

# 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 (5<sup>th</sup>) Floor, New World Manila Bay Hotel, M.H Del Pilar cor. Pedro Gil St. Malate, Manila, represented in this act by its **Acting Branch Manager for Casino Filipino Davao, ANTONIO V. COVARRUBIAS**, hereinafter referred to as "**PAGCOR**";

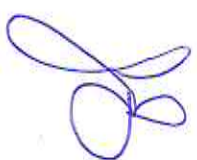
-and-

**PHILCOPY CORPORATION**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Doña Vicenta Subd., J.P. laurel Ave., Davao City represented in this act by its **Regional Manager, TITO L. QUIDILLA**, duly authorized for this purpose by a Secretary's Certificate dated February 18, 2021, hereto attached as Annex "A", hereinafter referred to as the "**SUPPLIER**".

## ANTECEDENTS:




**WHEREAS**, PAGCOR has a requirement for the Supply and Delivery of Consumables for Existing Kyocera Digital Copiers under ITB No. DC21-09-001DAV;




**WHEREAS**, PAGCOR conducted a procurement thru alternative mode Direct Contracting in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its Revised Implementing Rules and Regulations on October 23, 2018 for the procurement of the Project;

**WHEREAS**, the SUPPLIER has submitted the single calculated responsive quotation for the Project;

**WHEREAS**, PAGCOR has accepted the quotation 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 with the following technical specifications:

Quantity	Description
Eight (8) pcs	TONER, TK – 1147
One (1) pc	TONER, TK – 679
One (1) pc	TONER, TK – 135
PAGCOR shall have the right to inspect and/ or test the goods to confirm their conformity to the technical specifications.	

2. The total contract price shall be in the amount of **Fifty-Seven Thousand Two Hundred Twenty-Three Pesos and 25/100 (PhP57,223.25)**, VAT-exclusive, zero-rated transaction, with breakdown as follows:

Quantity	Description		Unit Cost VAT-exclusive, zero-rated Transaction	Total Cost VAT-exclusive, zero-rated Transaction
Eight (8) pcs	TONER, TK – 1147	PhP	5,776.79	46,214.32
One (1) pc	TONER, TK – 679		7,544.64	7,544.64
One (1) pc	TONER, TK – 135		3,464.29	3,464.29
<b>Grand Total</b>				<b>PhP 57,223.25</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. The SUPPLIER shall complete the supply and delivery of said items within **thirty (30) calendar days** from the date of receipt of the winning Supplier of the Notice to Proceed. The SUPPLIER shall deliver at the **Casino Filipino Davao, Lanang, Davao City**.
4. PAGCOR shall pay the total amount of **Fifty-Seven Thousand Two Hundred Twenty-Three Pesos and 25/100 (PhP57,223.25)**, VAT Exclusive, Zero-rated transaction.

99% of the costs of the items delivered per lot subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.	PhP 56,651.02
1% Retention of the items delivered per lot 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).	PhP 572.23

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.	PhP 57,223.25
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- 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.

- 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.
- 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.

- 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.

- 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 **fifteen (15) 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 warranty period provided the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met.

IN WITNESS WHEREOF, the parties have signed these presents on this 11 NOV 2021 of \_\_\_\_\_, 20\_\_ at DAVAO CITY.

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

**PHILCOPY CORPORATION**  
 TIN: 000-169-318-024

Represented by:

Represented by:

**ANTONIO V. COVARRUBIAS**  
 Acting Branch Manager

**TITO L. QUIDILLA**  
 Regional Manager

Signed in the presence of:

KATHYREEN C. GONZALES

ARLAN BAUTISTA

ACKNOWLEDGEMENT

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

11 NOV 2021 BEFORE ME, a Notary Public for and in City of DAVAO CITY, Philippines, this  
day of \_\_\_\_\_, 20\_\_\_\_, personally appeared:

NAME ID ISSUED AT/ON

TITO L. QUIDILLA

known to me and known to be the same person who execute the foregoing instrument consisting of seven (7) pages, including the page whereon the acknowledgments is written and acknowledged before me that the same is his free and voluntary act and deed and that of the Corporation he represents.

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

Doc No. 410  
Page No. 82  
Book No. 46  
Series of 2021.



*Marionne Reta*  
MARIONNE JOSEPHAS M. RETA  
Notary Public  
2nd Flr. LYR Bldg., Villa Abritille Davao  
Roll No. 87312  
Serial No. 2019-034-2020  
PTR C.R. No. 5023199 01/04/202  
ISP No. 132675 11/16/2020  
marionnereta@yahoo.com

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