

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 Executive Office, Fifth (5th) Floor, New World Manila Bay Hotel, M.H Del Pilar cor. Pedro Gil Sts. Malate, Manila, represented in this act by its Chairman and Chief Executive Officer, **ANDREA D. DOMINGO**, hereinafter referred to as "**PAGCOR**";

-and-

SANTOYO CLOTHLINE CREATION a sole proprietorship duly organized and existing under the laws of the Republic of the Philippines, with office address at No. 15A M. Lozada St., Sto. Rosario – Silangan, Pateros, Metro Manila, represented in this act by its Proprietor, **CHONA S. BELLO**, hereinafter referred to as the "**SUPPLIER**".

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

The parties warrant that they are duly organized, registered, validly existing and in good standing under the laws of the Republic of the Philippines, and that the parties and their representatives are capable and have the requisite power, authority, permits, clearances and licenses, to enter into this Purchase Contract and to perform the Services and all of their obligations under this Purchase Contract.

ANTECEDENTS:

WHEREAS, **PAGCOR** has a requirement for the Supply and Delivery of Four (4) Lots **PAGCOR** Employees' Uniform for Two (2) Years under ITB No. PB18-01-021CORa;

WHEREAS, **PAGCOR** conducted a Rebidding in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on March 20, 2018 for the procurement of the Project;

WHEREAS, the **SUPPLIER** has submitted the lowest calculated responsive bid for Lot 1 (Design, Supply and Delivery of Uniforms) 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:

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Purchase Contract – SANTOYO CLOTHLINE CREATION – LOT 1 (Design, Supply and Delivery of Uniforms)
Supply and Delivery of Four Lots **PAGCOR** Employees' Uniform for Two Years under ITB No. PB18-01-021CORa



NELVA S. LORENZO

TERMS AND CONDITIONS

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

1. The **SUPPLIER** shall undertake the Design, Supply and Delivery of Uniforms (Lot 1) for Two (2) Years in accordance with the following technical specifications and the Color Assigned to Each Department/Unit/Division and Types of Uniform Per Set (with Quantity Per Set) duly attached herein as Annex "A":

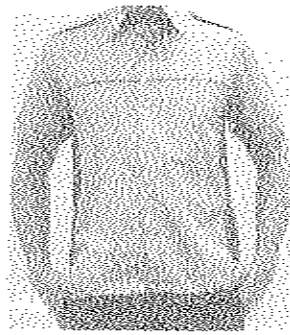
Design, Supply and Delivery of Uniforms
No. of Employees: <ul style="list-style-type: none"> ➤ Guaranteed: 4,786 ➤ Additional Order: 1,201
Material (Type of Cloth) and Usage <ol style="list-style-type: none"> 1. Black Wool: Blazer/Coat and Pants 2. Megafine: Polo, Blouse and Polo Jack 3. Versailles: Barong 4. Cool Pass: Polo Shirt
Design <p>A. General</p> <ol style="list-style-type: none"> 1. Blazer/Coat: long sleeves black blazer/coat with faux pocket and full lining 2. Pants: <ul style="list-style-type: none"> - Branch Personnel – WITHOUT POCKET AND BELT LOOPS - Corporate Personnel – WITH POCKET AND BELT LOOPS 3. Tie/Scarf: one (1) tie/scarf per employee for selected set of uniform <ul style="list-style-type: none"> - Black tie with silver diagonal stripe for male supervisory - Black plain clip-on tie for male non-supervisory - Scarf – garterized black, silver and with semblance of the color of the blouse for female supervisory and nonsupervisory 4. Barong: color-coded long (male)/ ¾ (female) sleeves barong for supervisory and short sleeves for non-supervisory (both for male and female non-supervisory) 5. Polo/Blouse: color-coded long (male)/ ¾ (female) sleeves polo/blouse for supervisory and short sleeves polo/blouse for non-supervisory (both for male and female non-supervisory) 6. Polo Shirt: <ul style="list-style-type: none"> - color-coded polo shirt with collar for male and female - With department acronym at the back side of the polo shirt with maximum four (4) letters except for Sanitation Aide position - Shoulder: Joining plain shoulder no neck tape - Sleeves: Cuffs should be proportionate to the size of the shirt - Button: color shall be same shade as the fabric, for male – buttons should be left over right, for female – buttons should be right over left - Label: Nape Portion – size indicated - Pre-soaked fabric before sewing to minimize shrinkage - Sewing method: <ul style="list-style-type: none"> ➤ Color of the thread should be same as color of the shirt ➤ With double needled stitched hem ➤ With double needled stitched sleeves ➤ No shoulder to shoulder tape
B. Special Slot Machine Technician

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 NELIA S. LORENZO

- Short sleeves maroon polo jack
- For supervisory – with side panel
- For non-supervisory – plain polo jack



ADDITIONAL SPECIFICATIONS:

The financial offer per set should not exceed the ABC per set as provided in Annex "A".

The service contract cost components shall cover the design (for identified group of personnel), materials, labor and accessories necessary for the sets of uniforms to be delivered, including but not limited to buttons, zippers, threads and other tailoring materials, freight charges, cost of prototypes, testing fees and other related charges pertaining to the taking of measurement in the provincial branches.

Breakdown and quantity of office uniforms in the provision for additional order may vary depending on the requirements of **PAGCOR** as the need arises. **PAGCOR** has the option to order the whole set or the piece component of a set. The same set and unit price indicated in the contract shall apply.

Total contract price includes the freight charges, cost of prototypes, testing fees, all incidental costs / services relative to taking of measurements in all the **PAGCOR** branches and other charges shall be for the account of the **SUPPLIER**.

Placement of additional order shall be within the period of six (6) months after receipt of Notice to Proceed.

SUPPLIER'S REQUIREMENTS:

1. The **SUPPLIER** shall design, supply and deliver the sets of uniforms in the exact design, style, color, materials and manner of packaging selected by **PAGCOR**.

The **SUPPLIER** is not allowed to deviate from or replace the design, color, fabric/nameplate materials and accessories chosen and approved by **PAGCOR**.

2. The **SUPPLIER's** core business must be in the design, tailoring and supply of corporate uniforms in mass production using individually measured patterns (made-to-measure quality).

3. The **SUPPLIER** must have an experience in manufacturing bulk orders of office uniforms for at least five thousand (5,000) employees.

4. The **SUPPLIER** must exhibit a track record in the business of design, tailoring and supply of corporate uniforms in mass production for at least three (3) years.

5. The **SUPPLIER** shall guarantee the availability of the materials, accessories, services and performance of the materials within the period specified in the requirements.

6. **SUPPLIER** shall be required to submit the Certification from the Philippine Textile Research Institute (PTRI) or other local private fabric testing facilities of the test results of the actual fabrics to be used showing compliance to prescribed material

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specifications/ requirements prior to mass production within fifteen (15) calendar days up to the maximum thirty (30) calendar days from receipt of Notice to Proceed (NTP). Failure to comply with the said requirement within the allowable period shall mean rescission of the contract

7. The **SUPPLIER** shall be open to any minor alterations/changes in the submitted design which **PAGCOR** may require at no additional cost to **PAGCOR**.

OTHER TERMS AND CONDITIONS:

Measurements/Manufacturing

1. The **SUPPLIER** shall obtain the measurements of all **PAGCOR** employees both in the Corporate Office and in all Branches at no cost to **PAGCOR**. The schedule of measurement shall be coordinated with the Corporate Office and shall be completed within forty-five (45) calendar days from receipt by the **SUPPLIER** of the Notice to Proceed as follows:

- Corporate Offices (Carmen, Corporate Hyatt, Imet and Imus – within ten (10) calendar days from receipt by the **SUPPLIER** of the Notice to Proceed;
- Metro Manila Branches and SOG 1-4 – within twenty-five (25) calendar days from receipt by the **SUPPLIER** of the Notice to Proceed; and
- Provincial Branches and SOG 5 – within forty-five (45) calendar days from receipt by the **SUPPLIER** of the Notice to Proceed.

2. The **SUPPLIER** shall notify **PAGCOR** on the status of the measurement-taking and shall be required to submit an updated listing every fifteen (15) working days until the schedule is accomplished.

3. The **SUPPLIER** shall be responsible for the completion of the measurement-taking and monitoring of those without measurements based on the master list of all rank and file employees provided by **PAGCOR**.

4. A Masterlist, which shall strictly be followed, shall be provided to the **SUPPLIER**. The **SUPPLIER** shall always seek approval from **PAGCOR** for any employee not included and in any deviation in the master list before proceeding to manufacture the uniform. An additional list will be provided by **PAGCOR** to the **SUPPLIER** in case there are additional requirements.

5. For the additional orders of **PAGCOR**, measurement taking is no longer required, **PAGCOR** shall either provide the required measurement or may ask **SUPPLIER** to use the majority size of guaranteed order.

6. Any deviation from the masterlist shall immediately be coordinated with Ms. Nelia S. Lorenzo / Ms. Irene M. Reyes and Ms. Maylen V. Furaque of Human Resource and Development Group at telephone number 521-0957 or 522-0299 locals 4018 and 4019.

Delivery Schedule

1. All delivery costs and incidental charges shall be borne by the **SUPPLIER**.
2. Delivery of the guaranteed order office uniforms for each employee of the Corporate office and Branches shall be made in complete, individually-packed sets with proper visible label (item code, name of employee, ID number, Department / Branch, position, and itemized quantity of each component of the set uniform). Individually packed sets of uniform shall be packed per department/unit, branch and

Carmen
Nelia S. Lorenzo

division based on the master list to be provided by **PAGCOR**, again properly labeled indicating department/unit, branch and division.

Delivery of office uniform should be per branch in the following addresses, within one hundred fifty (150) calendar days from date of receipt of the Notice to Proceed, with the following delivery schedules:

PLACE OF DELIVERY:

For Corporate Office: Logistics Management Department (LMD), **PAGCOR** Imus Warehouse, #363 Bayan Luma VI, Imus, Cavite.

For CASINO FILIPINO BRANCHES: Logistics Management Unit (LMU) in the following address indicated below. Freight charges for delivery outside Metro Manila will be charged to the **SUPPLIER**. Delivery to Casino Filipino branches shall apply to guaranteed orders only.

BRANCH	ADDRESS
CF-ANGELES	LMU, Mac Arthur Highway, Balibago, Angeles City
CF-BACOLOD	LMU, L'Fisher Hotel, 14th Lacson Street, Bacolod City
CF-CEBU	LMU, Waterfront Hotel and Casino, Salinas Drive, Lahug, Cebu City
CF-DAVAO	LMU, Grand Regal Hotel, Km. 7, Lanang, Davao City
CF - MALATE	LMU, New World Manila Bay Hotel, 1588 M.H. del Pilar corner Pedro Gil St., Malate, Manila
CF-ILOCOS NORTE	LMU, 365 Plaza Satellite Casino, Brgy. 1 San Francisco, San Nicolas, Ilocos Norte
CF - OLONGAPO	LMU, 30 Magsaysay Drive, Olongapo City
CF-MANILA BAY	LMU, Rizal Park Hotel, South Drive, Kalaw Extension, Manila
CF- TAGAYTAY / SOG 5	LMU, Kaybagal South Aguinaldo Highway, Tagaytay City

SCHEDULE OF DELIVERY

Delivery Schedule for Guaranteed Orders	Percentage	Equivalent Number of Sets
First Delivery - within one hundred twenty (120) calendar days from receipt of Notice to Proceed	50% of total sets has been delivered and accepted	2393
Second Delivery - within one hundred fifty (150) calendar days from receipt of Notice to Proceed	remaining 50% of total sets has been delivered and accepted	2393
TOTAL		4786

Delivery of any additional order of office uniforms shall be within thirty (30) calendar days from placement of order by **PAGCOR**, to be delivered at the Logistics Management Department (LMD), **PAGCOR** Imus Warehouse, #363 Bayan Luma VI, Imus, Cavite.

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NELIA S. LORENZO

3. The **SUPPLIER** shall assure that each set of office uniform shall be tailored based on the approved prototype. The **SUPPLIER** shall immediately repair / alter office uniforms delivered and found to be unsatisfactorily finished or fitted. Thereafter, and subject to the approval of the AVP, HRDG, any further major repair will not be allowed, in which case, total replacement of the office uniform shall be effected by the **SUPPLIER** at no additional cost to **PAGCOR**. In any event, the **SUPPLIER** shall undertake to provide alteration / repair or replacement within fifteen (15) working days after receipt of the office uniform.

4. The defective items shall be replaced within thirty (30) 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 (0.01%) of the undelivered item/s for each day of delay, including Sundays and Holidays.

If the defective item/s is part of a uniform set, the whole set shall be returned by **PAGCOR** and the **SUPPLIER** should deliver the replacement on a per set basis.

5. **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.

6. Alterations / repairs not delivered within fifteen (15) working days shall be subject to the required penalty for late delivery of one-tenth of one percent (.01%) of the cost of said undelivered items.

Payment/Penalty

1. **PAGCOR** shall pay the **SUPPLIER** through progress billing as follows:

A. GUARANTEED ORDER:

Delivery Schedule	Percentage of Delivery	Payment
First Delivery - within one hundred twenty (120) calendar days from receipt of Notice to Proceed	50% of total sets* has been delivered and accepted	Equivalent price for the delivered and accepted uniform
Second Delivery - within one hundred fifty (150) calendar days from receipt of Notice to Proceed	100% (remaining 50%) of total sets* has been delivered and accepted	Equivalent price for the delivered and accepted uniform

* quantity refers to the equivalent number of sets of uniform defined in Section VI. Schedule Requirements

B. ADDITIONAL PROVISION:

Delivery Schedule	Percentage of Delivery	Payment
Delivery - within thirty (30) calendar days from placement of order	100% delivery has been delivered and accepted	100%

❖ The **SUPPLIER** shall be required to provide an accurate and systematic billing document prior to the processing of payments.

2. All payments to be made shall be subject to the appropriate withholding tax. The **SUPPLIER** shall pay **PAGCOR** a penalty equivalent to one-tenth of one percent (.01%) of the undelivered portion for each day of delay, including Sundays and Holidays in the delivery of the finished uniforms, to be deducted from any amount that may be due to the **SUPPLIER** pursuant to the delivery schedule. Once the

cumulative amount of penalty reaches the ten percent (10%) cap, **PAGCOR** has the option to terminate the Contract, without prejudice to other courses of action and remedies available to **PAGCOR** under the Contract and existing laws.

3. **PAGCOR** shall not be liable for the payment of office uniforms for employees not included in the master list provided by **PAGCOR**, unless notice is issued by HRDG.

2. The guaranteed contract price shall be in the amount of FORTY MILLION ONE HUNDRED EIGHTY-EIGHT THOUSAND FIVE HUNDRED TEN PESOS (Php40,188,510.00), VAT Exclusive, Zero-Rated Transaction and the amount of NINE MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND FOUR HUNDRED NINETY PESOS (Php9,878,490.00), VAT Exclusive, Zero-Rated Transaction shall correspond to the provision for additional order, with breakdown of cost based on the accomplished Bid Form with Price Schedule herein attached as Annex "B".

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.

3. **SUPPLIER** shall complete the Supply and Delivery based on the following schedule:

Delivery Schedule for Guaranteed Orders	Percentage	Equivalent Number of Sets
First Delivery - within one hundred twenty (120) calendar days from receipt of Notice to Proceed	50% of total sets has been delivered and accepted	2393
Second Delivery - within one hundred fifty (150) calendar days from receipt of Notice to Proceed	remaining 50% of total sets has been delivered and accepted	2393
TOTAL		4786

Delivery of any additional order of office uniforms shall be within thirty (30) calendar days from placement of order by **PAGCOR**, to be delivered at the Logistics Management Department (LMD), **PAGCOR** Imus Warehouse, #363 Bayan Luma VI, Imus, Cavite.

Place of Delivery:

For Corporate Office: Logistics Management Department (LMD), **PAGCOR** Imus Warehouse, #363 Bayan Luma VI, Imus, Cavite.

For CASINO FILIPINO BRANCHES: Logistics Management Unit (LMU) in the following address indicated below. Freight charges for delivery outside Metro Manila will be charged to the **SUPPLIER**. Delivery to Casino Filipino branches shall apply to guaranteed orders only.

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BRANCH	ADDRESS
CF-ANGELES	LMU, Mac Arthur Highway, Balibago, Angeles City
CF-BACOLOD	LMU, L'Fisher Hotel, 14th Lacson Street, Bacolod City
CF-CEBU	LMU, Waterfront Hotel and Casino, Salinas Drive, Lahug, Cebu City
CF-DAVAO	LMU, Grand Regal Hotel, Km. 7, Lanang, Davao City
CF - MALATE	LMU, New World Manila Bay Hotel, 1588 M.H. del Pilar corner Pedro Gil St., Malate, Manila
CF-ILOCOS NORTE	LMU, 365 Plaza Satellite Casino, Brgy. 1 San Francisco, San Nicolas, Ilocos Norte
CF - OLONGAPO	LMU, 30 Magsaysay Drive, Olongapo City
CF-MANILA BAY	LMU, Rizal Park Hotel, South Drive, Kalaw Extension, Manila
CF- TAGAYTAY / SOG 5	LMU, Kaybagal South Aguinaldo Highway, Tagaytay City

4. **PAGCOR** shall pay the **SUPPLIER**, VAT Exclusive, Zero-Rated Transaction, based on the following schedules:

GUARANTEED ORDERS:

99% of the costs of the items delivered per complete staggered delivery, subject to **PAGCOR's** acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.

First Delivery	PhP19,893,312.45
Second Delivery	19,893,312.45
Total	PhP39,786,624.90

1% Retention per complete staggered delivery 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 Certificate of No Patent and Latent Defect).

First Delivery	PhP200,942.55
Second Delivery	200,942.55
Total	PhP401,885.10

OR

100% of the costs of the items delivered in case of complete staggered delivery, 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 at least one percent (1%) of the total contract price valid for three (3) months from issuance of the IAR.

First Delivery	PhP20,094,255.00
Second Delivery	20,094,255.00
Total	PhP40,188,510.00

PROVISION FOR ADDITIONAL ORDERS:

99% of the costs of the items delivered per complete staggered delivery, subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.	*Shall be computed based on actual additional orders and shall be
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NEVA S. LORENZO

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1% Retention per complete staggered delivery 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 Certificate of No Patent and Latent Defect).	deducted from the allotted budget for additional orders
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OR

100% of the costs of the items delivered in case of complete staggered delivery, 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 at least one percent (1%) of the total contract price valid for three (3) months from issuance of the IAR.	*Shall be computed based on actual additional orders and shall be deducted from the allotted budget for additional orders
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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.

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 thirty (30) 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 and 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 every progress payment.

i. The said amount shall only be released after the lapse of the three (3) months period of every progress payment 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 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 it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	Two Million Five Hundred Three Thousand Three Hundred Fifty Pesos (PhP2,503,350.00)
Surety Bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorize to issue such security.	Thirty Percent (30%) Fifteen Million Twenty Thousand One Hundred Pesos (PhP15,020,100.00)

The Performance Security shall remain valid during the entire contract duration and shall be released only after the issuance of the IAR.


IN WITNESS WHEREOF, the parties have signed these presents on this _____ day of _____, 2018 at _____.


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

SANTOYO CLOTHLINE CREATION
TIN: 152-314-100-000

Represented by:

Represented by:


ANDREA D. DOMINGO
Chairman and Chief Executive Officer
TIN: 118-684-814


CHONA S. BELLO
Proprietor
TIN: 152-314-100-000

Signed in the presence of:


Bryan G. Bignel


Mrs. Katharina J. Sta. Ana

ACKNOWLEDGEMENT

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

BEFORE ME, this OCT 03 2018 in CITY OF MANILA,
personally appeared the following persons, each of whom exhibited her competent
evidence of identity, to wit:


Name	Identification Document Presented	Issue and Expiry Date / Place of Issue
ANDREA D. DOMINGO	Passport No. ECO241404	February 07, 2014 to February 06, 2019 DFA-San Fernando Pampanga

and presented to me an integrally complete document / instrument for
acknowledgement. They all represented and declared to me that they voluntarily affixed
the signatures appearing on the instrument / document for the purposes stated therein
and that they executed the instrument / document as their free and voluntary act and
deed (and if they acted in representative capacity, they have the authority to sign in that
capacity).

The instrument / document referred to is a Purchase Contract consisting of
thirteen (13) pages including the page on which this Acknowledgement is written duly
signed by the parties and their instrumental witnesses.

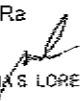
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial
Seal on the date and place first above written.

Doc No. 74 :
Page No. 16 :
Book No. I :
Series of 2018.


STEPHANE MARIE C. MISLAN
NOTARY PUBLIC
FIAND FOR THE CITY OF MANILA
6th FLR, NEW WALKER BLDG., LACUNA BLVD. CUBAO
DISTRICT OFFICE OF MANILA
DOSSIER NO. 119-117-112-0000-000
ROLL NO. 100-119-117-112-0000-000
NOTARY PUBLIC, APPROVED 02/17/11
2ND DISTRICT OFFICE
FOR THE DIVISIONAL OFFICE OF MANILA






NELJA S. LORENZO

ACKNOWLEDGMENT

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

BEFORE ME, this SEP 21 2018 in PASIG CITY,
 personally appeared the following persons, each of whom exhibited his / her competent
 evidence of identity, to wit:

Name	Identification Document Presented	Expiry Date
CHONA S. BELLO	LTO Driver's License No. N03-98-260688	September 10, 2019

and presented to me an integrally complete document / instrument for
 acknowledgement. They all represented and declared to me that they voluntarily affixed
 the signatures appearing on the instrument / document for the purposes stated therein
 and that they executed the instrument / document as their free and voluntary act and
 deed (and if they acted in representative capacity, they have the authority to sign in that
 capacity).

The instrument / document referred to is a Purchase Contract consisting of
 thirteen (13) pages including the page on which this Acknowledgement is written duly
 signed by the parties and their instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial
 Seal on the date and place first above written.

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 Book No. 14
 Series of 2018

Notary Public
 Notary Public for
 Negros Occidental, and Palawan
 Held December 31, 2018
 @ *Notary Public*
 Not. No. 0000000000000000
 0000000000000000
 0000000000000000
 0000000000000000
 0000000000000000
 0000000000000000
 0000000000000000
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Handwritten signature

Notary Public
 NELIA S. LORENZO