authorized Signatory of SUAREZ AND SONS INC.

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13. Performance Security: To guarantee the faithful performance of **SUAREZ AND SONS, INC.** obligations under this, it shall post a Performance Security prior to the execution of this PO, in accordance with any of the following schedule:

Form of Security	Amount in Percentage of Total Contract Price
Cash, cashier's/manager's check, bank draft/guarantee issued by a Universal or Commercial Bank.	Five Percent (5%) PhP695,275.00
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank, Provided that if issued by a foreign Bank it shall be confirmed by a Universal or Commercial Bank	
Surety Bond (which is acceptable to PAGCOR) callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty Percent (30%) PhP4,171,650.00
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

14. This Annex A, consisting of five (5) pages, shall form part of PO # 00123.


 BAYNORA F. DEWIS SUAREZ 7/5/2017

 Signature over printed Name of Supplier/Date

per *htg*