

# PURCHASE CONTRACT

This PURCHASE CONTRACT (the "**CONTRACT**") is entered into and executed by and between:

**PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR)**, a government owned and controlled corporation created and existing by virtue of Presidential Decree 1869, as amended, with office address at the PAGCOR Corporate Annex Office, Eighth (8<sup>th</sup>) Floor, 1105 U.N. Avenue corner M.Y. Orosa Street, Ermita, Manila, represented in this act by its Assistant Vice President, Procurement Department, **HERNANDO C. APIGO**, hereinafter referred to as "**PAGCOR**";

-and-

**BUILTRADE CONSTRUCTION SUPPLY**, sole proprietorship duly registered under the laws of the Republic of the Philippines, with office address at 12 Arellano Street, Industrial Valley, Marikina City, represented in this act by its Owner/General Manager, **NOEL VINCENT S. PICCIO**, hereinafter referred to as the "**SUPPLIER**".

Each referred to as a "**PARTY**" and collectively as the "**PARTIES**"

## ANTECEDENTS:

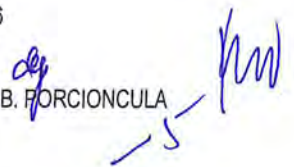
**WHEREAS, PAGCOR** has a requirement for the Supply and Delivery of Upholstery Materials under ITB No. PB18-03-036CORa-06;

**WHEREAS, PAGCOR** conducted a public bidding (rebidding) in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on June 14, 2018 for the procurement of the Project;

**WHEREAS, the SUPPLIER** has submitted the lowest calculated responsive bid for the Project;

**WHEREAS, PAGCOR** has accepted the bid of the **SUPPLIER**, subject to the terms and conditions hereunder stipulated;

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements hereunder specified, **PAGCOR** and the **SUPPLIER** hereby enter into this Purchase Contract under the following terms, conditions and specifications:



## TERMS AND CONDITIONS

The rights and obligations of the parties are set forth as follows:

1. The **SUPPLIER** shall undertake the Supply and Delivery of Upholstery Materials with the following technical specifications:

Item No.	Quantity / Unit of Measurement	Description	Brand Name
1	20 pcs	Catches, Plastic Catches w/ Screw	Unbranded
2	17 gals	Cement, Contact Cement	Do-All
3	2 yrds	Catcha for Pocketing 60"	Unbranded
4	12 shts	Foam, 1" x 44" x 80"	Uratex
5	36 shts	Foam, 1/2" x 44" x 80"	Uratex
6	7 shts	Foam, 1/4" x 44" x 80"	Uratex
7	113 mtrs	Leatherette, German Leatherette, Black BK 0010	Unbranded
8	2 spls	Thread, Sewing Thread, Black TKT-30/3000 M	Unbranded
9	36 mtrs	Leatherette, Ferarri Red	Unbranded

2. The total contract price shall be in the amount of **One Hundred Seven Thousand Seven Hundred Two Pesos and 40/100 (PhP107,702.40)**, VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

Item No.	Quantity	Description	Unit Cost (VAT Exclusive, Zero-Rated Transaction)	Total Cost (VAT Exclusive, Zero-Rated Transaction)
1	20 pcs	Catches, Plastic Catches w/ Screw	PhP3.90	PhP78.00
2	17 gals	Cement, Contact Cement	PhP637.00	PhP10,829.00
3	2 yrds	Catcha for Pocketing 60"	PhP71.50	PhP143.00
4	12 shts	Foam, 1" x 44" x 80"	PhP773.50	PhP9,282.00
5	36 shts	Foam, 1/2" x 44" x 80"	PhP296.40	PhP10,670.40
6	7 shts	Foam, 1/4" x 44" x 80"	PhP195.00	PhP1,365.00
7	113 mtrs	Leatherette, German Leatherette, Black BK 0010	PhP455.00	PhP51,415.00
8	2 spls	Thread, Sewing Thread, Black TKT-30/3000 M	PhP260.00	PhP520.00
9	36 mtrs	Leatherette, Ferarri Red	PhP650.00	PhP23,400.00

**PAGCOR** and the **SUPPLIER** agree that the contract price already includes all applicable taxes, fees and charges required by the government. The **SUPPLIER** holds **PAGCOR** free from liability for any or all taxes arising out of this transaction.

The prices herein agreed shall be considered as fixed prices, and therefore not subject to price adjustment and escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the Government Procurement Policy Board (GPPB) pursuant to Section 61 of Republic Act (R.A.)

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No. 9184 and its revised Implementing Rules and Regulations (IRR) and the Revised Guidelines for Contract Price Escalation.

3. The **SUPPLIER** shall complete the supply and delivery of said item/s within ninety (90) calendar days from the date of receipt of the winning **SUPPLIER** of the Notice to Proceed. The **SUPPLIER** shall deliver at the PAGCOR Imus Complex, #363 Bayan Luma VI, Imus Cavite.
4. **PAGCOR** shall pay the total amount of **One Hundred Seven Thousand Seven Hundred Two Pesos and 40/100 (PhP107,702.40)**, VAT Exclusive, Zero-Rated Transaction, based on the following schedule:

99% of the costs of the items delivered subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.	One Hundred Six Thousand Six Hundred Twenty-Five Pesos and 38/100 (PhP106,625.38)
1% Retention of the items delivered to be paid after <b>three (3) months</b> from the formal acceptance (issuance of the IAR), if and when no patent and latent defects are noted (issuance of a Certificate of No Patent and Latent Defects).	One Thousand Seventy-Seven Pesos and 02/100 (PhP1,077.02)

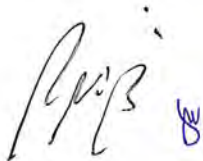
OR

100% of the costs of the items delivered 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 (issuance of the IAR) in writing of the items described in this Contract and upon submission of a Special Bank Guarantee equivalent to at least one percent (1%) of the total contract price valid for <b>three (3) months</b> from issuance of the IAR.	One Hundred Seven Thousand Seven Hundred Two Pesos and 40/100 (PhP107,702.40)
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5. The **SUPPLIER** shall complete the supply and delivery of goods within the time agreed by both parties. Should the **SUPPLIER** 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 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 the **SUPPLIER** still fails to deliver the item after the lapse of thirty (30) 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 Contract.

6. In the event that the **SUPPLIER** fails to comply with its undertakings under this Contract, **PAGCOR** shall be released from its obligations without prejudice to its rights of restitution, recovery and damages.

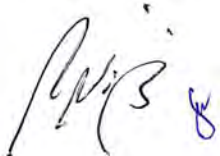


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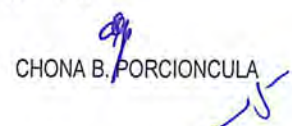


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7. In the event that the facts and circumstances arise or are discovered which render this Contract disadvantageous to the Government, the parties hereto agree immediately to re-negotiate its terms and conditions, or at the option of **PAGCOR** terminate the same.
8. No terms or conditions of this Contract shall be deemed waived and no breach or default excused unless such waiver shall be in writing and signed by the party affected.
9. The rights or obligations under this Contract 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 Contract or any interest in it may not be assigned without the prior written consent of the other party.
10. This Contract 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.
11. This Contract 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 Contract shall be binding UNLESS executed in writing by the parties. No waiver of any of the provisions of this Contract 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.
12. The relationship between the parties shall be limited to the performance of the terms and conditions of this Contract. 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 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.
13. 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 Contract, to the exclusion of all other courts and venues. This exclusive venue provision shall apply even in cases for declaration of nullity of this Contract in its entirety or in part and in cases arising after or by reason of the declaration of nullity of this Contract in its entirety or in part.
14. The **SUPPLIER** hereby further warrants and represents that:
  - a. The goods and specifications shall be described in no. 1 of this Contract.
  - b. It has good title to the goods described in the Bidding Documents, 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.



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- 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 defective items within the same period shall make **SUPPLIER** liable for a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the unperformed portion for each day of delay, including Sundays and Holidays.
  - e. **PAGCOR** accepts no liability for the damage of the goods during transit. Title to the goods 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 the **SUPPLIER**, a warranty security shall be required from the **SUPPLIER** for a minimum period of **three (3) months** from the date of delivery or acceptance of goods.
  - h. The obligation for the warranty security shall be covered by either retention money or a special bank guarantee equivalent to at least one percent (1%) of the total contract price.
  - i. The said amount shall only be released after the lapse of the *three (3) months* warranty period provided the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met.
15. To guarantee the faithful performance of the **SUPPLIER** under this Contract, it shall post a Performance Security prior to the execution of the Contract, in accordance with any of the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five Percent (5%)  Five Thousand Three Hundred Eighty-Five Pesos and 12/100 (PhP5,385.12)
(b) 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.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security specific to the contract awarded.	Thirty Percent (30%)  Thirty-Two Thousand Three Hundred Ten Pesos and 72/100 (PhP32,310.72)

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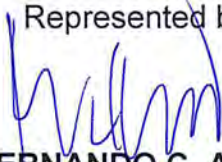
The Performance Security shall remain valid during the entire contract duration and shall be released only after the issuance of the Certificate of Final Acceptance (issuance of the IAR); Provided that **PAGCOR** has no claims filed against the contract awardee or the surety or insurance company and it has no claims for labor and materials filed against the contractor.

IN WITNESS WHEREOF, the parties hereto have signed these presents on this \_\_\_\_ day of \_\_\_\_\_, 2018 at the City of Manila, Philippines.


**PHILIPPINE AMUSEMENT AND  
GAMING CORPORATION**  
TIN: 033-000-887-972

**BUILTRADE CONSTRUCTION  
SUPPLY**  
TIN: 912-681-120-000

Represented by:

  
**HERNANDO C. APIGO**  
Assistant Vice President,  
Procurement Department  
TIN: 210-735-638

Represented by:

  
**NOEL VINCENT S. PICCIO**  
Owner/General Manager  
TIN: 912 681 120 000

Signed in the presence of:

  
MARINEL M. PUNZALAN  
Senior Procurement Officer

  
MILET A. MADDAVORA

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
CITY OF CITY OF MANILA )S.S

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, on this  
day of SEP 28 2018, 2018, personally appeared:

**NAME** **GOVERNMENT ID NO.**  
**HERNANDO C. APIGO** **PAGCOR ID: 02-0129**

known to me and known to be the same person who execute the foregoing instrument consisting of eight (8) pages, including the page where the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Company he represents.

**WITNESS MY HAND AND NOTARIAL SEAL**, at the place and on the date first above written

Doc. No.: 59  
Page No.: 13  
Book No.: I  
Series of 2018

*Stephan*  
STEPHANIE MARIZ C. KHAN  
NOTARY PUBLIC  
IN AND FOR THE CITY OF MANILA  
609 P.L.R. NEW WORLD MANILA BAY HOTEL & CASINO  
1111 DEL PILAR ST. MALATE, MANILA  
COMB.NO. 2018 -- 054 / UNTIL DEC.31, 2019  
ROLL NO. 70316 /IBP CHAPTER MANILA IV  
MCLE COMPLIANCE N/A (Admitted 2017)  
MANILA IV - CHAPTER  
PTR NO.7003429/JAN.05, 2018/MANILA

*Apigo*

*Chona*  
CHONA B. PORCIONCULA

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
CITY OF QUEZON CITY )S.S

BEFORE ME, a Notary Public for and in the City of QUEZON CITY, on this \_\_\_\_\_ day of SEP 26 2018, 2018, personally appeared:


NAME  
NOEL VINCENT S. PICCIO

GOVERNMENT ID NO.  
PROFESSIONAL REGULATION COMMISSION  
Issue Date: MAY 23, 2017  
Place of Issue: SAMPALOC MANILA  
Validity Period: APRIL 09, 2020

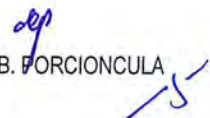
known to me and known to be the same person who execute the foregoing instrument consisting of eight (8) pages, including the page where the acknowledgment is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Sole Proprietorship he represents.

**WITNESS MY HAND AND NOTARIAL SEAL**, at the place and on the date first above written

Doc. No.: 93  
Page No.: 20  
Book No.: XVII  
Series of 2018

  
**ATTY. ROGELIO J. BOLIVAR**  
NOTARY PUBLIC IN QUEZON CITY  
AM Adm. Not. Com. No. NP-889 1-12-17 until 12-31-2018  
IBP O.R. No. 1898374 Jan. 2017 up to Dec. 2018  
PTR O.R. No. 5582466 C 1-3-18 / Rol No. 31502 / PWA No. 871-009  
MCLE No. V-0019283 valid from 09/15/2018 and 09/02/2019  
Address: 31-F Harvard St. Cebu, C.O.



  
CHONA B. PORCIONCULA