

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, 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 170 Katipunan Avenue, Blue Ridge A, Quezon City, Metro Manila, represented in this act by its Proprietor, **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 Materials for Wooden Frames under ITB No. PB19-10-100COR for the Facilities Management and Engineering Department;

WHEREAS, PAGCOR conducted a public bidding in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations on October 25, 2019 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:

- The **SUPPLIER** shall undertake the Supply and Delivery of Materials for Wooden Frames with the following technical specifications:

Item No.	Quantity / Unit of Measurement	Description	Brand Name
1	18 Pcs	Bit, Router Bit, Flush Trim, 1/2" x 1/2"	Powercraft
2	18 Pcs	Bit, Router Bit, Straight Bit, 1/2" x 1/2"	Powercraft
3	13 Pcs	Bit, Router Bit, Straight Bit, 1/4" x 1/2"	Powercraft
4	3 Gals	Glue, Wood Glue	Stikwel
5	33 Pcs	Lumber, KD S4S, 2" x 8" x 8'	Generic
6	5 Kilos	Nail, Finishing Nail, 1"	Generic
7	5 Kilos	Nail, Finishing Nail, 1-1/2"	Generic
8	18 Pcs	Plywood, Ordinary, 1/4" x 4' x 8'	Generic
9	5 Pcs	Bit, Router Bit, 1/4" x 1/2" Round Corner	Generic
10	85 Pcs	Board, Mat Board, 32" x 40", white	Generic
11	20 Pcs	Plastic Acrylic, Clear, 1/8" x 4' x 8'	Generic
12	20 Pcs	Plastic, Sunloid Mirror Gold, 1/8" x 4' x 6'	Generic
13	13 Pcs	Brush, Camel Brush, 1"	Camel
14	8 Gals	Lacquer Flo, Premium	Boysen
15	25 Gals	Paint, Clear Dead Flat Lacquer	Boysen
16	5 Gals	Putty, Lacquer Glazing Putty, Gray	Sphero
17	75 Ft	Sandpaper, #100	Carborandum
18	50 Gals	Thinner, Lacquer Thinner	Lucky
19	5 Gals	Thinner, Paint Thinner	Lucky
20	25 Gals	Varnish, Sanding Sealer	Boysen
21	13 Gals	Woodstain, Penetrating Walnut	Sphero

- The total contract price shall be in the amount of **Two Hundred Eighty-Six Thousand Four Hundred Seventeen Pesos and 60/100 (PhP286,417.60)**, 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	18 Pcs	Bit, Router Bit, Flush Trim, 1/2" x 1/2"	PhP504.00	PhP9,072.00
2	18 Pcs	Bit, Router Bit, Straight Bit, 1/2" x 1/2"	PhP280.00	PhP5,040.00
3	13 Pcs	Bit, Router Bit, Straight Bit, 1/4" x 1/2"	PhP212.80	PhP2,766.40
4	3 Gals	Glue, Wood Glue	PhP481.60	PhP1,444.80
5	33 Pcs	Lumber, KD S4S, 2" x 8" x 8'	PhP1,271.20	PhP41,949.60
6	5 Kilos	Nail, Finishing Nail, 1"	PhP61.60	PhP308.00
7	5 Kilos	Nail, Finishing Nail, 1-1/2"	PhP53.76	PhP268.80
8	18 Pcs	Plywood, Ordinary, 1/4" x 4' x 8'	PhP470.40	PhP8,467.20

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9	5 Pcs	Bit, Router Bit, 1/4" x 1/2" Round Corner	PhP425.60	PhP2,128.00
10	85 Pcs	Board, Mat Board, 32" x 40", white	PhP112.00	PhP9,520.00
11	20 Pcs	Plastic Acrylic, Clear, 1/8" x 4' x 8'	PhP2,800.00	PhP56,000.00
12	20 Pcs	Plastic, Sunloid Mirror Gold, 1/8" x 4' x 6'	PhP4,256.00	PhP85,120.00
13	13 Pcs	Brush, Camel Brush, 1"	PhP39.20	PhP509.60
14	8 Gals	Lacquer Flo, Premium	PhP627.20	PhP5,017.60
15	25 Gals	Paint, Clear Dead Flat Lacquer	PhP604.80	PhP15,120.00
16	5 Gals	Putty, Lacquer Glazing Putty, Gray	PhP694.40	PhP3,472.00
17	75 Ft	Sandpaper, #100	PhP20.16	PhP1,512.00
18	50 Gals	Thinner, Lacquer Thinner	PhP246.40	PhP12,320.00
19	5 Gals	Thinner, Paint Thinner	PhP224.00	PhP1,120.00
20	25 Gals	Varnish, Sanding Sealer	PhP582.40	PhP14,560.00
21	13 Gals	Woodstain, Penetrating Walnut	PhP823.20	PhP10,701.60

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

- The **SUPPLIER** shall complete the supply and delivery of said items within thirty (30) calendar days from the date of receipt of the **SUPPLIER** of the Notice to Proceed. The **SUPPLIER** shall deliver at the **PAGCOR** Imus Complex, #363 Bayan Luma VI, Imus, Cavite.
- PAGCOR** shall pay the total amount of **Two Hundred Eighty-Six Thousand Four Hundred Seventeen Pesos and 60/100 (PhP286,417.60)**, 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.	Two Hundred Eighty-Three Thousand Five Hundred Fifty-Three Pesos and 42/100 (PhP283,553.42)
1% Retention of the items delivered to be paid after three (3) months 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).	Two Thousand Eight Hundred Sixty-Four Pesos and 18/100 (PhP2,864.18)

OR

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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 **three (3) months** from issuance of the IAR.

Two Hundred Eighty-Six Thousand Four Hundred Seventeen Pesos and 60/100 (PhP286,417.60)

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.
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.
 - 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.

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- 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 (Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five Percent (5%) Fourteen Thousand Three Hundred Twenty Pesos and 88/100 (PhP14,320.88)
(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%) Eighty-Five Thousand Nine Hundred Twenty-Five Pesos and 28/100 (PhP85,925.28)

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.

[Handwritten signatures]

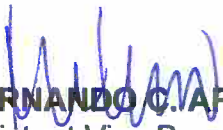
IN WITNESS WHEREOF, the parties hereto have signed these presents on this ____ day of _____, 2020 at the City of Manila, Philippines.

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

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

Represented by:

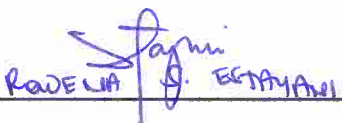
Represented by:


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


NOEL VICENTE S. PICCIO
Proprietor
TIN: 912-681-120

Signed in the presence of:


Bryan S. Bigatol


RODELIA J. ESTAYANI

1/10/20
Estayani

PROCUREMENT
DEPARTMENT
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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 FEB 06 2020, 2020, personally appeared:

NAME

GOVERNMENT ID NO.

HERNANDO C. APIGO

PAGCOR ID: 02-0129

known to me and known to be the same person who executed the foregoing instrument consisting of nine (9) 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. : 422
Page No. : 86
Book No. : 2
Series of 2020

Emmanuel A. Palado, Jr.
EMMANUEL A. PALADO, JR.
NOTARY PUBLIC
FOR AND IN THE CITY OF MANILA
6TH FLR, NEW WORLD MANILA BAY HOTEL & CASINO
M.H. DEL PILAR ST. MALATE, MANILA
COMM.NO 2019-145/UNTIL DEC. 31, 2020
ROLL NO. 71209/IBP MANILA CHAPTER
MCLE COMPLIANCE NO. VI-0016494/UNTIL-4-14-2022
PTR NO.9087692/VALID 12/31/2020

Hernando C. Apigo
Palado

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 01 FEB 2020 day of _____, 2020, personally appeared:

NAME

GOVERNMENT ID NO.

NOEL VICENTE S. PICCIO

PROFESSIONAL REGULATION COMMISSION 0078310
Issue Date: MAY 23, 2017
Place of Issue: CAMPAGOC, MALINA
Validity Period: APRIL 9, 2020

known to me and known to be the same person who executed the foregoing instrument consisting of nine (9) 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

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Book No. : X X 1 X
Series of 2020

ATTY. MA. CRISTINA TAN
Notary Public
2nd Flr. Bldg. City. Quezon Ave.,
Quezon City
PTR No. 00000000000000000000
IBP Lifetime No. 0113427 Roll No. 55075
Appointment No.
Comm. Expires on Dec. 31, 2020 at Q.C.
MCLE Compliance No. VI-0025765
Quezon City

Shelley
Fajon

CHONA B. PORCIONCULA
CH