

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, New Coast Hotel Manila, M.H Del Pilar cor. Pedro Gil Sts. Malate, Manila, represented in this act by its Officer-In-Charge for Casino Filipino-Cebu, **MA. CONSOLACION A. PASION**, hereinafter referred to as "**PAGCOR**";

-and-


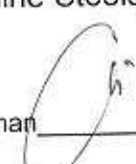
PROMISELAND MARKETING, a company duly organized and existing under the laws of the Republic of the Philippines, with office address at 1235 Bacayo Extension, Andres Abellana St. Cebu City, represented in this act by its proprietor, Ms. **ROSA CO CHUA**, hereinafter referred to as the "**CONTRACTOR**".

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 Various Items for the Repairs and Maintenance of Slot Machine and Gaming of CF-Cebu and its Satellites (Supply and Delivery of Various Upholstery Materials for Slot Machine Stools) under ITB No. PB21-09-022CEB;

End-User:  BBAC Chairman/Vice Chairman 

PURCHASE CONTRACT – PAGCOR and PROMISELAND MARKETING
Supply and Delivery of Various Items for the Repairs and Maintenance of Slot Machine and Gaming of CF-Cebu and its Satellites
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WHEREAS, PAGCOR conducted a public bidding in accordance with Republic Act No. 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations on October 18, 2021 for the procurement of the Project;

WHEREAS, the CONTRACTOR has submitted the single calculated responsive bid for the Project;

WHEREAS, PAGCOR has accepted the bid of the **CONTRACTOR** 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 **CONTRACTOR** 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 **CONTRACTOR** shall undertake the Supply and Delivery of Various Items for the Repairs and Maintenance of Slot Machine and Gaming of CF-Cebu and its Satellites (Supply and Delivery of Various Upholstery Materials for Slot Machine Stools) under ITB No. PB21-09-022CEB with the following technical specifications:

Item No.	ITEM DESCRIPTION	QUANTITY	UOM
1	LEATHERETTE, FERRARI RED (approx 1.4meters x 50meters/roll)	25	rolls
2	PLYWOOD, MARINE 3/4"X 4' X 8'	30	sheets
3	ACRYLIC PLASTIC, CLEAR 1/4" X 4' X 8'	20	sheets

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2. The total contract price shall be in the amount of One Million Four Hundred Sixteen Thousand Five Hundred and 00/100 Pesos (Php 1,416,500.00), VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

Lot	Quantity	Description	Unit Cost	Total Cost
1	25 rolls	LEATHERETTE, FERRARI RED	₱ 49,500.00	₱ 1,237,500.00
2	30 sheets	PLYWOOD, MARINE 3/4"X 4' X 8'	₱ 1,700.00	₱ 51,000.00

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3	20 sheets	ACRYLIC PLASTIC, CLEAR 1/4" X 4' X 8'	₱ 6,400.00	₱ 128,000.00
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PAGCOR and the CONTRACTOR agree that the contract price already includes all applicable taxes, fees and charges required by the government. The CONTRACTOR 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 CONTRACTOR shall complete the supply and delivery of said items within **forty-five (45) calendar days from the acknowledgement of the Notice to Proceed**. The CONTRACTOR shall deliver at:

Casino Filipino-Cebu Main - Waterfront Hotel & Casino, Salinas Drive, Lahug, Cebu City

4. PAGCOR shall pay the total amount of One Million Four Hundred Sixteen Thousand Five Hundred and 00/100 Pesos (Php 1,416,500.00), 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
1% Retention of the items delivered (<i>per lot</i>) 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

OR

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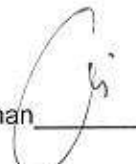


<p>100% of the costs of the items delivered provided that the goods supplied are free from patent and latent defects and all conditions imposed under the contract have been fully met; subject to PAGCOR's acceptance (issuance of the IAR) in writing of the items described in this Contract and upon submission of a Special Bank Guarantee equivalent to at least one percent (1%) of the total contract price valid for three (3) months (for expendable supplies) or one (1) year (for non-expendable supplies) from issuance of the IAR.</p>	<p>One Million Four Hundred Sixteen Thousand Five Hundred and 00/100 Pesos (Php 1,416,500.00)</p>
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- The **CONTRACTOR** shall complete the supply and delivery of goods within the time agreed by both **PARTIES**. Should the **CONTRACTOR** 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 **CONTRACTOR** 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.

- In the event that the **CONTRACTOR** 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 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**.

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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 **CONTRACTOR** hereby further warrants and represents that:
- The goods and specifications shall be as described in no. 1 of this Contract.
 - 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.
 - 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.
 - The defective items shall be replaced within twenty-four (24) hours from receipt of notice. Failure to replace the defective items within the same period shall make the **CONTRACTOR** liable for a penalty of one-tenth of one percent (1/10) of

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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 **CONTRACTOR**, a warranty security shall be required from the **CONTRACTOR** 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 **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 **CONTRACTOR** 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%)
(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.	Seventy Thousand Eight Hundred Twenty Five Pesos (Php 70,825.00)

End-User:  BBAC Chairman/Vice Chairman

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(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%) Four Hundred Twenty Four Thousand Nine Hundred Fifty Pesos (Php 424.950.00)
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In case the **CONTRACTOR** 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 **CONTRACTOR** or the surety or insurance company, and it has no claims for labor and materials filed against the **CONTRACTOR**.

IN WITNESS WHEREOF, the **PARTIES** have signed these presents on this 8th day of February, 2022 at Mandue City.

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

PROMISELAND MARKETING
TIN: 103-799-838-000

Represented by:

MA. CONSOLACION A. PASION
MA. CONSOLACION A. PASION

Officer-In-Charge
TIN: 102-017-029-0000

Represented by:

MS. ROSA CO CHUA
MS. ROSA CO CHUA

Proprietor
TIN: 103-799-838-000

Signed in the presence of:

LESLIE ESCOBAR

Alan B. Morales

End-User: _____ BBAC Chairman/Vice Chairman

ACKNOWLEDGEMENT

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

BEFORE ME, a Notary Public for and in City of Mandaue, Philippines, this
8th day of February, 2022, personally appeared:

Name	Identification Document Presented
MA. CONSOLACION A. PASION (In her Capacity as Officer-In-Charge of Casino Filipino-Cebu)	SSS ID No: 03-9772404-4
<i>Arnold</i> MS. ROSA CO CHUA Proprietor	Driver's License No. N11-72-034880

known to me and known to be the same persons who executed the foregoing instrument consisting of eight (8) pages, including the page whereon the acknowledgment is written and acknowledged before me that the same are their free and voluntary acts and deeds and that of the entities they represent.

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

Doc No. 483 ;
 Page No. 98 ;
 Book No. LXXII ;
 Series of 2022 ;
 MCLE Compliance No. _____

ATTY. ROGELIO C. CENIZA, JR.
 NOTARY PUBLIC
 FOR MANDAUE CITY AND MUNICIPALITIES OF
 CONSOLACION, LILYOAN, COMPOSTELA, & CORDOVA, CEBU
 UNTIL DECEMBER 31, 2022
 NOTARIAL COMMISSION NO. 1021-25
 ROLL OF ATTY'S NO. 45991 / 5-24-2004
 MCLE COMPLIANCE NO. VI - 0110719 / 7-23-2019
 ESTEBAN CENIZA CMPD., MAGUIKAY
 6914 MANDAUE CITY, CEBU
 IBPTEMP. RECEIPT NO. 45991 / 12-29-2021 / CEBU PROV.
 PTR NO. 1239396 / 1-3-2022 / MANDAUE CITY
 TIN NO. 207-402-562-090.

End-User: [Signature] BBAC Chairman/Vice Chairman

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