



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

**PURCHASE ORDER**

Page # 1

Supplier : EKSYS BK SYSTEMS PHILIPPINES, INC.  
 Address : WAREHOUSE 11 MAKIROS INDUSTRIAL CPD., A. SANDOVAL AVE., PINAGELNATAN,  
 TIN : 204-952-083-000  
 VAT : ALL Items-are VAT Exclusive / Zero Rated

P.O. No. 137

SED.# 1  
 PO Date : 13 JUL 2012  
 ITB Number : 05-50-2012  
 Buyer Code : JAC

Gentlemen :

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

Place of Delivery : PAGCOR WAREHOUSE, IMPUS COMPLEX

Payment Term : PER ANNEX A

Itemcode :	Description	Quantity	Unit	Unit Cost	Amount
PID#59359 1 203048010	BINGO DEPARTMENT 0TH CASINO FUR & FIX-BINGO BINGO MACHINE SAFFHIRE BINGO MACHINE	1.00		690,000.00	690,000.00
PID#59360 2 203048007	BINGO DEPARTMENT 0TH CASINO FUR & FIX-BINGO BINGO FLASHBOARD BINGO KING AUTOTRONIC FLASHBOA RD	1.00		290,000.00	290,000.00
PID#59363 3 205806005	BINGO DEPARTMENT 24" CRT TYPE FLAT SCREEN TV LG TELEVISION	1.00		12,600.00	12,600.00

--- NOTHING FOLLOWS ---

Attachment: BUDGET, RV, CASE, AWARD OF CONTRACT, NOTICE OF AWARD, ACCOMPLISHED RFO

Remarks : PROCURED THROUGH DIRECT CONTRACTING

SUB-TOTAL :	992,600.00
TOTAL :	992,600.00
LESS DISCOUNT :	
CHARGE :	
GRAND TOTAL :	992,600.00

Total Amount in Words: NINE HUNDRED NINETY TWO THOUSAND SIX HUNDRED PESOS ONLY



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**PURCHASE ORDER**

Page # 2

Supplier : BKSYS BK SYSTEMS PHILIPPINES, INC.  
 Address : WAREHOUSE 11 MANIOS INDUSTRIAL CPFD., A. SANDOVAL AVE., FINAGRUHATAN,  
 TIN : 204-952-083-000  
 VAT : ALL Items are VAT Exclusive / Zero Rated

P.O. No. 137

SED.# 1  
 PO Date : 13 JUL 2012  
 ITB Number : 05-50-2012  
 Buyer Code : JAC

**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]*  
 Signature Over Printed Name of Supplier

Recommended by:

*[Signature]*  
 JORGE V. SARMIENTO  
 PRESIDENT & COO

;; Funds Available

;;

;; Budget Authorization No.

*[Signature]*  
 VIDAL T. CARIGON JR.

Accto Dept/Section  
 Amount

Approved By:

*[Signature]*  
 CRISTIANO L. HAGUIAT JR.  
 CHAIRMAN & CEO

PURCHASE ORDER NO. 137  
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. BK SYSTEMS PHILIPPINES, 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. BK SYSTEMS PHILIPPINES, INC. shall complete the supply and delivery of the goods within the time prescribed in the PO. Should BK SYSTEMS PHILIPPINES, INC. 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 BK SYSTEMS PHILIPPINES, 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 BK SYSTEMS PHILIPPINES, 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, 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. BK SYSTEMS PHILIPPINES, INC. hereby further warrants and represents that:
- a. The goods and specifications shall be described as follows:

Quantity	Technical Description
One (1) Unit	<b>SAPPHIRE BINGO MACHINE</b>
	Size 38" Height x 51" Length x 24" Width
	Weight: 225 lbs.
	Illuminated ball chamber with wrap around glass
	Full 19" LCD flat screen color monitor
	Built-in verification for all paper series
	Wild number capability
	Optional random number generator
	Ball timer to keep caller on pace
	Game pattern display
	Works with most flashboard
	Bronze marbled laminate cabinet
One (1) Unit	<b>BINGO KING AUTOTRONIC FLASHBOARD</b>
	Size 29" Height X 158 1/2" Length x 4 3/4" Depth
	Weight: 155 lbs.
	Pre-wired as thru-boards-may be daisy chained

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	Last number called flashes
	Larger, easy to read, 8" numbers
	Counter displays either game number or number of balls in play with large, 14" digital readout numbers
	Game pattern display board
	Has own power supply and power switch - easy access to fuses. Handy pull-chain switch can be reached from the floor
	100 feet of new lightweight cable provided as standard
	Sturdy trouble-free connectors-eliminates pin problems
	Cooler low current 28-volt bulbs give extra life without sacrificing brightness
	All black anodized aluminum extruded frame
	Separate flashboard that displays game number and prize payout
	All flashboards come with 10 feet power cord that plugs into standard 115V outlet
	Comes ready to plug in and operate
	Compatible with any Video King electronic bingo console - 7500, 7600, Mach, Mach LE, Power Play 500 PL or Power Play 700XL
	Underwriters Laboratory or its equivalent
One (1) unit	<b>LG TELEVISION</b> 29" CRT Type Flat Screen TV

- 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 sixty (60) calendar days upon receipt of notice. Failure to replace the same within the same period shall make BK SYSTEMS PHILIPPINES, 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.

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- 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 BK SYSTEMS PHILIPPINES, INC., a warranty shall be required from it for a minimum period of one (1) year 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 one (1) year from date of acceptance by PAGCOR without prejudice to foregoing warranties.
  - k. BK SYSTEMS PHILIPPINES, INC. shall render immediate after sales support services as technical trouble arises and shall provide service unit if the items need to be repaired outside PAGCOR premises.
  - h. BK SYSTEMS PHILIPPINES, INC. shall provide two (2) days training on proper handling, operation trouble shooting, and maintenance of equipment for four (4) pax at BK Systems Philippines, Inc. Warehouse, inclusive of hand-outs and meals.
12. Schedule of payment: The total price for the Supply and Delivery of Bingo Equipment and Paraphernalia stated in the PO, shall be in the amount of **Nine Hundred Ninety Two Thousand Six Hundred Pesos (PhP 992,600.00)**, VAT exclusive, zero-rated transaction, based on the following schedules:

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	PhP893,340.00
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	PhP99,260.00

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 the contract have been fully met; subject to PAGCOR's acceptance in writing and upon submission of a Special Bank Guarantee equivalent to at least ten percent (10%) of the total contract price valid for one (1) year	PhP992,600.00
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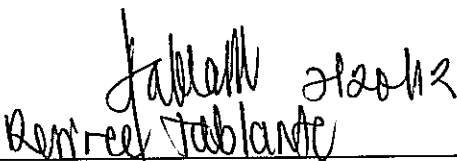
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13. Performance Security: To guarantee the faithful performance of BK SYSTEMS PHILIPPINES, INC.'s obligations under this annex, it shall post a Performance Security prior to the execution of this PO, in accordance with any of the following schedule:

Form of Security	Amount in Percentage of Total Contract Price
Cash or cashier's/manager's check, issued by a Universal or Commercial Bank in the Philippines	Five Percent (5%) PhP49,630.00
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank in the Philippines  If issued by a foreign bank, this shall be confirmed or authenticated by a Universal or Commercial Bank in the Philippines	
Surety Bond (which is acceptable to PAGCOR) callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission in the Philippines.	Thirty Percent (30%) PhP297,780.00
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

14. This Annex shall consist of five (5) pages and shall form part of PO # 137.

  
Benrey Tablante  
 Signature over printed Name of Supplier/Date

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