



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

IN-7782

PURCHASE ORDER

Page # 1
 Supplier : MAIN MAIN HARDWARE, INC.
 Address : 739 TEDDORA ALONZO ST., STA. CRUZ, MANILA
 TIN : 204-576-074-000
 VAT : All Items are VAT Exclusive / Zero Rated

P.O. No. 155
 SEQ.# 1
 PD Date : 30 JUL 2012
 ITB Number : 06-02-7012
 Buyer Code : SCN

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

Place of Delivery : PAGCOR HOUSE, ERMITA, MANILA Payment Term : PER ANNEX A

| Itemcode | Description | Quantity | Unit | Unit Cost | Amount |
|-------------|--|----------|------|-----------|--------------|
| FMD#63341 | SMD-STOCK REPLENISHMENT | | | | |
| 1 104098324 | L-DOOR LOCK (MASTERIZED) ABLOY CL103E (W/OUT KEY) PAGCOR PROFILE | 2,500.00 | FCS. | 1,042.50 | 2,606,250.00 |
| FMD#63342 | SMD-STOCK REPLENISHMENT | | | | |
| 2 104099551 | L - ABLOY DOOR KEY (MASTERIZED) EXEC PAGCOR PROFILE | 200.00 | FC | 215.00 | 43,000.00 |

--- NOTHING FOLLOWS ---

Attachments: BUDGET, RV, CASF, AWARD OF CONTRACT, NOTICE OF AWARD

Remarks :

SUB-TOTAL : 2,649,250.00
 TOTAL : 2,649,250.00
 LESS DISCOUNT :
 CHARGE :
 GRAND TOTAL : 2,649,250.00

Total Amount in Words: TWO MILLION SIX HUNDRED FORTY NINE THOUSAND TWO HUNDRED FIFTY 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.

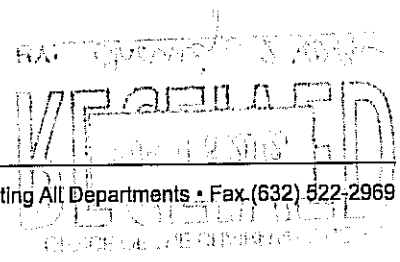
"This is to certify that the procurement for the items contained in this Purchase Order is in accordance with Republic Act No. 9184, its Implementing Rules and Regulations and other applicable laws".

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

Signature Over Printed Name of Supplier

Recommended by: _____ : Funds Available
 _____ :
 JORGE W. SARMIENTO, PRESIDENT & COO *10/12* : VIDAL T. SANCHEZ JR. : AVP/SA Acctg Dept/Section :
 _____ : Budget Authorization No. 12030379 Amount 2,649,250

Approved By: _____
 CRISTINA L. MAGUIAT, JR.
 CHAIRMAN & CEO



Purchase Order No. 155
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. **MAIN HARDWARE, 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. **MAIN HARDWARE, INC.** shall complete the supply and delivery of the goods within the time prescribed in the PO. Should **MAIN HARDWARE, 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 **MAIN HARDWARE, 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 **MAIN HARDWARE, 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

Signature over printed Name of Supplier/ Date

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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. **MAIN HARDWARE, INC.** hereby further warrants and represents that:
 - a. The goods and specifications shall be described as follows:

| QTY | TECHNICAL DESCRIPTION |
|--------------|---|
| 2,500 pieces | Abloy CL103E (w/out key) – PAGCOR Profile |
| | Materials and Finish: |
| | Detainer discs, cylinder drum and end nut of brass, governor, nut locks washer and hex nut of zinc-plated steel, cylinder housing of chrome-plated brass, first disc of nickel plated case hardened steel |
| | Key removable in locked position only |
| | Universal specification |
| | Over-all length: 43 mm |
| | Maximum door thickness: 19.5 mm |
| | Cam Distance: 18.5 mm |
| | Cam Turns: 90/180 degrees |
| 200 pieces | Blank Keys – EXEC PAGCOR Profile |

- 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.

Signature over printed Name of Supplier/ Date

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- 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 **MAIN HARDWARE, 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 **MAIN HARDWARE, INC.** a warranty shall be required from it for a minimum period of three (3) months after performance of the contract.

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.

- h. In addition, the goods shall have a warranty of one (1) year from the date of acceptance, without prejudice to foregoing warranties.

12. Schedule of payment: PAGCOR shall pay the total amount of **TWO MILLION SIX HUNDRED FORTY NINE THOUSAND TWO HUNDRED FIFTY PESOS (Php2,649,250.00)**, 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. | PhP2,384,325.00 |
| B. 10% retention of the total amount to be paid after three (3) months from the formal acceptance, if and when no latent defects are noted. | PhP 264,925.00 |

| | |
|--------------|---------------------------------|
| TOTAL | PhP2,649,250.00 ===== |
|--------------|---------------------------------|

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

Signature over printed Name of Supplier/ Date
 JONATHAN M. POB 8/22/12

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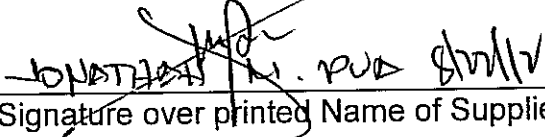
defects and all conditions imposed under the contract have been fully met; subject to PAGCOR's acceptance in writing of the items described in the PO and upon submission of a Special Bank Guarantee at least 10% of the total amount valid for three (3) months.

PhP2,649,250.00

13. Performance Security: To guarantee the faithful performance of **MAIN HARDWARE, INC.'s** 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 or cashier's/manager's check, issued by a Universal or Commercial Bank in the Philippines 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 | Five Percent (5%) (PhP132,462.50) |
| 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%) (PhP794,775.00) |
| Any combination of the foregoing. | Proportionate to share of form with respect to total amount of security |

14. This Annex, consisting of four (4) pages shall form part of PO # 155.


 Signature over printed Name of Supplier/Date

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