

# 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 JB Richwell Corporation Bldg., 580 Rizal Ave., East Tapinac, Olongapo City, represented in this act by its Branch Manager, **RAFAEL B. PATERNO, JR.**, hereinafter referred to as "PAGCOR";

-and-

**GLOBAL EMPIRE INTERNATIONAL GROUP OF COMPANIES, INC.** a company duly registered with the Securities and Exchange Commission (SEC) with Company Reg. No. CS201207786, with office address at Unit 2801 Atlanta Centre 31 Annapolis St., San Juan City represented in this act by its President and CEO, **MUFAIDA A. MACATOMAN** referred to as the "SUPPLIER".

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

## ANTECEDENTS:

**WHEREAS, PAGCOR** has a requirement for the **Supply and Delivery of CCTV Equipment, Video Equipment and Internal Hard Disks for Digital Video Recorders (DVRs) under ITB No. PB21-10-007OLO;**

**WHEREAS, PAGCOR** conducted a public bidding in accordance with the Republic Act 9184 (Government Procurement Reform Act) and its 2016 Revised Implementing Rules and Regulations on October 20, 2021 for the procurement of the Project;

**WHEREAS, the SUPPLIER** has submitted the Single Calculated and Responsive Bid for 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:

**TERMS AND CONDITIONS**

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

1. The **SUPPLIER** shall undertake the Supply and Delivery of CCTV Equipment, Video Equipment and Internal Hard Disks for Digital Video Recorders (DVRs) with the following technical specifications:

| Item No. | ITEM DESCRIPTION   | QUANTITY | UOM   |
|----------|--|----------|-------|
| 1        | <p><b>Digital Video Recorders (DVRs)</b></p> <ul style="list-style-type: none"> <li>- <b>Penta-brid</b>, 16-channel, 4K 2U</li> <li>- <b>Main Processor</b>: Embedded Processor</li> <li>- <b>OS</b>: Embedded LINUX</li> <li>- <b>Analog Camera Input</b>: 16-Channel BNC</li> <li>- <b>HDCVI Camera</b>: 4K, 6MP, 5MP, 4MP, 1080P@25/30fps, 720P@50/60fps, 720P@25/30fps</li> <li>- <b>AHD Camera</b>: 5MP, 4MP, 3MP, 1080P225/30fps, 720P@25/30fps</li> <li>- <b>TVI Camera</b>: 5MP, 4MP, 3MP, 1080P225/30fps, 720P@25/30fps</li> <li>- <b>CVBS Camera</b>: PAL/NTSC</li> <li>- <b>IP Camera Input</b>: 16-16 Channels, each channel up to 12MP</li> <li>- <b>Audio In/Out</b>: 16 Audio In, 1Audio Out, BNC</li> <li>- <b>Two-Way Talk</b>: 1 Mic In, 1 Mic Out, BNC</li> <li>- <b>Compression</b>: H.265+/ H.265/ H.264+/ H.264</li> <li>- <b>Resolution</b>: 4K, 6MP, 5MP, 4MP, 3MP, 4M-N, 1080P, 720P, 960H, D1, CIF</li> <li>- <b>Record Rate</b><br/>Main Stream: 4K(1~7fps), 6MP(1~10fps), 5MP(1~12fps), 4MP/3MP(1~15fps), 4M-N/ 1080P/ 720P/ 960H/ D1/ CIF (1~25/30fps)<br/>Sub-Stream: 960H(1~15fps); D1/CIF (1~25/30fps)</li> <li>- <b>Bit Rate</b>: 32Kbps~8192Kbps Per Channel</li> <li>- <b>Record Mode</b>: Manual, Schedule (General, Continuous), MD (Video detection: Motion Detection, Video Loss, Tampering), Alarm, Stop</li> <li>- <b>Record Interval</b>: 1~60 min (default: 60 min), Pre-record: 1~30 sec, post record: 10~300 sec</li> <li>- <b>Audio Compression</b>: G.711A, G.711U, PCM</li> <li>- <b>Audio Sample Rate</b>: 8Khz, 16 bit Per Channel</li> <li>- <b>Audio Bit Rate</b>: 64Kbps Per Channel</li> <li>- <b>Display Interface</b>: 2 HDMI, 1 VGA, 1 TV</li> <li>- <b>Display Resolution</b>:<br/>HDMI 1: 3840x2160, 2560x1440, 1920x1080, 1280x1024, 1280x720<br/>HDMI 2/ VGA: 1920x1080, 1280x1024, 1280x720</li> <li>- <b>Multi-Screen Display</b>:<br/>When IP extension mode not enabled: 1/ 4/ 8/ 9/ 16<br/>When IP extension mode enabled: 1/ 4/ 8/ 9/ 16/ 25/ 36</li> <li>- <b>OSD</b>: Camera Title, Time, Video Loss, Camera lock, Motion detection, Recording</li> <li>- <b>Network Interface</b>: 2 RJ-45 Ports (1000M)</li> <li>- <b>Network Function</b>: HTTP, HTTPS, TCP/IP, IPv4/IPv6, Wi-Fi, 3G/\$G, SNMP, UPnP, RTSP, UDP, SMTP, NTP, DHCP, DNS, IP Filter, PPPoE, DDNS, FTP, Alarm Server, P2P, IP Search (Supports Dahua IP Camera, DVR, NVS, etc.)</li> </ul> | 10       | Units |

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|   |  |    |       |
|---|--|----|-------|
|   | <p><b>-Video Detection and Alarm</b><br/>         Trigger Events: Recording, PTZ, Tour, Video Push, Email, FTP, Snapshot, Buzzer and Screen Tips<br/> <b>-Video Detection:</b> Motion Detection, MD Zones: 396 (22 x 18), Video Loss, Tampering and Diagnosis<br/> <b>-Alarm Input:</b> 16<br/> <b>-Relay Output:</b> 6<br/> <b>-Playback:</b> 1/ 4/ 9/ 16<br/> <b>-Search Mode:</b> Time/ Date, Alarm, MD and Exact Search (accurate to second)<br/> <b>-Playback Function:</b> Play, Pause, Stop, Rewind, Fast play, Slow play, Next file, Previous File, Next camera, Previous camera, Full Screen, Repeat, Shuffle, Backup selection, Digital Zoom<br/> <b>-Backup Mode:</b> USB Device/ Network<br/> <b>-Storage</b><br/>         Internal HDD: 8 SATA Ports, up to 10 TB capacity for each disk<br/>         eSata: 1 Port<br/> <b>-Auxiliary Interface</b><br/>         USB: 4 USB Ports (2 USB 2.0, 2 USB 3.0)<br/>         RS232: 1 port, for PC communication &amp; Keyboard<br/>         RS485: 1 port, for PTZ Control<br/>         RS422: 1 port, for PTZ Control<br/> <b>-Electrical</b><br/>         Power Supply: AC100V-240V, 50/60Hz<br/>         Power Consumption: ,35W (Without HDD)<br/> <b>-Environmental</b><br/>         Operating Conditions: -10°C~+55°C<br/>         Storage Conditions: -20°C~+70°C<br/> <b>-Warranty:</b> 1 year</p> |    |       |
| 2 | <p><b>40" LED TV Monitors</b></p> <ul style="list-style-type: none"> <li>- LED Type display panel, 40" diagonal screen.</li> <li>- Support Video Resolution up to 1920X1080,</li> <li>- Contrast ratio: 3500:1or better.</li> <li>- High speed response time,</li> <li>- adjustable viewing angle, aspect ratio: 16:9,</li> <li>- Video input format: CVBS, HDMI, DVI and VGA inputs, RCA audio input.</li> <li>- On Screen Display (OSD).</li> <li>- Cabinet Color: Black, VESA™ (Video Electronics Standards Association) compatible.</li> <li>- Input power 100-240VAC/60Hz.</li> <li>- Warranty: 1 year</li> <li>- With HDMI Cable (10 meters)</li> </ul>  | 10 | Units |
| 3 | <p><b>50" LED TV Monitors</b></p> <ul style="list-style-type: none"> <li>- LED Type display panel, 50" diagonal screen.</li> <li>- Support Video Resolution up to 1920X1080,</li> <li>- Contrast ratio: 3500:1or better.</li> <li>- High speed response time,</li> <li>- adjustable viewing angle, aspect ratio: 16:9,</li> <li>- Video input format: CVBS, HDMI, DVI and VGA inputs, RCA audio input.</li> <li>- On Screen Display (OSD).</li> <li>- Cabinet Color: Black, VESA™ (Video Electronics Standards Association) compatible.</li> <li>- Input power 100-240VAC/60Hz.</li> </ul>   | 2  | Units |

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|   |  |    |        |
|---|--|----|--------|
|   | - Warranty: 1 Year<br>With HDMI Cable (5 meters)   |    |        |
| 4 | <b>Hard Disk Drives 2TB</b><br>- Surveillance-grade<br>- Internal HDD for DVRs<br>- Warranty: 1 Year   | 36 | Pieces |
| 5 | <b>DSLR Camera</b><br>- 24.1 Megapixels APS-C CMOS sensor<br>- 4K Video Recording<br>- 5-axis Digital Movies IS<br>- All cross-type 45-point AF (viewfinder) and Dual Pixel CMOS AF (Live View)<br>- w/ 18-55mm Kit IS STM<br>- User-friendly ergonomics and interface<br>- Warranty: 2 years<br>With Free Memory Card (1TB) | 1  | Unit   |

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The total contract price shall be in the amount of Eight Hundred Eighty Thousand Seven Hundred Pesos and 95/100 (PhP880,700.95), VAT Exclusive, Zero-rated transaction, broken down as follows:

| Quantity | Description                    | Unit cost    | Total Cost    |
|----------|--------------------------------|--------------|---------------|
| 10       | Digital Video Recorders (DVRs) | PhP38,904.34 | PhP389,043.40 |
| 10       | 40" LED TV Monitors            | PhP19,452.17 | PhP194,521.70 |
| 2        | 50" LED TV Monitors            | PhP36,310.72 | PhP72,621.44  |
| 36       | Hard Disk Drives 2TB           | PhP4,795.61  | PhP172,641.96 |
| 1        | DSLR Camera                    | PhP51,872.45 | PhP51,872.45  |

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 all 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 Casino Filipino – Olongapo, 2<sup>nd</sup> Floor JB Richwell Corporation Building, Rizal Avenue, East Tapinac, Olongapo City.

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4. **PAGCOR** shall pay the total amount of Eight Hundred Eighty Thousand Seven Hundred Pesos and 95/100 (PhP880,700.95), VAT Exclusive, Zero-rated transaction, based on the following schedule:

|   |               |
|---|---------------|
| 99% of the costs of the items delivered subject to <b>PAGCOR's</b> acceptance [Issuance of the Inspection and Acceptance Report (IAR)] in writing of the items described in the PO.   | PhP871,893.94 |
| 1% Retention of the items delivered 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 Defects). | PhP8,807.01   |

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 <b>PAGCOR's</b> 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. | PhP880,700.95 |
|---|---------------|

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) 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.

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

*Accepted*

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 **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 **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 Performance Security  | Amount of Performance Security<br>(Percentage of the Total Contract Price)  |
|---|---|
| Cash or cashier's/manager's check issued by a Universal or Commercial Bank.   | <b>Forty-Four Thousand Thirty-Five Pesos and 05/100 (PhP44,035.05)</b><br><br>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. |   |
| 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.                                    | <b>Two Hundred Sixty-Four Thousand Two Hundred Ten Pesos and 29/100 (PhP264,210.29)</b><br><br>Thirty Percent (30%) |

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.

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DEC 29 2021

IN WITNESS WHEREOF, the parties have signed these presents on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_ at Quezon City.

**PHILIPPINE AMUSEMENT AND GAMING  
CORPORATION**

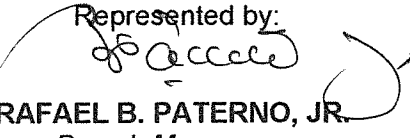
**GLOBAL EMPIRE INTERNATIONAL  
GROUP OF COMPANIES, INC.**

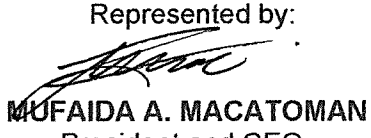
TIN: 033-000-887-972

TIN;

Represented by:

Represented by:

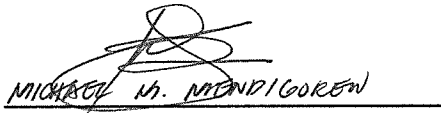


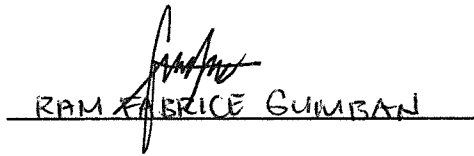


**RAFAEL B. PATERNO, JR.**  
Branch Manager  
TIN: 102-017-108

**MUFAIDA A. MACATOMAN**  
President and CEO  
TIN:

Signed in the presence of:

  
MICHAEL M. MONDIGOREN

  
RAM FABRICE GUMBAN



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
Quezon City) S.S.

BEFORE ME, a Notary Public for and in City of Quezon City, Philippines, this  
day of DEC 29 2021, 2021, personally appeared:

| Name                   | ID Presented                               | Expiry Date |
|------------------------|--|-------------|
| RAFAEL B. PATERNO, JR. | LTO Driver's License No.<br>D02-82-0044755 | 06/05/2022  |

*Accent*

known to me and known to be the same person who executed the foregoing instrument consisting of ten (10) 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. 346 ;  
Page No. 70 ;  
Book No. XVII ;  
Series of 2011 .  
MCLE No. \_\_\_\_\_ .

*[Signature]*

ATTY. ELISEO S. CALINA, JR.  
Notary Public  
Until December 31, 2021  
Adm. Matter No. NP-067  
PTR No. 6684702-D Jan. 4, 2021  
ISP No. 141058, Jan. 4, 2021  
Roll No. 50183  
TIN 138-541-197-009  
MCLE Comp No. VI-0012917 Until April 14, 2022

*[Signature]*

*[Signature]*

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
Quezon City ) S.S.

BEFORE ME, a Notary Public for and in City of Quezon City, Philippines, this  
DEC 29 2021 day of 2021, 20\_\_, personally appeared:

*Macatoman*

| Name                 | ID Presented                              | Expiry Date |
|----------------------|---|-------------|
| MUFAIDA A. MACATOMAN | LTO Driver's License No.<br>M05-96-009504 | 09/27/2023  |

known to me and known to be the same person who executed the foregoing instrument consisting of ten (10) pages, including the page whereon the acknowledgments is written and acknowledged before me that the same is her free and voluntary act and deed and that of the company she represents.

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

Doc No. 316 ;  
Page No. 10 ;  
Book No. XVII ;  
Series of 2021 ;  
MCLE No. \_\_\_\_\_

*[Signature]*  
 ATTY. ELISEO B. CALMA, JR.  
 Notary Public  
 Until December 31, 2021  
 Adm. Matter No. NP-097  
 PTR No. 0694702-D Jan. 4, 2021/OC  
 ISP No. 141068, Jan. 4, 2021  
 Roll No. 50183  
 TIN 138-541-497-000  
 MCLE Comp No. VI-0012817 Until April 14, 2022

*[Signature]*

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