

SERVICE CONTRACT

This SERVICE CONTRACT ("Contract") is entered into 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 World Manila Bay Hotel, M.H. Del Pilar cor. Pedro Gil Sts., Malate, Manila, represented by its Chairman and Chief Executive Officer, **ANDREA D. DOMINGO**, hereinafter referred to as "**PAGCOR**";

- and -

DREAMS ENTERTAINMENT STUDIO, a sole proprietorship duly registered under the laws of the Republic of the Philippines, with office address at 42 K-4th Street, Kamuning, Quezon City represented in this act by its General Manager/Owner, **FRANKLIN S. MAURICIO**, hereinafter referred to as the "**LINE PRODUCER**".

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

WITNESSETH: THAT -

WHEREAS, **PAGCOR** requires the **Procurement of Entertainment Services of Celebrity Artist/s for the Himig Pamasko 2018 – Ikalawang Salvo** under ITB No. **SS18-10-151COR** ("Services");

WHEREAS, considering that all the requisites were met, **PAGCOR**, resolved to enter into contract with the **LINE PRODUCER** pursuant to Section 53.6 (Negotiated Procurement-Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services) and Annex H of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184;

WHEREAS, **PAGCOR** has accepted the proposal of the **LINE PRODUCER**, 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 **LINE PRODUCER** hereby enter into a Contract under the following terms, conditions and stipulations:

ARTICLE I DESCRIPTION OF WORK

The **LINE PRODUCER** undertakes to provide the Services according to the following technical specifications:

Description		
Procurement of Entertainment Services of Celebrity Artist/s for the Himig Pamasko 2018 – Ikalawang Salvo		
Exclusivity of the Program: Himig Pamasko 2018 (Ikalawang Salvo)		
Performance Duration:		
1. Minimum of Sixty (60) minutes of very satisfactory performance based on the exclusivity of the program.		
2. Call time of artist/s at least three (3) hours before time of performance.		
PERFORMERS, DATE, TIME and VENUE/s OF PERFORMANCE/s:		
<u>DECEMBER 2018</u>		
1. Shows @ 8:00 pm		
BRANCH	DATE	NAME OF ARTIST
CF Manila Bay	December 3, 2018	Richard Yap
CF Iloilo	December 4, 2018	Kakai Bautista
Ronquillo Satellite	December 15, 2018	Kakai Bautista
CF Iloilo	December 18, 2018	Jonalyn Viray
2. Shows @9:00 pm		
BRANCH	DATE	NAME OF ARTIST
CF Davao	December 8, 2018	Jonalyn Viray
Malabon Satellite	December 8, 2018	Kakai Bautista
CF Tagaytay	December 14, 2018	Richard Yap
VENUES OF PERFORMANCES:		
<ul style="list-style-type: none"> • Casino Filipino Davao – Grand Regal Hotel Davao, Km 7, Lanang, Davao City • Casino Filipino Iloilo – Amigo Terrace Hotel and Mall, Iznart cor Delgado Sy Sts., Iloilo City • Casino Filipino Manila Bay – South Drive Road, T.M. Kalaw Extension, Ermita, Manila • Casino Filipino Tagaytay – E. Aguinaldo Highway, Tagaytay City • Malabon Satellite – MacArthur Highway, Malabon City • Ronquillo Satellite – Gold City Square, Ronquillo St., Sta. Cruz, Manila • Other venues as deemed necessary by PAGCOR from time to time. 		
OTHER CONDITIONS :		
The following shall be provided by the LINE PRODUCER during the show:		
a. Musical and Production Requirements		
- Musical arrangement, music materials (CD, iPods and other musical material required);		
b. Hotel, F&B, Transportation		
- Hotel and Transportation (Land and Airfare), if applicable;		
- Food and Beverage of the Performer		
c. Collaterals		
- Posters and Tarpaulins		
VENUE: PAGCOR shall provide a venue with basic technical equipment.		

ADDITIONAL TERMS:

1. The artists/entertainers, branch assignments and date of performances shall not be replaced by the **LINE PRODUCER** without express Written Consent from **PAGCOR**. However, **PAGCOR** may change/replace branch assignment and date as deem necessary.

If, for any cause, any or all of the artist/s/entertainer/s/performer/s shall become indisposed on the day of the show, the **LINE PRODUCER** shall promptly retain the services of back-up artist/s/entertainer/s/performer/s of the higher caliber, who shall perform in lieu of the original artist/s/entertainer/s/performer/s, subject to the approval of the **PAGCOR**.

If the show/event is prevented, rendered impossible or unfeasible by causes which are classified as fortuitous events, health condition, life threatening, force majeure, "acts of God," acts of war, civil disturbances, riots, strike, epidemic interruption or delay of transportation, mutiny, social unrest or regulations of any public authority/bureau or any cause beyond the control of both parties herein, then parties agree to conduct further negotiations for resetting or re-scheduling of the subject project;

The **LINE PRODUCER** shall inform **PAGCOR** beforehand of any cancellation or non-performance.

2. The winning **LINE PRODUCER** shall submit a Conforme Letter signed by the artist/s or artist's manager/booking agent stipulating therein the production budget and net amount of talent fee prior to processing of payment.

If the celebrity artist is represented by a booking agent/manager, a Special Power of Attorney (SPA) shall be executed by the artist/s that s/he properly authorizes the booking agent/manager to represent him/her for purposes of complying with **PAGCOR's** requirements.

The Conforme letter shall be submitted on or before processing of payment.

The SPA shall be submitted upon issuance of Notice of Award (NOA).

Check shall be made payable to **LINE PRODUCER**.

The **LINE PRODUCER** undertakes to deliver the Services in strict conformity with the agreed specifications. In the event the **LINE PRODUCER** fails to comply with prescribed requirement as described in the Contract, **PAGCOR** may implement necessary changes or adjustments in order to achieve the desired results.

ARTICLE II
NO EMPLOYER-EMPLOYEE RELATIONSHIP

There shall be no employer-employee relationship between **PAGCOR** and the **LINE PRODUCER** and its employees. The **LINE PRODUCER** shall have the entire charge, control and supervision of the performance of the services herein agreed upon. Any damage, accident, injury, or sickness of any kind, or death that may occur to any **LINE PRODUCER** or employee of the **LINE PRODUCER** during the time and

consequent to the performance of the Services under this Contract shall likewise be the **LINE PRODUCER** responsibility.

The **LINE PRODUCER** further binds himself to hold **PAGCOR** free and harmless from any claim on account of the aforementioned injury or damage.

ARTICLE III
CONTRACT TIME

This Contract shall commence on the date of receipt by the **LINE PRODUCER** of the Notice to Proceed.

The schedule for the performances shall be as follows:

PERFORMANCE DURATION:		
1. Minimum of Sixty (60) minutes of very satisfactory performance based on the exclusivity of the program.		
2. Call time of artist/s at least three (3) hours before time of performance.		
PERFORMERS, DATE, TIME and VENUE/s OF PERFORMANCE/s:		
<u>DECEMBER 2018</u>		
1. Shows @ 8:00 pm		
BRANCH	DATE	NAME OF ARTIST
CF Manila Bay	December 3, 2018	Richard Yap
CF Iloilo	December 4, 2018	Kakai Bautista
Ronquillo Satellite	December 15, 2018	Kakai Bautista
CF Iloilo	December 18, 2018	Jonalyn Viray
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CF Tagaytay	December 14, 2018	Richard Yap
VENUES OF PERFORMANCES:		
<ul style="list-style-type: none"> • Casino Filipino Davao – Grand Regal Hotel Davao, Km 7, Lanang, Davao City • Casino Filipino Iloilo – Amigo Terrace Hotel and Mall, Iznart cor Delgado Sy Sts., Iloilo City • Casino Filipino Manila Bay – South Drive Road, T.M. Kalaw Extension, Ermita, Manila • Casino Filipino Tagaytay – E. Aguinaldo Highway, Tagaytay City • Malabon Satellite – MacArthur Highway, Malabon City • Ronquillo Satellite – Gold City Square, Ronquillo St., Sta. Cruz, Manila • Other venues as deemed necessary by PAGCOR from time to time. 		

Within this period, **PAGCOR** may terminate this Contract with or without cause, without incurring any liability whatsoever, such as, but not limited to, the payment of any unpaid and unperformed Service(s), without need for judicial intervention, upon fifteen (15) days written notice to the **LINE PRODUCER**.

**ARTICLE IV
DAMAGES FOR DELAY**

The **LINE PRODUCER** shall complete/deliver the Services within the time prescribed in this Contract. Should the **LINE PRODUCER** incur delay in its performance, the **LINE PRODUCER** 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 each 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 rescind the contract, without prejudice to other courses of action and remedies open to it.

In case the **LINE PRODUCER** still fails to complete/deliver the Service/s after the lapse of fifteen (15) calendar days from the stipulated date of delivery, in addition to the penalties agreed upon, **PAGCOR** shall have the option to terminate the Contract.

**ARTICLE V
CONTRACT PRICE**

The Contract Price for the Services shall be in the total amount of **Three Million Pesos (PhP3,000,000.00)**, VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

Performer, Date and Venues of Performances			Talent Fee of Artist/s, Musical and/or Production Requirement, Food & Beverages, Transportation Expense and Hotel Accommodation (if applicable), per Date and Venue of Performance
<u>DECEMBER 2018</u>			
1. Shows @ 8:00 pm			
Venue	Date	Performer	Total Cost (VAT Exclusive, Zero-Rated Transaction)
CF Manila Bay	December 3, 2018	Richard Yap	Three Hundred Seventy Thousand Pesos (PhP370,000.00)
CF Iloilo	December 4, 2018	Kakai Bautista	Three Hundred Eighty Thousand Pesos (PhP380,000.00)
Ronquillo Satellite	December 15, 2018	Kakai Bautista	Three Hundred Twenty-Five Thousand Pesos (PhP325,000.00)
CF Iloilo	December 18, 2018	Jonalyn Viray	Six Hundred Ten Thousand Pesos (PhP610,000.00)
2. Shows @ 9:00 pm			
Venue	Date	Performer	Total Cost (VAT Exclusive, Zero-Rated Transaction)
CF Davao	December 8, 2018	Jonalyn Viray	Six Hundred Fifteen Thousand Pesos (PhP615,000.00)
Malabon Satellite	December 8, 2018	Kakai Bautista	Three Hundred Twenty Thousand Pesos (PhP320,000.00)

CF Tagaytay	December 14, 2018	Richard Yap	Three Hundred Eighty Thousand Pesos (PhP380,000.00)
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Both parties agree that the Contract Price stated herein includes all applicable taxes, fees licenses, permits and charges required by the Philippine Government. The **LINE PRODUCER** holds **PAGCOR** free from liability for any or all taxes, fees, licenses, permits and charges arising out of this Contract.

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

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

ARTICLE VI
SCHEDULE OF PAYMENT

The Contract Price is in the total amount of **Three Million Pesos (PhP3,000,000.00), VAT Exclusive, Zero-Rated Transaction**. The cost for each performance per artist shall be as follows:

<u>DECEMBER 2018</u>			
1. Shows @ 8:00 pm			
Venue	Date	Performer	Total Cost (VAT Exclusive, Zero-Rated Transaction)
CF Manila Bay	December 3, 2018	Richard Yap	Three Hundred Seventy Thousand Pesos (PhP370,000.00)
CF Iloilo	December 4, 2018	Kakai Bautista	Three Hundred Eighty Thousand Pesos (PhP380,000.00)
Ronquillo Satellite	December 15, 2018	Kakai Bautista	Three Hundred Twenty-Five Thousand Pesos (PhP325,000.00)
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CF Davao	December 8, 2018	Jonalyn Viray	Six Hundred Fifteen Thousand Pesos (PhP615,000.00)
Malabon Satellite	December 8, 2018	Kakai Bautista	Three Hundred Twenty Thousand Pesos (PhP320,000.00)
CF Tagaytay	December 14, 2018	Richard Yap	Three Hundred Eighty Thousand Pesos (PhP380,000.00)

Payment shall be made after the delivery and acceptance of the services according to the schedule stated in this Contract.

For purposes of this Contract, payment shall be made upon the completion of shows pursuant to the schedule in the Article V of this contract and the issuance of the Certificate of Acceptance by the end-user, Entertainment Department.

ARTICLE VII WARRANTIES AND RESPONSIBILITIES

The **LINE PRODUCER** hereby warrants that:

1. There are no actions, suits or proceedings pending or, to the best of its knowledge, threatened, which may have any adverse material effects on its ability to fulfill its obligations under this Contract or on its operations, business, properties, assets or business condition.
2. The **LINE PRODUCER** further warrants that it is fully authorized to render the Services and has secured all the necessary government licenses and permits to allow it to render the Services 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 rendering the said Services.
3. The **LINE PRODUCER** shall fully defend, protect, indemnify, and shall hold **PAGCOR** harmless from any and all adverse claims that may be made by any party by reason of the Contract.

ARTICLE VIII INTELLECTUAL PROPERTY

All new materials, compilations, data and information produced hereunder, from the inception of the Contract until its final completion, including all other reproductions made there from, together with the performances embodied therein and all copyrights therein and thereto, and all renewals and extensions thereof shall entirely be the property of **PAGCOR**, free from any claims whatsoever by the **LINE PRODUCER**, its employees or any other person.

The **LINE PRODUCER** shall be responsible for securing the necessary licenses, permits or authorization from the owners of the copyright of the songs or pieces to be performed in accordance with the relevant and applicable statutes as well as provisions of other laws, ordinances and decrees and hereby holds **PAGCOR** free and harmless from whatever liability or damage suits that may be filed against the latter for violation of said laws and ordinances as well as suits or claims by third parties.

ARTICLE IX CLAIMS AND DISPUTES

All claims and disputes relating to or arising out of this Contract shall 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 or all actions or suits between the parties, to the

exclusion of all other courts and venues. This exclusive venue provision shall apply even in cases for the 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.

ARTICLE X INDEMNIFICATION

The **LINE PRODUCER** shall indemnify and shall hold **PAGCOR**, its directors, employees, guests, agents corporate affiliates free and harmless against any and all liability to third parties arising from this Service Contract including (but not limited to) the violation of any third party's trade secret, proprietary information, trademark, copyright or patent rights in connection with the use of **PAGCOR** of the **LINE PRODUCER** services.

The **LINE PRODUCER** shall be liable to **PAGCOR**, for any damage to property or injury or death of persons occasioned by the Services rendered by the **LINE PRODUCER** under this Contract, or by reason of the gross neglect or willful misconduct of **LINE PRODUCER**, or any of its agents or employees.

The **LINE PRODUCER** assumes all liability due to its fault or negligence, in connection with this Contract, including theft and disappearance, or any damage or injury to goods, wares or merchandise or property of any kind of **PAGCOR**.

ARTICLE XI CONFIDENTIALITY/NON-DISCLOSURE

All Information disclosed to the **LINE PRODUCER** arising out of or as a result of this Contract shall be confidential in nature. The **LINE PRODUCER** shall be solidarily liable to **PAGCOR** for unauthorized disclosures made by its artist(s)/entertainer(s)/performer(s), officers, employees, agents and other persons acting on the **LINE PRODUCER** behalf.

The obligations stated in this Confidentiality Clause shall also apply to confidential information negligently, unintentionally or inadvertently disclosed by **PAGCOR** (its officers, employees, agents, and any other persons acting on its behalf) and to disclosures made by a **PAGCOR** officer, employee, agent, and other persons ordinarily acting on its behalf, in breach of his/her obligation or duty to **PAGCOR**.

ARTICLE XII MISCELLANEOUS PROVISIONS

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 waived and no breach or default excused unless such waiver or excuse shall be in writing and signed by the party affected.

This Contract, and the interests therein, may not be assigned or sub-contracted to another without prior consent of the other party.

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.

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.

The relationship between the parties shall be limited to the performance of the terms and conditions of the Contract. Nothing in this Contract shall be construed to create a general partnership between the parties, or to authorize any party to bind the other except as set forth in this Contract, 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.

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.

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.

This Contract may be executed in any number of counterparts, each of which when so executed and delivered shall be considered as an original and all together shall constitute one Contract.

IN WITNESS WHEREOF, the parties hereto have signed these presents on this ____ day of _____, 2018 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: 118-684-814-000

DREAMS ENTERTAINMENT STUDIO
TIN: 174-695-786-001


FRANKLIN S. MAURICIO
General Manager/Owner
TIN: 174-695-786-000

Signed in the presence of:


MARINELA M. PUNZALAN
Senior Procurement Officer


SHEILA A. MAURICIO

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, on this
NOV 29 2018 day of NOV 29 2018, 2018, personally appeared:

NAME

GOVERNMENT ID NO.

ANDREA D. DOMINGO

PASSPORT NO. ECO241404

Issue Date: February 07, 2014

Place of Issue: DFA-Manila

Validity Period: February 6, 2019

known to me to be the same person who executed the foregoing Service Contract consisting of eleven (11) pages including this page, 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 represents, she being duly authorized for this purpose.

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

Doc. No.: 447
Page No.: 01
Book No.: 2
Series of 2018

ACT
ANGELO CARLO T. TALATALA
NOTARY PUBLIC
IN AND FOR THE CITY OF MANILA
6TH FLR, NEW WORLD MANILA BAY HOTEL & CASINO
M.H. DEL PILAR ST. MALATE, MANILA
COMM.NO. 2018 -- 058 / UNTIL DEC.31, 2019
ROLL NO. 68386 /BP CHAPTER MANILA IV
MCLE COMPLIANCE N/A (Admitted 2017)
MANILA IV - CHAPTER
PTR NO.7003428/JAN.05, 2018/MANILA

hms

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[Signature]
GERALD V. CAYETANO

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ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, on this
20 NOV 2018 day of 2018, personally appeared:

NAME

GOVERNMENT ID NO.

FRANKLIN S. MAURICIO

PASSPORT NO. : P9315291A
Issue Date: OCTOBER 26, 2018
Place of Issue: DFA MANILA
Validity Period: OCTOBER 25, 2028

known to me to be the same person who executed the foregoing Service Contract consisting of eleven (11) 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 free and voluntary act and deed of the entity he represents, he being duly authorized for this purpose.

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

Doc. No.: 477
Page No.: 92
Book No.: XLV
Series of 2018

JOSEE PANER
NOTARY PUBLIC COMMISSION NO 2019.047
UNTIL 12-31-19 / MANILA
UNIT AUT. TMR 2, TAFT AVE. MALATE, MANILA
ROLL NO. 100318P LIFETIME NO. 0-00
PTR NO. 7002757 1-03-18 - M
MCLE COMPLIANCE NO. V-0002349 S/O 2014

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[Handwritten signature]
GERALD V. CAYETANO