

# 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 Casino Filipino-Cebu, Waterfront Hotel & Casino, Salinas Drive, Lahug, Cebu City**, represented in this act by its General Manager, **Mr. RICARDO L. UY**, as duly delegated by the Board of Directors, hereinafter referred to as "**PAGCOR**";

-and-

**WATERFRONT MACTAN CASINO HOTEL INCORPORATED** a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at #1 Airport Road, Pusok, Lapu-Lapu City, represented in this act by its authorized representative, **MR. REX BENHUR M. CABALLES**, Hotel Manager, duly authorized for this purpose by Mr. Arthur R. Ponsaran, Corporate Secretary dated July 26, 2019, hereto attached as Annex "A", hereinafter referred to as the "**SUPPLIER**".

"Both **PAGCOR** and the **SUPPLIER** shall be referred to as the "**PARTY**" or "**PARTIES**" collectively".

## ANTECEDENTS

**WHEREAS**, **PAGCOR** has a requirement for the **Supply and Delivery of Food and Beverage for CF-Cebu Mactan Satellite for Marketing Events** under ITB No. DC19-04-006CEB.

**WHEREAS**, **PAGCOR** conducted a Direct Contracting in accordance with Republic Act 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on August 21, 2018.

**WHEREAS**, the **SUPPLIER** has submitted the Single Calculated and Responsive Quotation for the Project;

**WHEREAS**, **PAGCOR** has accepted the quote 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;

End-user  BBAC, Chairman 

## TERMS AND CONDITIONS

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

1. The **SUPPLIER** shall undertake for the **Supply and Delivery of Food and Beverage for CF-Cebu Mactan Satellite for Marketing Events under ITB No. DC19-04-006CEB**, with the following technical specifications:

### Supply and Delivery of Food and Beverage for CF-Cebu Mactan Satellite for Marketing Events under ITB No. DC19-04-006CEB

The Supplier must provide the following:

- 1 Cold Food
- 3 Hot Food
- 1 Dessert
- Rice (Any variety) and/or Roll (as required)
- 1 round of drinks (soda/iced tea/juice)
- Good for **1,785 persons**

The Supplier must also provide the following:


- Purified Drinking Water
- Dining Plates
- Spoon and Fork
- Tables (high/dining/buffet)
- Chairs (high/dining)
- Glasses (drinking/wine)
- Table Clothes
- Table Center Piece
- Chafing Dish
- Chafing Dish Warmers

**15 pieces**

Whole Lechon, Roasted Pork at least 8 kilos per piece

#### Terms and Conditions

1. The **CONTRACTOR** must be able to meet the demands of the End-User in connection with the goods/services to be provided to its clients in accordance with the standards of **PAGCOR**.
2. The **CONTRACTOR** shall provide the goods/services duly approved by **PAGCOR**.
3. The **CONTRACTOR** should not exceed beyond the budget given by **PAGCOR**.
4. Number of Food to be served is subject to change the day before of event (*it may increase or decrease depending on the number of attendees*).
5. The **CONTRACTOR** shall ensure that the food will be prepared and cooked on the day of the delivery.
6. In case of suspension of work due to fortuitous events (*i.e. inclement weather and its effects (e.g. storm surges, floods, etc.) fire, etc.*) the caterer shall be advised of the cancellation of delivery until 7:00am of the actual delivery date.
7. No advice of cancellation of delivery before 7:00am of the actual date of delivery would mean a confirmation of the delivery.
8. The **CONTRACTOR** should deliver/cater at Mactan Satellite Casino.
9. The **CONTRACTOR** should deliver the items in good condition 2 hours before the event.
10. **PAGCOR** has the right to "Return" the spoiled/ fouled/defective items to the **CONTRACTOR**.
11. Both parties (**PAGCOR**, Marketing Section and **CONTRACTOR**) shall

End-user  BBAC, Chairman

of items shall be based upon the advice from **PAGCOR**. The **SUPPLIER** shall deliver at the Casino Filipino Cebu Mactan Satellite Casino.

3. **PAGCOR** shall pay the total amount of **One Million and Five Thousand Pesos (Php 1,005,000.00), VAT Exclusive, Zero-Rated Transaction** based on the following schedule:

99% of the costs of the items delivered in case of staggered delivery, subject to <b>PAGCOR</b> 's acceptance (Issuance of the IAR) in writing of the items described in the PO.	99% equivalent of the costs of the items delivered in case of staggered delivery
1% Retention per staggered delivery (for staggered deliveries) 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 Defect).	1% equivalent of the costs of the items delivered on case of staggered delivery

100% of the total contract price [for one (1) time 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 equivalent to at least ten percent (10%) of the total amount valid for three (3) months from issuance of the final Certificate of Acceptance (issuance of the IAR).

OR

100% of the costs of the items delivered in case of staggered delivery (for staggered deliveries), 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 ten percent (10%) of the total amount valid for three (3) months from issuance of the final Certificate of Acceptance (issuance of the IAR)

4. 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

End-user  BBAC, Chairman 


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 Warranty Security and the penalties agreed upon, **PAGCOR** shall have the option to terminate the Contract.

5. 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.
6. 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.
7. 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.
8. The rights or obligations under this Contract is personal in 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.
9. 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.
10. 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.
11. 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.
12. 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.

13. 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/Request for Quotation, 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/spoiled items shall be replaced within one (1) hour 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 shall be required from it for a minimum period of three (3) months from the date of delivery and acceptance of goods.
- h. The obligation for the warranty shall be covered by either Retention Money or a special bank guarantee equivalent to at least ten percent (10%) of the total contract price.

OR

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 amount shall only be released after the lapse of the warranty period provided the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met.
14. A Warranty Security shall be required from the **SUPPLIER** for a period of one (1) year. The obligation therefore shall be covered by retention money in the amount equivalent to one percent (1%) of the monthly payments. The total

deductions, however, shall not exceed the total amount of **One Million and Five Thousand Pesos (Php 1,005,000.00)**.

15. To guarantee the faithful performance of the **SUPPLIER** the Warranty Security shall be retained by **PAGCOR** without interest, during the effectivity of this Purchase Contract. The same shall only be released after the termination of this Purchase Contract, provided all conditions under this Purchase Contract have been fully met.

In case the **SUPPLIER** posted a Bid Security in the form of Cash, Cashier's or Manager's Check, the same may be utilize as additional payment to complete the amount of the warranty security.

The Warranty Security shall remain valid for the entire contract duration and shall only be released after the issuance of the IAR, provided that there are no claims filed against the Supplier or the surety or insurance company.

IN WITNESS WHEREOF, the parties have signed these presents on this \_\_\_\_\_ day of \_\_\_\_\_, 2019 at \_\_\_\_\_.

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

Represented by:

  
**RICARDO L. UY**  
General Manager  
TIN: 102-028-683

**WATERFRONT MACTAN CASINO HOTEL INCORPORATED.**  
TIN: 003-978-246-000

Represented by:

  
**REX BENHUR M. CABALLES**  
Hotel Manager  
TIN:

Signed in the presence of:

\_\_\_\_\_

  
\_\_\_\_\_

# ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
Lapu-Lapu City ) S.S.

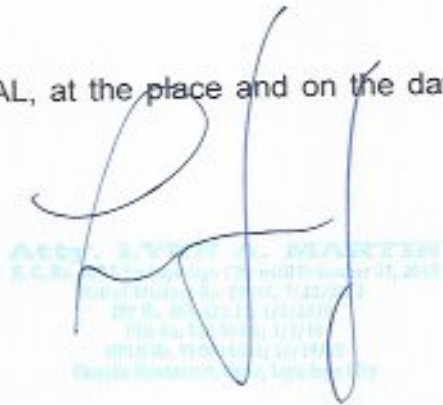
BEFORE ME, a Notary Public for and in City of Lapu-Lapu City, Philippines, this  
\_\_\_\_\_ day of SEP 23 2019, 20\_\_\_\_, personally appeared:

Name	Identification Document Presented
RICARDO L. UY General Manager	Pag-ibig Loyalty Card MID No. 1040-0250-5198
REX BENHUR M. CABALLES Hotel Manager	

known to me to be the same persons who executed the foregoing Service Contract consisting of eight (8) pages including this page, and who acknowledged to me that the same is their own free and voluntary act and deed as well as the free and voluntary act and deed of the entity they represent, they being duly authorized for this purpose.

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

Doc No. 196 ;  
Page No. 40 ;  
Book No. 2 ;  
Series of 2019 .

  
ACAC LYN L. MARTIN  
Notary Public for and in City of Lapu-Lapu City, Philippines  
MID No. 1040-0250-5198  
Date Expires: 12/31/2020



End-user  BBAC, Chairman 