

SERVICE CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Service Contract ("Contract") is entered into by and between:

PHILIPPINE AMUSEMENT AND GAMING CORPORATION, a government owned and controlled corporation, created and existing by virtue of Presidential Decree No. 1869, as amended, with office address at PAGCOR Corporate Office, New World Manila Bay Hotel, M.H. Del Pilar corner Pedro Gil Streets, Malate, Manila, represented in this act by its Chairman and Chief Executive Officer, **ANDREA D. DOMINGO**, hereinafter referred to as "**PAGCOR**";

- and -

WIDE WIDE WORLD EXPRESS CORPORATION, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at WWWE Building, Pascor Drive, Sto. Niño, Parañaque City, represented in this act by its Account Executive, **CHYNLY MAY N. ZAMBRONA**, duly authorized for this purpose by Secretary's Certificate dated November 15, 2016, hereto attached as Annex "A", hereinafter referred to as the "**CONTRACTOR**".

RECITALS:

WHEREAS, PAGCOR has a requirement for the Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11 (hereinafter referred to as the "Services");

WHEREAS, PAGCOR conducted a Negotiated Procurement (Emergency Cases) in accordance with Republic Act No. 9184 (*Government Procurement Reform Act*) and its *Revised Implementing Rules and Regulations* (IRR) for the procurement of the Services;

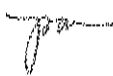

WHEREAS, the CONTRACTOR has submitted the lowest calculated and responsive quotation for the Services;

WHEREAS, PAGCOR has accepted the quotation of the CONTRACTOR, subject to the terms and condition hereunder stipulated;

SERVICE CONTRACT

Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11

Page 1 of 9



ERENIE E. CRUZ

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereunder specified by these presents, PAGCOR and the CONTRACTOR hereby enter into a contract under the following terms, conditions and stipulations:

ARTICLE I
SCOPE OF WORK

The CONTRACTOR undertakes to provide the services, in accordance with the following technical specifications:

- Delivery Period:
 - a. Serviceable Areas – one (1) to two (2) days except Sundays and National/Local Holidays
 - b. Outside of Directly Service Areas (OSA) – five (5) to seven (7) days except Sundays and National/Local Holidays
- The CONTRACTOR shall assign an employee/account executive to handle the PAGCOR account, specifically for its various delivery requirements, customer service support, billing and other concerns.
- The CONTRACTOR shall be tasked to pick-up/deliver on a daily basis parcel mail from/to the Human Resource and Development Department (HRDD) Corporate Office and other destinations within the country.
- The CONTRACTOR shall provide on-line tracking and tracing of documents for delivery.
- The CONTRACTOR shall provide pre-printed houseway bills, with shipper and consignee details (no need for PAGCOR to fill out "Shipper" portion for each delivery.
- The CONTRACTOR shall immediately notify PAGCOR thru telephone or email any irregularity such as delays, damage/loss of parcel/documents. The CONTRACTOR shall be liable for all damages where it is determined that the delay, damage to or loss of documents is due to fault or negligence in the part of the CONTRACTOR.
- The CONTRACTOR shall provide a Quality Service Report and return Sales Invoice when required by PAGCOR.
- The CONTRACTOR shall prepare an Incident Report in case of delays, lost or non arrival of documents. Said Report must be sent immediately, within 24 hours, to include the following:
 - a. Details of delivery;
 - b. Sequence of events;
 - c. Analysis of Incident;
 - d. Investigation Results and Conclusion; and
 - e. Recommend Corrective Action
- The CONTRACTOR shall be tasked to pick up outside the regular pick up time and office hours for urgent delivery from Corporate Office.

ARTICLE II
CONTRACT AMOUNT

The total contract price shall be in the amount of Eighty-One Thousand Pesos (PhP81,000.00), VAT Exclusive, Zero Rated Transaction for a period of four (4) months or until the contract price is depleted/consumed whichever comes first at the following offered rates (from HRDD PAGCOR House to the following destinations):

	Intracity Metro Manila	Sector 1 (Luzon)	Sector 2 (Visayas)	Sector 3 (Mindanao)
Regular (up to 500 grams)	One Hundred Twenty-Eight Pesos and 30/100 (PhP128.30)	One Hundred Thirty-Seven Pesos and 45/100 (PhP137.45)	One Hundred Forty-Six Pesos and 62/100 (PhP146.62)	One Hundred Fifty-Five Pesos and 78/100 (PhP155.78)
Jumbo (up to 2 kg)	One Hundred Sixty-Four Pesos and 95/100 (PhP164.95)	One Hundred Eighty-Three Pesos and 27/100 (PhP183.27)	One Hundred Ninety-Two Pesos and 43/100 (PhP192.43)	Two Hundred One Pesos and 60/100 (PhP201.60)

The CONTRACTOR should submit to PAGCOR c/o HRDD, on a monthly basis, a detailed statement of account/Billing Invoice with attached complete documents (*i.e. original PAGCOR waybills and acknowledgement receipt*) duly signed (signature over printed name) by the consignee at the branch.

Both parties agree that the total price stated herein includes all applicable taxes, fees and charges required by the Government.

The prices herein agreed upon shall not be subject to any increase or upward adjustment for any reason or cause whatsoever for the duration of the Contract.

ARTICLE III
CONTRACT TERM

This Contract shall be for a period of four (4) months commencing on the date of receipt by the winning CONTRACTOR of the Notice to Proceed. If during contract implementation, the contract amount stipulated herein would have been consumed, no further delivery service shall be done. PAGCOR shall not be liable and cannot be made to pay any amount in excess of the contract amount or charges incurred after the lapse of the contract period.

During this period, PAGCOR may terminate this Contract with or without cause, without incurring any liability whatsoever, and without need of judicial intervention, upon thirty (30) days written notice to the CONTRACTOR.

ARTICLE IV
WARRANTIES AND RESPONSIBILITIES

The CONTRACTOR hereby warrants and represents that:

1. It is an entity duly organized, validly existing and in good standing under the laws of the Republic of the Philippines, and it has the requisite power and authority to enter into and perform its obligations under this Contract.

SERVICE CONTRACT

Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for
Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11

2. It has secured all the necessary government licenses and permits to allow it to supply the service agreed upon and that it is free from any liability or adverse claims, of every nature and description that would prevent or hinder it from supplying the said services.
3. It has good title and/or full authority to supply the Services in this Contract, and that the Services is supplied free and clear of all liens, encumbrances, liabilities and adverse claims, of every nature and description.
4. There are no actions, suits or proceedings pending or, to the best of its knowledge, threatened, which may have a material adverse effect on its ability to fulfill its obligations under this Contract or on its operations, business, properties, assets or business condition.

ARTICLE V **CLAIMS AND DISPUTES**

All claims and disputes relating to or arising out of this Contract shall as much as possible, be settled amicably by the parties before resorting to any judicial action.

If the parties fail to settle their differences or disputes, the parties waiving for the purpose any other venue, hereby agree that the courts of the City of Manila shall be the exclusive venue of any action or suit between the parties to the exclusion of all other courts and venues. This exclusive venue provision shall also apply even in cases arising 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.

In the event that a dispute arises with respect to this Contract, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses, incurred in ascertaining such party's rights or in preparing to enforce, or in enforcing, such party's rights under this Contract, whether or not it was necessary for such party to institute suit.

ARTICLE VI **DAMAGES FOR DELAY**

Should the CONTRACTOR incur delay in the performance of its obligations, the CONTRACTOR shall pay a penalty of one-tenth of one percent (1/10 of 1%) of the total cost of the unperformed portion of the Contract for every day of delay, including Sundays and Holidays, beyond the specific period. 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 terminate the same, without prejudice to other courses of action and remedies available to it.

In case the CONTRACTOR still fails to perform the Services after the lapse of thirty (30) days from the supposed date of delivery/implementation as provided for in this Contract, PAGCOR shall have the option to terminate the same, without prejudice to other courses of action and remedies available to it.

ARTICLE VII
DEFAULTS

In the event that any of the parties fail to comply in good faith with their undertakings, as set forth in this Contract, within the periods provided herein, the non-defaulting party shall be released from its obligations hereunder, without prejudice to the rights of restitution, recovery and damages.

In the event of breach by either party, the parties agree to amicably settle the same under the provisions of Article VI hereof, prior to judicial action.

In the event settlement cannot be made, the parties shall abide by the provisions of law with respect to default.

ARTICLE VIII
INDEMNIFICATION

The CONTRACTOR hereby holds PAGCOR, its guests, corporate affiliates, and any of its director, officer, employee or agent free and harmless from any and all actions or liabilities arising out of this Service Contract, including, without being limited to, claims for unpaid and back wages, regularization, and other terms and conditions of employment, as well as civil and criminal liabilities that the CONTRACTOR and/or PAGCOR may incur as a result of, or arising out of, the conduct and/or pursuit of Services and to indemnify PAGCOR from and against the costs of defending any action, suit or proceedings, including legal fees or other expenses incurred in relation to any such claims mentioned above.

The CONTRACTOR and its personnel shall be jointly and severally liable and shall indemnify and hold PAGCOR free and harmless for any death, injury or damage to PAGCOR and to third person, loss, breakage, or destruction of properties, as a consequence of the CONTRACTOR/s acts or omissions, willful intent or negligence, during the performance of the Services or its obligation under this Service Contract.

The CONTRACTOR shall be liable in case of theft, robbery or any loss to PAGCOR as a result of the Services provided by the CONTRACTOR. The CONTRACTOR hereby agrees to replace, repair or restitute any loss involving its Services.

ARTICLE IX
CONFIDENTIALITY

All information disclosed to the CONTRACTOR, its directors, officers, employees, or any other person acting on the CONTRACTOR's behalf, arising out of or as a result of this Service Contract shall be confidential in nature and shall remain PAGCOR property and shall be used only for the purposes specifically related to this Service Contract. The CONTRACTOR will not, at any time, disclose such confidential information to any third party without PAGCOR's prior written consent.

In the event that the CONTRACTOR, its directors, officers, employees, security guards, agents, or any other person acting on the CONTRACTOR's behalf, is required by law to disclose any information known to the CONTRACTOR as a result of this Service Contract, the CONTRACTOR will provide PAGCOR with prompt prior written

SERVICE CONTRACT

Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for
Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11

Page 5 of 9


ERLANIE E. CRUZ

notice of such requirement so that PAGCOR may seek an appropriate protective order/measure. In the event that PAGCOR fails to secure the appropriate order/measure, the CONTRACTOR shall disclose only that portion of the Confidential Information it is legally compelled to disclose.

The CONTRACTOR acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Confidentiality Clause by the CONTRACTOR, its directors, officers, employees, agents, or any other person acting on the CONTRACTOR's behalf, and that PAGCOR shall be entitled to specific performance, including injunctive relief, as a remedy for any breach. Such remedy shall not be deemed to be the exclusive remedy for breach of this Confidentiality Clause but shall be in addition to all other remedies available at law or equity. The CONTRACTOR agrees to reimburse PAGCOR for all costs and expenses (including without limitations attorney's fees) incurred by PAGCOR in connection with the enforcement of this Confidentiality Clause.

ARTICLE X **TAXES AND LICENSES**

All amounts, claims, and expenses pertaining to licenses, permits, registrations or renewals thereof, required by the appropriate government entities for the service performed under this Contract shall be for the exclusive account of the CONTRACTOR.

The CONTRACTOR shall pay taxes in full and on time, failure to do so will entitle PAGCOR to suspend payment for any goods delivered or services rendered by the CONTRACTOR.

ARTICLE XI **NO EMPLOYER-EMPLOYEE RELATIONSHIP**

There shall be no employer-employee relationship between PAGCOR and the employees of the CONTRACTOR. The CONTRACTOR shall have the entire charge, control, and supervision of its employees. It shall be responsible for all acts and omissions of its employees and of all persons allowed by it to have access to PAGCOR's premises for any damage which may be caused to persons or property while remaining either casually or in business in any part of PAGCOR's premises. Any damage, accident, injury or sickness of any kind, or death that may occur to any employee of the CONTRACTOR during the time and consequent to the performance of the Services under this Contract shall be the CONTRACTOR's sole responsibility.

The CONTRACTOR further binds itself to hold PAGCOR free and harmless from any claim on account of the aforementioned injury or damage.

ARTICLE XII **MISCELLANEOUS**

1. In the event that facts and circumstances arise or are discovered which render this Contract disadvantageous to the Government, the parties agree to immediately renegotiate its terms and conditions, or at the option of PAGCOR, terminate the same.

SERVICE CONTRACT

Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for
Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11

Page 6 of 9




ERLANIE E. CRUZ

2. No terms or conditions of this Contract shall be waived and no breach or default excused unless such waiver or excuse shall be in writing and signed by the party affected.
3. This Contract, and the interests herein, may not be assigned or subcontracted to another without prior consent of the other party.
4. Any and all notices to be given pursuant to, or under this Contract, shall be sent to the party to whom the notice is addressed at the address of the party indicated in this Contract.
5. If any provision hereof is prohibited or made unenforceable under any applicable law or by a competent court or authority, the same shall not affect any other provision of this Contract, which are otherwise valid and enforceable.
6. Any right or remedy conferred by this Contract upon the parties shall not be exclusive of any other right or remedy of each party, whether under this Contract or provided or permitted at law or in equity, but each right or remedy shall be cumulative of every other right or remedy available to it.
7. This Contract constitutes the entire agreement 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.

IN WITNESS WHEREOF, the parties hereto have signed these presents on this _____ day of _____, 2016 at the City of Manila, Philippines.

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

Represented by:


ANDREA D. DOMINGO
Chairman and Chief Executive Officer

TIN: 118-684-814

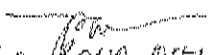
**WIDE WIDE WORLD EXPRESS
CORPORATION**
TIN: 000-160-088-000

Represented by:


CHYNLY MAY N. ZAMBRONA
Account Executive

TIN: 245-868-671

Signed in the presence of:


RODRIGO ROMO BEELLA P.


CRISELDA D. RAMOS

SERVICE CONTRACT

Negotiated Procurement (Emergency Cases) of Courier Services – Delivery of Documents for
Human Resource and Development Department (HRDD) under ITB No. NPEC16-003COR-11

ACKNOWLEDGMENT

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


BEFORE ME, a Notary Public for and in the City of Manila, on this JAN 24 2017, 2016, personally appeared the following with his Government ID Number:

<u>NAME</u>	<u>Government ID No.</u>
<u>ANDREA D. DOMINGO</u>	Philippine Passport No. EC0241404 Issuance Date: February 07, 2014 Place of Issuance: DFA-Manila Expiry Date: February 06, 2019

known to me to be the same person who executed the foregoing Service Contract consisting of nine (9) pages, and who acknowledged to me that the same is her own free and voluntary act and deed, as well as the free and voluntary act and deed of the entity she is duly authorized to represent.

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

Doc. No. 518
Page No. 105
Book No. XV
Series of 2016 7


GERARDO P.G. NOBLEJAS
 NOTARY PUBLIC
 IN AND FOR THE CITY OF MANILA
 8TH FLR, NEW WORLD MANILA BAY HOTEL & CASINO
 M.H. DEL PILAR ST. MALATE, MANILA
 COMM. NO. 2016 - 139, UNTIL DEC.31, 2017
 ROLL NO. 504 10/15P LIFETIME NO. 06837
 NCLE COMPLIANCE NO. V-3010130
 RSM CHAPTER
 PTR NO. 4808235/JAN.8,2016/MANILA

67



ERLANIE E. CRUZ



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF ~~MANILA~~ **PARANAQUE**) S. S.

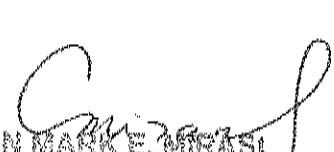
BEFORE ME, a Notary Public for and in the City of ~~Manila~~ **PARANAQUE**, on this _____, 2016, personally appeared the following with his respective Government ID Number:

<u>NAME</u>	<u>Government ID No.</u>
<u>CHYNLY MAY N. ZAMBRONA</u>	VOTER'S ID : VIN - 6812-0092A-F0686CNZ2001 Issuance Date: _____ Place of Issuance: _____ Expiry Date: _____

known to me to be the same person who executed the foregoing Service Contract consisting of nine (9) pages, and who acknowledged to me that the same is her own free and voluntary act and deed, as well as the free and voluntary act and deed of the entity she is duly authorized to represent.

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

Doc. No. 90
Page No. 14
Book No. 71
Series of 2016.


KEN MARK E. MIRASI
 Notary Public
 Until December 31, 2017
 Notarial Commission No. 228-2016
 No. 0508427; 1-6-2016; Paranaque City
 IBP No. 1017205; 1-4-2016; PPLM
 Roll No. 6147

AS



ERIHANIE E. CRUZ



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

SECRETARY'S CERTIFICATE

I, JOSELYTO M. BAUTISTA, of legal age, Filipino, with business address at the 22nd Floor, ACCRALAW Tower, Second Avenue corner 36th Street, Crescent Park West, Bonifacio Global City, 0399 Taguig, Metro Manila, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly elected and incumbent Assistant Corporate Secretary of WIDE WIDE WORLD EXPRESS CORPORATION (formerly known as DHL Philippines Corporation), a corporation organized and existing under the laws of the Philippines (the "Corporation"), with business address at the W Express Building, Pasco Drive, Sta. Nina, Pasig City.

2. At the special meeting of the Board of Directors of the Corporation held on 14 November 2016, the following resolutions were approved:

"RESOLVED, that the Corporation participate in the negotiated bidding for Procurement Courier Service (6 months) by the Philippine Amusement and Gaming Corporation Human Resource Development Department ("TAGCOR-HRDD") with an approved budget of Eighty One Thousand Pesos (PhP81,000.00) (the "Project")."

"RESOLVED, FURTHER, that the Corporation's Account Executive, Ms. Chynly May N. Zambrana, is hereby authorized, in and as the Corporation's authorized representative for the Project, to receive and deliver any and all documents for and on behalf of the Corporation, and such other instruments as may be necessary to implement the foregoing resolution, under such terms and conditions which he may consider proper and beneficial for the Corporation."

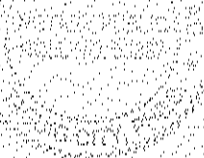
"RESOLVED, FINALLY, that in the event the Project is awarded to the Corporation, the Corporation's Executive Vice President - Chief Financial and Administrative Officer, Mr. Emelita L. Alcida, and its Chairman of the Board of Directors and President, Mr. Dawn J. Feliciano, is hereby authorized to sign execute and deliver, for and in behalf of the Corporation, any and all agreements and contracts necessary to implement the Project, under such terms as they may deem beneficial to the Corporation."

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of November 2016 at Taguig City.

JOSELYTO M. BAUTISTA
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 15th day of November 2016 at Taguig City, affiant who is personally known to me, exhibiting to me his Community Tax Certificate No. 05111017 issued on 10 February 2016 in Makati, JEP Card with Roll No. 48224 and SSC ID No. 33-2896948-0.

Doc. No. 827
Page No. 54
Book No. 11
Series of 2016



Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila
Notary Public for the City of Taguig, Metro Manila