



Philippine Amusement and Gaming Corporation

Creating Opportunities Beyond Gaming

PURCHASE CONTRACT

This Service Contract (the "Contract") 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 No. 1869, as amended, with office address at PAGCOR Executive Office, New Coast Hotel Manila, 1588 M. H. del Pilar corner Pedro Gil Streets, Malate, Manila, Philippines 1004, represented in this act by its **Branch Manager, JOSE MARCIANO C. BAUTISTA**, hereinafter referred to as "**PAGCOR**";

- And -

JARDINE SCHINDLER ELEVATOR CORPORATION, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at the 20TH Floor, Insular Life Corporate Center, Insular Life Drive, Filinvest Corporate City, Alabang, Muntinlupa City represented in this act by its **Director Vis/Min, JANE M. ENTERO**, duly authorized for this purpose, as per Secretary Certificate dated February 10, 2021, hereto attached as Annex "A", hereinafter referred to as the "**SUPPLIER**".

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

WITNESSETH: THAT

WHEREAS, **PAGCOR** has a requirement for the Supply, Delivery, Labor, Materials, Installation, Testing and Commissioning of Step Chain and Other Various Parts of Existing Escalator Unit (1) under ITB No.: FB21-07-002BAC;

WHEREAS, **PAGCOR** conducted a Negotiated Procurement, specifically Two Failed Bidding in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations on July 20, 2021 for the procurement of the Project;

WHEREAS, the **SUPPLIER** has submitted the single 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 by these presents, **PAGCOR** and the **SUPPLIER** hereby enters into a Purchase Contract under the following terms, conditions and stipulations:

Purchase Contract

Supply, Delivery, Labor, Materials, Installation, Testing and Commissioning of Step Chain and Other Various Parts of Existing Escalator Unit (1) under ITB No: FB21-07-002BAC

Witness - Contractor

CONTRACTOR

Witness - PAGCOR

BM, CF-Bacolod

TERMS AND CONDITIONS

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

- The **SUPPLIER** shall undertake the Supply, Delivery, Labor, Materials, Installation, Testing and Commissioning of Step Chain and Other Various Parts of Existing Escalator Unit (1) with the following technical specifications:

| Item No. | ITEM DESCRIPTION | QUANTITY | UOM |
|----------|------------------|----------|--------|
| 1. | Pressure Chain | Two (2) | Pieces |
| 2. | Step Chain | Two (2) | Pieces |
| 3. | Ultra UV900 Pro | Two (2) | Sets |

- The total contract price shall be in the amount of One Million Forty-Three Thousand Two Hundred Eight Pesos & 80/100 (PhP 1,043,208.80), VAT Exclusive, Zero-rated transaction, with breakdown as follows:

| Item No. | Quantity | Description | Unit Cost | Total Cost |
|----------|----------------|-----------------|------------|------------|
| 1. | Two (2) Pieces | Pressure Chain | 16,550.00 | 33,100.00 |
| 2. | Two (2) Pieces | Step Chain | 393,604.40 | 787,208.80 |
| 3. | Two (2) Sets | Ultra UV900 Pro | 111,450.00 | 222,900.00 |

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.) 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 item/s 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 **PAGCOR**, Casino Filipino-Bacolod 15th Corner Aguinaldo Street Bacolod City Negros Occidental.
- PAGCOR** shall pay the total amount of One Million Forty-Three Thousand Two Hundred Eight Pesos & 80/100 (PhP 1,043,208.80), VAT Exclusive, Zero-rated transaction, based on the following schedule:

| | |
|--|---|
| 99% of the costs of the items delivered (<i>per lot</i>) subject to PAGCOR's acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO. | 99% equivalent of the costs of the items delivered One Million Thirty-Two Thousand Seven Hundred Seventy-Six & 71/100 (PhP1,032,776.71) |
|--|---|

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1% Retention of the items delivered (*per lot*) to be paid after **three (3) months (for expendable supplies) or one (1) year (for non-expendable supplies)** 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).

1% equivalent of the costs of the items delivered.

Ten Thousand Four Hundred Thirty-Two Pesos & 09/100 (PhP 10,432.09)

Witness - Contractor

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. 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) calendar 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.

CONTRACTOR

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.

Witness / PAGCOR

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.

BM, CF-Bacolod

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

Purchase Contract

Supply, Delivery, Labor, Materials, Installation, Testing and Commissioning of Step Chain and Other Various Parts of Existing Escalator Unit (1) under ITB No: FB21-07-002BAC

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 (for expendable supplies) or one (1) year (for non-expendable supplies) 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 (for expendable supplies) or one (1) year (for non-expendable supplies) 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:

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| 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%) Fifty-Two Thousand One Hundred Sixty Pesos & 44/100 (PhP 52,160.44) |
| (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%) Three Hundred Twelve Thousand Nine Hundred Sixty-Two Pesos & 64/100 (PhP 312,962.64) |

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

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 _____, 2021 at the City of Bacolod, Philippines.

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

JARDINE SCHINDLER ELEVATOR CORPORATION
TIN: 004-662-294-000

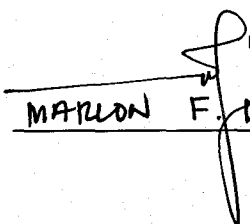
Represented by:

Represented by:


JOSE MARCIANO C. BAUTISTA
TIN: 000-887-972-000


JANE M. ENTERO
TIN: 160-057-884-000

Signed in the presence of:


MARLON F. BIRON

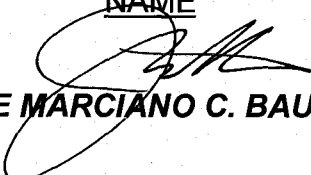

Lloyd dela Calzada

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF BACOLOD) S.S.
CEBU CITY

OCT 28 2021

BEFORE ME, a Notary Public for and in the City of Bacolod, on this _____ day of _____, 2021, personally appeared the following with his respective Government ID number:


NAME

JOSE MARCIANO C. BAUTISTA

GOVERNMENT ID NO.
Unified Multi-Purpose ID
CRN 0111-2756709-8

Known to me to be the same person who executed the foregoing Purchase Contract consisting of seven (7) pages, including this page, and who acknowledged to me that the same is his own free and voluntary act and deed, as well as the voluntary act and deed of the entity he is duly authorized to represent.

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

Doc. No. _____
Page No. _____
Book No. _____
Series of 2021. _____


ATTY. RAUL L. PATUAL
NOTARY PUBLIC CEBU CITY
UNTIL DEC. 31, 2022
PTR No. 2983724000 6/23/2021
ROLL No. 44541
NOTARIAL COMMISSION 0121
LIFETIME No. 07995
OFF. D. JAKO SALEM ST. CEBU CITY
BAYANIHAN BLDG. PROV. OF CEBU
MCLE COMPLIANCE No. V1005078

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF **CEBU CITY**) S.S.

BEFORE ME, a Notary Public for and in the City of **CEBU CITY**, on this OCT 28 2021, 2021, personally appeared the following with their respective Government ID numbers, to wit:

| <u>NAME</u> | <u>GOVERNMENT ID</u> |
|-----------------------|--|
| <i>JANE M. ENTERO</i> | Bureau of Internal Revenue TIN: 160-057-887-000 |

Known to me to be the same person who executed the foregoing Purchase Contract consisting of Seven (7) pages, including this page, and who acknowledged to me that the same is his own free and voluntary act and deed, as well as the voluntary act and deed of the entity he is duly authorized to represent.

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Doc. No. ml/ced
Page No. 118
Book No. _____
Series of 2021. _____

[Signature]
ATTY RAUL L. PATUAC
NOTARY PUBLIC CEBU CITY
UNTIL DEC. 31 2022
PTR No. 2983724000 6/28/2021
ROLL No. 44641
NOTARIAL COMMISSION 0121
LIFE TIME No. 07936
OFF. D. JAKO SALEM ST. CEBU CITY
BAYANIHAN BLDG. PROV. OF CEBU
MCLE COMPLIANCE No. V1005073