



PURCHASE ORDER

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 Supplier : PAPER PAPERTECH, INC.
 Address : F 835 FELIFE PIKE ST., BAGONG ILOG, PASIG CITY
 TIN : 000-165-824-000
 VAT : All Items are VAT Exclusive / Zero Rated

P.O. No. 127
 SEQ.# 1
 PO Date : 28 JUN 2012
 ITB Number : ITB NO. 04-13-2012
 Buyer Code : JED

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

Place of Delivery : PAGCOR IMUS COMPLEX

Payment Term : PER ANNEX A

Itemcode	Description	Quantity	Unit	Unit Cost	Amount
FDH62462	FGSD - STOCK REPLENISHMENT				
1 101025425	PAPER TOWEL, CLASS B	194,370.00	PACK	21.00	4,081,770.00
--- NOTHING FOLLOWS ---					

Attachment: BUDGET, RV, CASF, AWARD OF CONTRACT, NOTICE OF AWARD, ABSTRACT
 Remarks : STAGGERED DELIVERIES/PAYMENT

SUB-TOTAL : 4,081,770.00
 TOTAL : 4,081,770.00
 LESS DISCOUNT :
 CHARGE :
 GRAND TOTAL : 4,081,770.00

Total Amount in Words: FOUR MILLION EIGHTY ONE THOUSAND SEVEN HUNDRED SEVENTY 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) Public Bidding
 Direct Contracting (Single Source Procurement) Negotiated Procurement Shopping

Signature Over Printed Name of Supplier

Recommended by:

 JORGE V. SARMIENTO
 PRESIDENT AND COO

: Funds Available
 :
 : VIDAL T. CARIGON JR.
 : AMP/SA Acctg Dept/Section: 0714
 : Budget Authorization No. 01201251 Amount 4,081,770.00

Approved By:

 CRISTINO L. NASUIAT, JR.
 CHAIRMAN AND CEO

Purchase Order No. 00127
Annex A – Terms and Conditions

1. The total price stated in the Purchase Order (PO) already includes all applicable taxes, fees and charges required by the government. **PAPERTECH 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. **PAPERTECH INC.** shall complete the *supply and delivery* of the goods within the time prescribed in the PO. Should **PAPERTECH 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 **PAPERTECH 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 **PAPERTECH 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.
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,

Signature over printed Name of Supplier

ANGELA A. ANG

ANNEX "A" OF P.O. NO. 00127

Supply and Delivery of One Hundred Ninety Four Thousand Three Hundred Seventy (194,370) packs of Paper Towel, Class B under ITB No. 04-13-2012

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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. **PAPERTECH INC.** hereby further warrants and represents that:

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

QUANTITY	DESCRIPTION
194,370 packs	<p>PAPER TOWEL (CLASS B)</p> <ul style="list-style-type: none"> • One (1) ply • One Hundred Seventy-Five (175) interfolded sheets/pack • 200mm x 200mm • Thirty (30) packs / box (corrugated box) • With dispenser (free on loan) installation <ul style="list-style-type: none"> - Hard Plastic Casing - Color: White or Clear - Size: Dispenser can accommodate three (3) packs of 200mm x 200mm size of paper towel <p>I. FEEL / TOUCH – Soft II. COLOR – White / Off-white III. ODOR – Pleasant Smell or odorless IV. TEXTURE – Minimal Fiber V. STRENGTH – Durable, does not easily tear even when wet VI. PACKAGING – Presentable, should have a print of Brand, Total number of sheets and Size. Thirty (30) packs / box (corrugated box)</p>


 ANNEBVA A. ANG
 Signature over printed Name of Supplier

8 of 11 pages

DISPENSERS shall be distributed as follows:

BRANCH	No. of Male & Female Comfort Rooms (equivalent to no. of dispensers)
PAGCOR-Heritage	35
PAGCOR-Hyatt	60
PAGCOR-Pavilion	34
PAGCOR-Parañaque	38
PAGCOR-Tagaytay	33
TOTAL	200

- 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. The defective items shall be replaced within seven (7) calendar days upon receipt of notice. Failure to replace the same within the same period shall make **PAPERTECH 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 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 **PAPERTECH INC.**, a warranty shall be required from it for a minimum period of three (3) months after performance and acceptance of the contract.
- h. 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.
- i. 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.
- j. In addition, the goods shall have a warranty of **PAPERTECH INC.** from the date of acceptance of specified items in the Purchase Order, without prejudice to manufacturer's warranty.

Signature over printed Name of Supplier

[Handwritten Signature]
ANGELA A. ANS

ANNEX "A" OF P.O. NO. 00127

Supply and Delivery of One Hundred Ninety Four Thousand Three Hundred Seventy (194,370) packs of Paper Towel, Class B under ITB No. 04-13-2012

[Handwritten initials]

12. Schedule of payment: PAGCOR shall pay in a progressive/partial billing the total amount of Four Million Eighty-One Thousand Seven Hundred Seventy Pesos (PhP 4,081,770.00), VAT Exclusive, Zero Rated Transaction, based on any of the following:

- A. 90% of the total contract price upon completion of supply and delivery per staggered delivery subject to PAGCOR's acceptance in writing of the items described in the PO.
- B. 10% Retention per completed staggered delivery to be paid after three (3) months from the formal acceptance, if and when no patent and latent defects are noted.

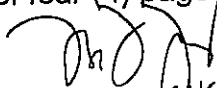
OR;

100% per completed staggered delivery 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 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 three (3) months from the issuance of the Certificate of Final Acceptance.

13. Performance Security: To guarantee the faithful performance of **PAPERTECH 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 issued by a Universal or Commercial Bank;	Five Percent (5%)
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank, Provided however that if issued by a foreign bank, it shall be duly confirmed by a Universal or Commercial Bank; or	Two Hundred Four Thousand Eighty-Eight Pesos and 50/100 (PhP 204,088.50)
Surety Bond (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%) One Million Two Hundred Twenty-Four thousand Five Hundred Thirty-One Pesos (PhP 1,224,531.00)

14. This Annex A, consisting of four (4) pages, shall form part of PO # 00127.


ANGELA A. ANG

Signature over printed Name of Supplier/Date

ANNEX "A" OF P.O. NO. 00127
Supply and Delivery of One Hundred Ninety Four Thousand Three Hundred Seventy (194,370) packs of Paper Towel, Class B under ITB No. 04-13-2012

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