



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

PURCHASE ORDER

Page # 1
Supplier : SUSTAL SUSTAL MERCHANDISING
Address : 12-D MALINGAP ST, TEACHER'S VILLAGE, DILIMAN, QUEZON CITY
TIN : 212-020-394-000
VAT : All Items are VAT Exclusive / Zero Rated

P.O. No. 303 /
SEQ.# 1
PO Date : 10 JUN 2013
ITB Number : 02-22-2013
Buyer Code : 8AL *SM*

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

Place of Delivery : PAGCOR IMUS WAREHOUSE Payment Term : PER ANNEX A

Itemcode :	Description	Quantity	Unit	Unit Cost	Amount
FMDH70643	CORPORATE COMMUNICATIONS DEPT.				
1 101022279	KEY CHAIN, "PAGCOR"	13,800.00	PC	42.00	579,600.00
FMDH70645	CORPORATE COMMUNICATIONS DEPT.				
2 101025294	CLOCK, WALL CLOCK	5,700.00	PC	228.00	1,299,600.00
--- NOTHING FOLLOWS ---					

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

Remarks :

SUB-TOTAL : 1,879,200.00
TOTAL : 1,879,200.00
LESS DISCOUNT :
CHARGE :
GRAND TOTAL : 1,879,200.00

Total Amount in Words: ONE MILLION EIGHT HUNDRED SEVENTY NINE THOUSAND TWO 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. 7184, its Implementing Rules and Regulations and other applicable laws".

- ;; Limited Source Bidding (Selective Bidding) ;/ Public Bidding
- ;; Direct Contracting (Single Source Procurement) ;/ Negotiated Procurement

ABIGAIL TAN
Signature Over Printed Name of Supplier

Recommended by: *[Signature]* : Funds Available
 MA. REYMA G. CARREON : VIDAL T. CARIGON JR.
 AVP. *[Signature]* : AVE 12, 2025 Dept/Section: 1,879,200/-13
 : Budget Authorization No. Amount

Approved By: *[Signature]*
JORGE V. SARMIENTO
PRESIDENT AND COO

Purchase Order No. 303
(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. **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** 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. **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** shall complete the *supply and delivery* of the goods within the time prescribed in the PO. Should **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** 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 undelivered item 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 **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** 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 **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** 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

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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. SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE hereby further warrants and represents that:

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

Lot 1	As per sample provided by PAGCOR
	13,800 pieces Keychain "PAGCOR"
	Material: Acrylonitrile Butadiene Styrene (ABS) Plastic
	Size: 40mm Diameter
	Thickness: At least 3mm
	Weight: 20G/PC
	Logo: 4-6C Laser Print on both sides
	Color: 4,600 pieces Orange, 4,600 pieces Green, 4,600 pieces Blue

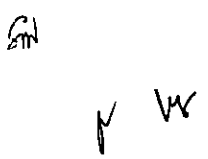

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	Feature: 4-Keyring attachment
	Packaging: 1 Pc/PE Bagged Box (Black)
	With Casino Filipino Logo (White)
	Design to be provided by PAGCOR
	100 Keychain per medium box
	10 medium box per master box
	One Color per master box. Each master box should contain consignee, contents, quantity and color
Lot 3	As per sample provided by PAGCOR
	5,700 pieces Wall Clock
	Material: Aluminum
	Size: At least 250mm in Diameter x 44mm (Width)
	Thickness of Metal Frame: At Least 3mm
	Printing: Custom Fill-Dial
	Features: With Second Hand & AA Battery Included
	Packaging: Individual OPP (Bubble Wrap) in a White Carton Box with Casino Filipino Logo
	Design to be provided by PAGCOR
	Each master box should contain consignee, contents and quantity

- 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 **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE** 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 **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE**, 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 three (3) months from the date of acceptance of specified items in the Purchase Order, without prejudice to manufacturer's warranty.

2. Schedule of payment: PAGCOR shall pay the total amount of **One Million Eight Hundred Seventy-Nine Thousand Two Hundred Pesos (Php1,879,200.00)**, VAT exclusive, zero rated transaction, based on any of the following:

A. 90% of the total contract price upon completion subject to PAGCOR's acceptance in writing of the items described in the PO.	13,800 Pieces Keychain	Five Hundred Twenty-One Thousand Six Hundred Forty Pesos (PhP521,640.00)
	5,700 Pieces Wall Clock	One Million One Hundred Sixty-Nine Thousand Six Hundred Forty Pesos (PhP1,169,640.00)
	Total	One Million Six Hundred Ninety-One Thousand Two Hundred Eighty Pesos (PhP1,691,280.00)

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<p>B. 10% Retention to be paid after three (3) months from the formal acceptance, if and when no patent and latent defects are noted Or</p>	<p>13,800 Pieces Keychain</p>	<p>Fifty-Seven Thousand Nine Hundred Sixty Pesos (PhP57,960.00)</p>
	<p>5,700 Pieces Wall Clock</p>	<p>One Hundred Twenty-Nine Thousand Nine Hundred Sixty Pesos (PhP129,960.00)</p>
	<p>Total</p>	<p>One Hundred Eighty Seven Thousand Nine Hundred Twenty Pesos (Php187,920.00)</p>
<p>100% 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.</p>	<p>13,800 Pieces Keychain</p>	<p>Five Hundred Seventy Nine Thousand Six Hundred Pesos (PhP 579,600.00)</p>
	<p>5,700 Pieces Wall Clock</p>	<p>One Million Two Hundred Ninety Nine Thousand Six Hundred Pesos (PhP 1,299,600.00)</p>
	<p>Total</p>	<p>One Million Eight Hundred Seventy-Nine Thousand Two Hundred Pesos (Php1,879,200.00)</p>

13. Performance Security: To guarantee the faithful performance of **SUSTAL MERCHANDISING JOINT VENTURE WITH TANJER ENTERPRISE'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:

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Signature Over Printed name



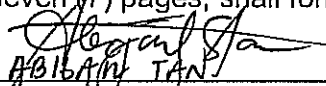
Form of Security	Amount in Percentage of Total Contract Price	
Cash, cashier's/manager's check issued by a Universal or Commercial Bank;	Five Percent (5%)	
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank, Provided however that if issued by a foreign bank, it shall be duly confirmed by a Universal or Commercial Bank;	Lot 1 : Keychain	Twenty-Eight Thousand Nine Hundred Eighty Pesos (PhP28,980.00)
	Lot 3: Wall Clock	Sixty-Four Thousand Nine Hundred Eighty Pesos (PhP64,980.00)
	Total	Ninety-Three Thousand Nine Hundred Sixty Pesos (PhP93,960.00)
Surety Bond (which must be 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%)	
	Lot 1 : Keychain	One Hundred Seventy-Three Thousand Eight Hundred Eighty Pesos (PhP173,880.00)
	Lot 3: Wall Clock	Three Hundred Eighty-Nine Thousand Eight Hundred Eighty Pesos (PhP389,880.00)
Total	Five Hundred Sixty-Three Thousand Seven Hundred Sixty Pesos (PhP563,760.00)	

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Form of Security	Amount in Percentage of Total Contract Price
Any combination of the foregoing	Proportionate to share of form with respect to the total amount of security

14. This Annex A, consisting of seven (7) pages, shall form part of PO # 303.


 ABIBAH TAN

 Signature over printed Name of Supplier/Date

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