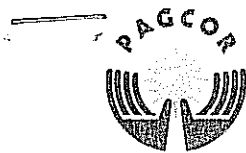


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Philippine Amusement and Gaming Corporation
A Sure Bet for Progress in Gaming, Entertainment and Nation Building

PURCHASE ORDER

F.O. No. 333

Page # 1

Supplier : FINE FINE LEATHERWARE, INC.
Address : 104 CANTITO RD., BRGY 020 DISTRICT 2 CALORCAN CITY
TIN : 005-216-350-000
VAT : All Items are VAT Exclusive / Zero Rated

SEQ.# 1
PO Date : 5 SEP 2013
ITM Number : 05-14-2013
Buyer Code : SAL *SL*

Gentlemen :

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

Place of Delivery : COO, CORPORATE OFFICE HWAIT

Payment Term : PER ANNEX A

Itemcode	Description	Quantity	Unit	Unit Cost	Amount
FPO#70349	CORPORATE COMMUNICATIONS DEPT.				
1 118001130	CARD CASE, EXECUTIVE CARD CASE	4,300.00	PCS.	312.00	1,341,600.00
--- NOTHING FOLLOWS ---					

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

SUB-TOTAL	1,341,600.00
TOTAL	1,341,600.00
LESS DISCOUNT	
CHARGE	
GRAND TOTAL	1,341,600.00

Remarks :

Total Amount in Words: ONE MILLION THREE HUNDRED FORTY ONE THOUSAND SIX 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. 9124, its Implementing Rules and Regulations and other applicable laws".

<input type="checkbox"/> Limited Source Bidding (Selective Bidding)	<input checked="" type="checkbox"/> Public Bidding
<input type="checkbox"/> Direct Contracting (Single Source Procurement)	<input type="checkbox"/> Negotiated Procurement

[Signature]
MA. PACITA M. TOLEDO
Signature Over Printer Name of Supplier

Recommended by

[Signature]
MA. REYNA G. ZARREON
AVP, PD *WR* 9/12

Funds Available :
VIVAL FABRICER JR. *[Signature]* 9/10
AVP/Acting Dept Sections
Budget Authorization No. 12122223 Amount 1,341,600

Approved By:

[Signature]
JONAS V. SANTIAGO
PRESIDENT & COO

Purchase Order Form No. 333
(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. **FINO LEATHERWARE 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. **FINO LEATHERWARE INC.** shall complete the supply and delivery of the goods within the time prescribed in the PO. Should **FINO LEATHERWARE 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 undelivered item/s 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 **FINO LEATHERWARE 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 **FINO LEATHERWARE 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.

Purchase Order No.333

Supply and Delivery of Four (4) Lots Corporate Giveaways for 2013 (Lot 2 – Executive Card Case)
under ITB No. 05-14-2013

Page 1 of 5

MA. PACITA M. TOLEDO

Signature over printed Name of Supplier


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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. **FINO LEATHERWARE INC.** hereby further warrants and represents that:

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


Lot 2 4,300 pieces	Executive Card Case
	Material:
	<ul style="list-style-type: none"> • Black Synthetic leather • Black Oxford Fabric Lining
	Finishing:
	<ul style="list-style-type: none"> • High Gloss
	Embossment:
	<ul style="list-style-type: none"> • Flat Stamped Crocodile Print
	WORKMANSHIP:
	<ul style="list-style-type: none"> • Straight and even running stitch on the material • Smooth finish on the edges / corners • No stitching along the pockets (4 credit card slots and two-pocket provision for business cards) • No stitching along the side capacity of business card compartment
	SPREAD SIZES:


 MA. PACITA M. TOLEDO
 Signature over printed Name of Supplier

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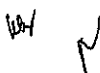
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 MA. PACITA M. TOLEDO
 Signature over printed Name of Supplier

<ul style="list-style-type: none"> • 4.375 inches (length) X 6 inches (height)
FEATURES:
<ul style="list-style-type: none"> • Four (4) credit card slots • Inner Compartment under credit card slots • Two (2) pocket provision for business card compartment with side capacity
LOGO PRINTING:
<ul style="list-style-type: none"> • Dry embossing of Casino Filipino logo on business card compartment lower right corner
PACKAGING:
<ul style="list-style-type: none"> • Individually packed with Japanese paper in standard white box • Silver Casino Filipino logo stamping • Ribbon – rubber with silver covering • 10 white boxes per medium box • 60 medium boxes for the master box • 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. **FINO LEATHERWARE INC.** likewise agrees to hold PAGCOR free and harmless from any and all claims for copyright or trademark infringement, and other violations of intellectual property rights by any person or entity against PAGCOR arising out of any act or omission of in performing its printing services.
- d. The defective items shall be replaced within seven (7) calendar days upon receipt of notice. Failure to replace the defective items within the same period shall make **FINO LEATHERWARE INC.** liable for a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the undelivered item/s for each day of delay, including Sundays and Holidays.
- 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 **FINO LEATHERWARE INC.**, a

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warranty shall be required from it for a minimum period of three (3) months 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.
- j. 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.

12. Schedule of payment: PAGCOR shall pay the total amount of **One Million Three Hundred Forty-One Thousand Six Hundred Pesos (PhP1,341,600.00)**, VAT exclusive, zero rated transaction, based on any of the following:

A. 90% of the total contract price upon completion of the supply and delivery subject to PAGCOR's acceptance in writing of the items described in the PO.	: One Million Two Hundred Seven Thousand Four Hundred Forty Pesos (PhP1,207,440.00)
B. 10% Retention to be paid after three (3) months from the formal acceptance, if and when no patent and latent defects are noted	: One Hundred Thirty-Four Thousand One Hundred Sixty Pesos (PhP134,160.00)
OR;	
100% to be paid, 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 three (3) months from issuance of the final Certificate of Acceptance.	: One Million Three Hundred Forty-One Thousand Six Hundred Pesos (PhP1,341,600.00)


 MA. PACITA M. TOLEDO
 Signature (over printed Name of Supplier)

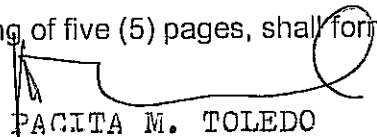
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13. Performance Security: To guarantee the faithful performance of **FINO LEATHERWARE, INC.**'s obligations under this, it shall post a Performance Security prior to the execution of this PO, in accordance with any of the following schedule:

Form of Security	Amount in Percentage of Total Contract Price
Cash, cashier's/manager's check, bank draft/guarantee confirmed by a Universal or Commercial Bank.	Five Percent (5%) Sixty-Seven Thousand Eighty Pesos (PhP67,080.00)
Irrevocable letter of credit issued by a Universal or Commercial Bank	
Surety Bond (which is acceptable to PAGCOR) callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission.	Thirty Percent (30%) Four Hundred Two Thousand Four Hundred Eighty Pesos (PhP402,480.00)
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

13. This Annex A, consisting of five (5) pages, shall form part of PO # 333.


MA. PACITA M. TOLEDO

Signature over printed Name of Supplier/Date

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