



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

IN-6720

PURCHASE ORDER

P.O. No. 128

Page # 1

Supplier : MICROGE MICROGENESIS BUSINESS SYSTEM
 Address : 2/F ANNEX BLDG, SGS COMPOUND, 2229 CHINO ROCES AVENUE, MAKATI CITY
 TIN : 000-342-262-000
 VAT : All Items are VAT Exclusive / Zero Rated

REQ.# 1
 PO Date : 27 JUN 2012
 ITB Number : 04-17-2012
 Buyer Code : SCH *[Signature]*

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
FMD#62696 1 101014046	INFORMATION TECHNOLOGY DEPT. SOFTWARE MCAFFEE WEBGATEWAY URL CATEGORIZATION LICENSE	1.00	LOT	1,259,500.00	1,259,500.00
--- NOTHING FOLLOWS ---					

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

SUB-TOTAL : 1,259,500.00
 TOTAL : 1,259,500.00
 LESS DISCOUNT :
 CHARGE :
 GRAND TOTAL : 1,259,500.00

Remarks :

Total Amount in Words: ONE MILLION TWO HUNDRED FIFTY NINE 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) Public Bidding
 Direct Contracting (Single Source Procurement) Negotiated Procurement Through Shopping

[Signature]
 Signature Over Printed Name of Supplier
MARILYN M. BARBECHO 7/11/12

Recommended by:

[Signature]
 JORGE W. SARMIENTO
 PRESIDENT AND COO

Funds Available

:

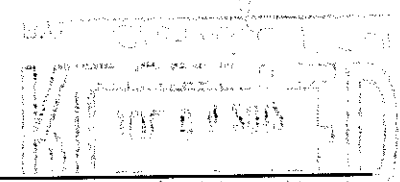
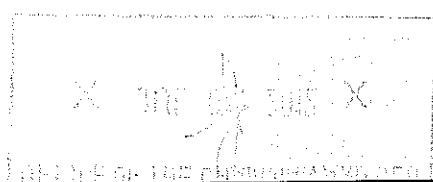
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Budget Authorization No.

[Signature]
 VIDAL T. CRIBION JR.
 AVP/SA Acctg Dept/Section:
 12020311 Amount 1,259,500.00

Approved By:

[Signature]
 CRISTINO L. MAGUIAT, JR.
 CHAIRMAN AND CEO



Purchase Order No. 128
Annex A – Terms and Conditions

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

Marilyn M. Ballesteros
Marilyn M. Ballesteros 7/11/12
Signature over-printed Name of Supplier / Date

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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.
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. **MICROGENESIS SOFTWARE, INC. DBA MICROGENESIS BUSINESS SYSTEMS** hereby further warrants and represents that:
 - a. The goods and specifications shall be described as follows:

DESCRIPTION	QTY.
WEB GATEWAY URL CATEGORIZATION LICENSE OR ONE (1) YEAR	One (1) Lot
OFFERED BRAND: MCAFEE	
<u>LICENSE</u> Must cover hardware maintenance, software, virtual appliance and web-based reporter licenses for Five Hundred (500) users/nodes for One (1) year.	
<u>ADMINISTRATION</u> Web based user interface: <ul style="list-style-type: none"> • Web GUI can be accessed via http, https or both. • Access ports can be customized • Can limit access to GUI by IP, IP Range, Subnet. Administrators can be authenticated via login page, supports LDAP and RADIUS authentication for administrators.	

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<p>Administrator roles can be defined and customized to which features can be accessed or not.</p> <p>Must have an option to add administrator with read-only access.</p> <p>Must have an option to add administrators for a specific policy only.</p>	
<p><u>DASHBOARD MONITORING</u></p> <p>Quick access to dashboards such as:</p> <ul style="list-style-type: none"> • Traffic Volume <ul style="list-style-type: none"> ○ Per Policy ○ Per Protocol • System <ul style="list-style-type: none"> ○ CPU, Memory, Swap, File System and Network Utilization • Service <ul style="list-style-type: none"> ○ Proxy Requests ○ ICAP Requests ○ Memory Utilization of Service ○ Number of Threads ○ System Load ○ Open and Served Connections 	
<p><u>CLOUD BASED THREAT INTELLIGENCE</u></p> <p>Must have a cloud based service that provides the following:</p> <ul style="list-style-type: none"> • URL Reputation updates • URL Categorization updates • Real-time threat information and updates. 	
<p><u>URL FILTER</u></p> <p>Can apply Category and Reputation based URL Filtering per policy.</p> <p>Must support the following URL Filtering Methods:</p> <ul style="list-style-type: none"> • URL Filter Category Database • Custom Category List • Real-Time Classification <ul style="list-style-type: none"> ○ URL Based ○ Meta Information Based ○ Confidence level for blocking can be defined. • Safe Search Enforcement <p>Actions can be customized per category</p> <p>Time and Volume Quota can be defined.</p> <p>Can block requests based on their shell expressions.</p> <p>Actions can also be customized per URL reputation level.</p>	

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MEDIA CONTENT FILTER

Can apply different content filters per policy.

Must have Media Type black and white lists.

Can add or define new media types according to necessity or ambiguity of Magic Bytes.

Must have Document Filter

- Encrypted/Plain Document Download/Upload Filter
- Supports filter for Microsoft Word, Excel and Powerpoint documents, PDF, Generic XML, Microsoft Open XML, Open Document Format, and SOAP.

Must have customizable control for downloaded archives.

- Encrypted Archive found
- Corrupted Archive found
- Multi-part Archive found
- Max recursion level exceeded
- Mail bomb found
- Not Handled Archive found

Can add, delete or modify HTTP and HTTPS headers.

Can block content according to binary pattern rules.

Can block advertisements

- Links
- Dimensions (objects such as images, applets, plug-ins)
- Pop-up
- Scripts
- Animations

Can eliminate mini-images used to track navigation.

Can remove strings that report the last page visited.

Can remove URL prefixes used to track user behavior.

Can control passing of cookies to and from Web servers.

Can categorize text content into different levels of confidentiality and apply actions for each level.

Can execute actions based on HTTP methods such as GET, PUT, POST, CONNECT, OPTIONS, HEAD, DELETE, TRACE, etc.

WHITELISTING

Can white list access per policy by disabling any of the following:

- Media Type Filter
- Generic Body Filter

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<ul style="list-style-type: none"> • URL Category Actions • ActiveX Controls • HTTP Cache • Document Inspector • Advertising Filter • Filter by Expressions • Embedded Scripts • Web Reputation Filter • Archive Handler • Privacy Filter • Authenticode • Data Tricking • Content Type Adaptation • Generic Header Filter • Text Categorization • Embedded Objects • Progress Pages • Anti-Malware 	
<p><u>ANTI-MALWARE</u> Can scan and block viruses per policy.</p> <p>Anti-Malware engine can do the following:</p> <ul style="list-style-type: none"> • Heuristic/Proactive scanning • Detection for Potentially Unwanted Programs • File reputation queries to a cloud-based service. <p>Media Streaming can bypass AV Scanning.</p> <p>Must have support for Microsoft Authenticode:</p> <ul style="list-style-type: none"> • Can execute actions for signable content that is unsigned. • Can execute actions for invalid checksums. • Can check the certificates contents of vendors and root CAs. • Can allow skipping of heuristic/proactive scanning if the certificate does not result in blocking action. <p>Can scan scripts and objects embedded in HTML and office files.</p>	
<p><u>SSL SCANNING</u> Can scan encrypted traffic per policy.</p> <p>Can provide actions for verified certificates.</p> <p>Can tunnel access to sites by category. (for example, tunnel Finance/Banking sites only)</p> <p>Can verify server certificate and use client certificates to decrypt session.</p>	

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Can add exceptions to SSL Scanner by host or site.	
<p><u>USER AUTHENTICATION</u></p> <p>Can authenticate users by built in User Database, RADIUS, Novell eDirectory, LDAP, NTLM-Agent and NTLM.</p> <p>Can import user list from a text or csv file.</p> <p>Can synchronize local user database to LDAP.</p> <p>Can backup and restore local user database.</p> <p>Must support NTLM v2.</p> <p>Must have an NTLM authentication test tool for troubleshooting authentication via NTLM.</p> <p>Must support basic (plain) and integrated (encrypted) authentication for NTLM.</p>	
<p><u>PROXIES</u></p> <p>Must have HTTP, HTTPS and FTP proxy.</p> <p>Proxy ports for HTTP, HTTPS and FTP must be customizable.</p> <p>Must support next hop proxy for HTTP, HTTPS and FTP. Next hop proxy can be configured in modes:</p> <ul style="list-style-type: none">• Specific• Round-Robin• Failover <p>Can allow custom http ports for HTTP CONNECT request.</p> <p>Must have integrated ICAP and ICAPs (secure) Server.</p> <p>Can customize the listener port for ICAP/s Server.</p> <p>Can define URL requests that will bypass the ICAP Server.</p> <p>Must support IFP and WCCP.</p>	
<p><u>POLICY MANAGEMENT</u></p> <p>Administrators can add, modify, group and duplicate policies.</p> <p>Can apply policies to specific users, user groups, IP, IP range or subnet.</p> <p>Can map policies for REQMOD and RESPMOD differently.</p> <p>Can block or allow access via default policy if mapping fails.</p>	

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<p>Can configure Rate Limits per policy group in terms of following:</p> <ul style="list-style-type: none">• Number of Requests• Number of kilobytes• Number of Concurrent Connections	
<p><u>ACTIONS</u> Default actions must include the following:</p> <ul style="list-style-type: none">• Allow• Allow and Log Incident• Block• Block and Log Incident• Coaching• Time Quota• Volume Quota• Time and Volume Quota <p>Administrators can create custom Redirect to URL action.</p> <p>Administrators can create custom Error pages.</p>	
<p><u>CACHING</u> Can enable and disable caching per policy.</p> <p>Can customize which objects can be cached.</p> <p>Can adjust maximum cacheable object size to optimize the cache.</p> <p>Can complete downloads for cache even if client aborts connection.</p> <p>Can control how the content is validated and delivered by the cache.</p> <p>Can flush specific cache files according to:</p> <ul style="list-style-type: none">• URL match• Cached objects bigger than a set size• Cached objects older than a set number of hours• Media Type• Everything	
<p><u>LOGGING AND REPORTING</u> Must have Audit Log.</p> <p>Default audit logs must include the following:</p> <ul style="list-style-type: none">• HTTP Access Log• HTTP Access Denied Log• Security Log (log of all filtered objects)• Found Viruses Log	

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<p>Administrators can configure custom log files that can be generated by custom actions.</p> <p>Can manually or automatically rotate and archive specific log files when log files exceed a certain file size.</p> <p>Can manually or automatically delete log files. Must have the option of how many log files can be kept at a time or how many days the log files must be kept.</p> <p>Can automatically push log files to an upload server via http, https or ftp.</p> <p>Can specify unique upload settings for each individual log file.</p> <p>Must have on-box basic Live Reports.</p> <p>Default Live Reports must include:</p> <ul style="list-style-type: none"> • Top Categories by Bytes Transferred • Top Destinations by Bytes Transferred • Top Source IPs by Bytes Transferred • Top Top-Level Domains by Number of Requests • Top Users by Bytes Transferred • Top Users by Number of Requests <p>Must have Live Reports for server loads and system statistics.</p>	
<p><u>UPDATES</u></p> <p>Can perform manual and automatic updates for the following:</p> <ul style="list-style-type: none"> • URL Filter database • AV Engine database • Certificate Revocation List (CRL) <p>Can update databases using next hop proxies.</p>	
<p><u>MAINTENANCE</u></p> <p>Can automatically defragment memory address space.</p> <p>Must have configuration backup and restore.</p> <p>Configuration backup has the option to include the user database.</p> <p>Can generate feedback information that is useful for support to track down issues.</p>	
<p><u>VIRTUAL APPLIANCE</u></p> <p>The Virtual Appliance must have the same features as the appliance itself.</p>	

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Must support installation on VMWare ESX/ESXi 4.0 and above.	
<p><u>WEB-BASED REPORTING TOOL</u></p> <p>The web based reporting tool can be installed on the existing operating system platforms.</p> <p>Reports can be exported in formats including HTML, PDF, XML, and CSV.</p> <p>Generated reports can be:</p> <ul style="list-style-type: none"> • Stored on the server for viewing within the UI • Saved to a local machine from the UI • Automatically uploaded to an FTP server • Automatically delivered via email <p>Reporting tool must be able to read log files from the secure web gateway appliance.</p> <p>Must support the existing database platforms.</p> <p>Can allow administrators to view and analyze web traffic in real-time</p> <p>Can consolidate data from multiple log sources</p> <p>Must have drill-down capabilities.</p> <p>Can automatically generate reports when schedule is set.</p> <p>Can calculate browse time of users.</p>	
<p><u>MISCELLANEOUS</u></p> <p>The secure web gateway solution must be in the Leader Quadrant in the 2011 Gartner report for Secure Web Gateway.</p> <p>Must be compatible with existing solution with NO changes required, except for updates and version upgrades.</p>	
<p><u>SUPPORT</u></p> <p>Supplier must have at least two (2) locally based Support Engineers from the vendor and must have at least one (1) locally based Support Engineer from the distributor certified by the principal/manufacturer.</p> <p>Should incidents arise, the supplier must indicate in their Service Level Agreement (SLA) at least four (4) hours response time which also depends on the severity level.</p> <p>Manufacturer/Principal must have 24/7 Telephone-Based technical support with web-based ticketing and knowledgebase.</p>	

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TRAINING

Administrator training module for two (2) PAGCOR personnel.

- 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 thirty (30) calendar days upon receipt of notice. Failure to replace the same within the same period shall make **MICROGENESIS SOFTWARE, INC. DBA MICROGENESIS BUSINESS SYSTEMS** 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 **MICROGENESIS SOFTWARE, INC. DBA MICROGENESIS BUSINESS SYSTEMS**, a warranty shall be required from it for a minimum period of one (1) year after performance 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.
12. Schedule of payment: PAGCOR shall pay the total amount of **ONE MILLION TWO HUNDRED FIFTY NINE THOUSAND FIVE HUNDRED PESOS (Php1,259,500.00)**, VAT exclusive, zero rated transaction, based on any of the following:
- A. 90% of the total contract price upon completion of supply and delivery of the goods subject to PAGCOR's acceptance in writing of the items described in the PO. PhP 1,133,550.00
 - B. 10% retention of the total amount to be paid after one (1) year from the formal acceptance, if and when no PhP 125,950.00

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latent defects are noted.

TOTAL PhP 1,259,500.00

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OR;

100% of 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 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 10% of the total amount valid for one (1) year.

PhP 1,259,500.00

13. Performance Security: To guarantee the faithful performance of **MICROGENESIS SOFTWARE, INC. DBA MICROGENESIS BUSINESS SYSTEMS'** 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 confirmed by a Universal or Commercial Bank.	
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.	Five Percent (5%) (PhP 62,975.00)
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%) (PhP 377,850.00)
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

14. This Annex A, consisting of eleven (11) pages, shall form part of PO No. 128.

Marilyn M. Barbecho
 MARILYN M. BARBECHO 7/11/10

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