

CONSULTANCY CONTRACT

This CONSULTANCY CONTRACT is made and executed by and between:

PHILIPPINE AMUSEMENT AND GAMING CORPORATION, a government owned and controlled corporation organized and existing pursuant to *Presidential Decree No. 1869*, as amended, with office address at PAGCOR House, 1330 Roxas Blvd., Ermita, Manila, represented in this contract by its President and Chief Operating Officer, **JORGE V. SARMIENTO**, hereinafter referred to as **PAGCOR**,

- and -

COL. JOSEFINA OLASO-REYES, Filipino, of legal age, and a resident of 35 San Isidro, Barangay Kapitolyo, Pasig City 1603 Manila, hereinafter referred to as **CONSULTANT**.

RECITALS:

WHEREAS, PAGCOR has a requirement for technical and professional expertise that are beyond the capability and/or capacity of PAGCOR to undertake;

WHEREAS, PAGCOR, as approved by its President and Chief Operating Officer on March 8, 2013, has resorted to Negotiated Procurement for the hiring of the services of a highly technical consultant for the Human Resource and Development Department (HRDD), whose scope of work is highly technical, primarily confidential, and policy determining, and where trust and confidence are the primary consideration for the hiring of the consultant, pursuant to *Section 53.7 of the Revised Implementing Rules and Regulations of Republic Act No. 9184 (Government Procurement Reform Act)*;

WHEREAS, the CONSULTANT has the technical and professional expertise required by PAGCOR;

WHEREAS, the CONSULTANT has offered her services and expertise to PAGCOR;

WHEREAS, PAGCOR has accepted the offer of the CONSULTANT after finding the same to be in order, valid, and responsive;

NOW, THEREFORE, for and in consideration of the foregoing premises, PAGCOR hereby engages the services of the CONSULTANT, under the following terms and conditions:

1. This Consultancy Contract shall be for a period of six (6) months commencing on the effectivity date provided in the Notice to Proceed, renewable at the option of PAGCOR, in accordance with law.

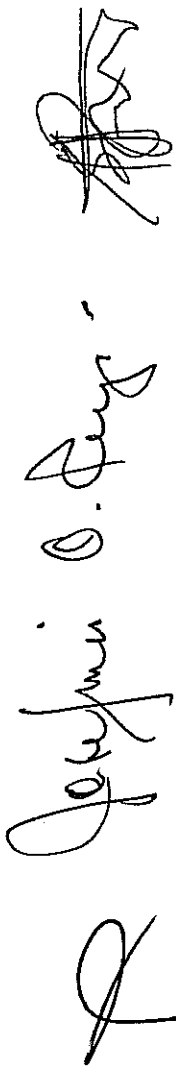
There shall be no employer-employee relationship between PAGCOR and the CONSULTANT. Nothing in this Consultancy Contract shall be construed to create a partnership, joint venture or agency relationship between the parties.


PAGCOR may unilaterally and immediately terminate this Consultancy Contract at anytime and for any cause by serving a written notice of termination to the CONSULTANT.

2. The CONSULTANT shall receive a consultancy fee of **Eighty Thousand Pesos & (PhP 80,000.00) net of taxes per month**, or a total of **Four Hundred Eighty Thousand Pesos & (PhP 480,000.00), net of taxes** for a period of six (6) months.
3. The CONSULTANT shall report directly to the **Officer-In-Charge of the Human Resource and Development Department (HRDD)** for her duties, responsibilities, work assignments, and such other duties, responsibilities and work assignments that PAGCOR may require from the CONSULTANT, which shall include, but not limited to:

| RESPONSIBILITIES | PARTICIPATION | DELIVERABLES |
|--|--|---|
| 1. Develop a conceptual framework for a continuing service culture strategy | <p>Collect and assess information on the existing customer service initiatives, program and future plans through consultative meetings, organization-wide</p> <p>Review existing training programs for service providers and leaders (Managers/Supervisors)</p> <p>Conduct corporate training needs analysis</p> | <p>Submit a report and recommendation on the following:</p> <ul style="list-style-type: none"> • Service culture framework and implementation plan • Multi-level strategic plan on training and development of service providers and leaders with short-term and long-term goals • Other training related activities and interventions as may be found necessary to reinforce the service culture. • Monitoring and evaluation mechanism to sustain service culture <p>Orientation of department/branch representatives on conduct and analysis of training needs</p> |
| RESPONSIBILITIES | PARTICIPATION | DELIVERABLES |
| 2. Develop and conduct relevant customer service training programs for service leaders | <p>Identify priorities – program/participants</p> <p>Formulate cost effective strategies to implement and monitor training</p> | <p>Presentation of proposed programs and criteria for the selection of participants to Dept/Branch Heads</p> <p>Recommendation to</p> |

Josephine O. Reyes





 Jeffrey C. Sings

| | | |
|---|---|--|
| | <p>programs</p> <p>Explore other management programs and training interventions compatible with and relevant to Good Customer Service</p> <p>Develop at least two customer service programs for Service Leaders – Managers/Supervisors</p> | <p>management of the proposed programs to include implementation plan, guidelines to training participation and post training evaluation/monitoring, etc.</p> <p>Conduct 2 batches each of the proposed program</p> <p>Annual Training Calendar</p> |
| <p>3. Strengthen the existing structure, identity, capabilities of PAGCOR's Trainers pool and Quality Service Teams (QST)</p> | <p>Review of relevant policies, processes for Trainer accreditation, etc.</p> <p>Competency Profiling of Trainers and Instructors, present and future</p> <p>Conduct training needs analysis</p> <p>Assist Trainers in the development of customer service booster programs</p> <p>Develop motivational plans and programs for Trainers/Instructors and QST</p> | <p>Position paper on 'An Inter-Branch Training Collaboration Conceptual Scheme ' for Board Approval</p> <p>Conduct of 2 batches of Train the Trainers program for new Trainers</p> <p>Conduct of 2 batches of Re-orientation Program for BTC/s</p> <p>Conduct of Mini-TQM Sessions</p> <p>Review customer service booster programs developed by Trainers</p> |
| <p>4. Formulation of awards/ recognition and incentive plans for training related activities</p> | <p>Review existing policies on rewards/ recognition and incentive plan</p> <p>Research and benchmarking with other corporation</p> | <p>Proposal for award and incentive plan for training and training related activities</p> |
| <p>5. Assist in the review of implementation and monitoring of developmental programs , training policies and procedures</p> | <p>Review existing training process, procedures, measurement and evaluation of training program effectiveness , etc</p> | <p>Recommendation on cost effective strategies to implement and monitor developmental programs, improve training policies, procedures, etc.</p> <p>Conduct sessions on work improvement and personnel development of TDU.</p> |

4. PAGCOR may, by written notice of suspension to the CONSULTANT, suspend all payments to the CONSULTANT if the CONSULTANT fails to perform any of her obligations due to the CONSULTANT's own fault or when it is due to *force majeure* or other circumstances beyond the control of either party.

In addition, when the CONSULTANT fails to satisfactorily complete her duties, responsibilities, work assignments, due to the CONSULTANT's own fault as determined by PAGCOR, within the specified period, inclusive of duly granted time extensions, if any, the CONSULTANT shall be liable for damages for the delay. Consequently, the CONSULTANT shall pay PAGCOR liquidated damages in an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the CONSULTANT's monthly consultancy fee for every day of delay. In no case shall the sum of liquidated damages reach ten percent (10%) of the total consultancy fee. If it does, the contract shall automatically be rescinded, without prejudice to PAGCOR's other courses of action and remedies. In addition to the liquidated damages, the CONSULTANT's performance security shall also be forfeited.

5. To guarantee the faithful performance of the CONSULTANT of all of his obligations under this Consultancy Contract, PAGCOR shall deduct from the consultancy fee of the CONSULTANT the amount of **Four Thousand Pesos (PhP 4,000.00)¹ per month** as Performance Security, which shall not exceed the total amount of **Twenty Four Thousand Pesos (PhP 24,000.00)**.

The Performance Security shall be retained by PAGCOR, without interest, during the pendency of this Consultancy Contract and any extension thereof. The Performance Security shall only be released after the termination of this Consultancy Contract and the issuance by PAGCOR of the final Certificate of Acceptance and after deducting any and all claims that PAGCOR may have against the CONSULTANT.

The CONSULTANT shall post an additional performance security following the schedule above to cover any cumulative increase of more than ten percent (10%) over the original value of the consultancy contract.

6. All ideas, plans, and materials prepared by the CONSULTANT are "works-made-for-hire" and shall be the sole and exclusive property of PAGCOR. The CONSULTANT hereby assigns all right, title and interest to said "works-made-for-hire" to PAGCOR. It is specifically understood and agreed that the CONSULTANT shall retain no ownership rights whatsoever in or to said "works-made-for-hire".



The CONSULTANT warrants and represents that the said "works-made-for-hire" she will furnish hereunder will be original, or duly licensed, and no part of the same will infringe upon or violate the rights of any person or entity, including without limitation, any copyrights, trademarks or rights of privacy or publicity. For this purpose, the CONSULTANT shall hold PAGCOR free and harmless from any claim, liability and against any cost for defending any action, suit or proceedings, including legal fees or other expenses, relating to any infringement or violation of the rights of any person or entity, including without

¹ The total amount of the Performance Security shall be equal to five percent (5%) of the total amount of the consultancy fee for six (6) months. The monthly deduction shall be equal to total amount of the Performance Security divided by six (6).

limitation, any copyrights, trademarks or rights of privacy or publicity relative to the said "works-made-for-hire".


7. The CONSULTANT hereby acknowledges and agrees that all information that she will acquire from PAGCOR, its directors, officers, employees licensees, contractors, patrons, clients, partners, and agents, in connection with her consultancy services or in the course of the performance of such services for PAGCOR shall be considered and shall be treated as Confidential Information and shall be used only for purposes specifically related to her consultancy and shall not be used for any other purpose. The CONSULTANT shall not, at any time disclose such Confidential Information to any third party without PAGCOR's prior written consent.
8. During the period of this Consultancy Contract and one (1) year thereafter, the CONSULTANT shall not be employed or engaged as an independent contractor, joint venture partner, collaborator, agent, director, shareholder, or employee, or in any other capacity or manner whatsoever, whether for profit or otherwise, by any individual, entity or corporation, engaged in a similar business as PAGCOR.
9. The CONSULTANT, her spouse and dependents, shall be prohibited from playing in any PAGCOR event and/or casinos and/or any PAGCOR franchised/licensed event and/or establishment.
10. The Parties agree that they would first meet, confer and sit down together for the purpose of exploring all avenues and/or possibilities of amicably settling whatever differences, disputes and/or controversies that may arise in connection with any of the terms and conditions of this Consultancy Contract before resorting to any legal action.

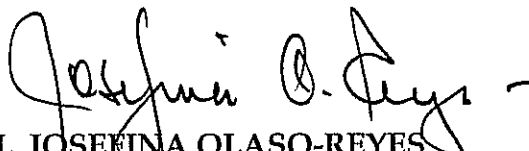
If the parties fail to amicably settle their differences, disputes, and/or controversies, the parties, waiving for this purpose any other venue, hereby agree that the courts of the City of Manila shall be the exclusive venue of any and all of her actions or suits against PAGCOR, to the exclusion of all other courts and venues. This exclusive venue provision shall apply even in cases arising for declaration of nullity of this Consultancy 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 WITNESS WHEREOF, the parties hereto set their hands this ___ day of ___ 2013 in the City of Manila, Philippines.

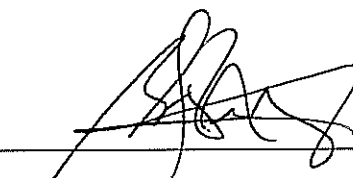
**PHILIPPINE AMUSEMENT AND
GAMING CORPORATION**
TIN 000-887-972


JORGE V. SARMIENTO
President and Chief Operating Officer
TIN: 122-841-833


COL. JOSEFINA OLASO-REYES
Consultant
TIN: 102-020-953-000

SIGNED IN THE PRESENCE OF:


NORBERTO L. OBIAS



ACKNOWLEDGMENT

BEFORE ME, this JUN 03 2013 day of _____ in CITY OF MANILA, personally appeared the following persons, each of whom exhibited his/her competent evidence of identity, to wit:

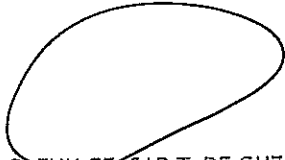
| Name | Govt. ID Presented | Valid Until |
|--------------------|------------------------|------------------|
| Jorge V. Sarmiento | Passport No. EB1763201 | January 19, 2016 |

and presented to me an integrally complete document/instrument for acknowledgement. He represented and declared to me that he voluntarily affixed the signature appearing on the instrument/document for the purposes stated therein and that he executed the the instrument/document as his free and voluntary act and deed (and if he acted in representative capacity, he has the authority to sign that capacity).

The instrument/document referred to is a Consultancy Contract consisting of eight (8) pages including the page on which this Acknowledgement is written duly signed by the parties and their instrumental witnesses on each and every page hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal on the date and place first above written.

Doc. No. 447
Page No. 91
Book No. I
Series of 2013.


ATTY. GLENN CEASAR T. DE GUZMAN, JR.
NOTARY PUBLIC
6TH FLR. HYATT HOTEL & CASINO
M.H. DEL PILAR ST., MAKATE, MANILA
APPT. NO. 2013-025, UNTIL DEC. 31, 2014
ROLL NO. 55385, IBP LIFETIME NO. 08437
RSM CHAPTER
PTR NO. 1404911/01-08-13/MANILA



ACKNOWLEDGMENT

BEFORE ME, this 21 day of MAY 2013 in QUEZON CITY, personally appeared the following persons, each of whom exhibited his/her competent evidence of identity, to wit:


| Name | Govt. ID Presented | Valid Until |
|----------------------|------------------------|------------------|
| Josefina Olaso-Reyes | Passport No. XX2790207 | January 12, 2014 |

and presented to me an integrally complete document/instrument for acknowledgement. She represented and declared to me that she voluntarily affixed the signature appearing on the instrument/document for the purposes stated therein and that they executed the the instrument/document as her free and voluntary act and deed (and if she acted in representative capacity, she has the authority to sign that capacity).

The instrument/document referred to is a Consultancy Contract consisting of eight (8) pages including the page on which this Acknowledgement is written duly signed by the parties and their instrumental witnesses on each and every page hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal on the date and place first above written.

Doc. No. 325
Page No. 15
Book No. IX
Series of 2013.


ATTY. MACARIUS S. GALUTERA
NOTARY PUBLIC
UNTIL DECEMBER 2013
PTR NO. 3185582 1-21-13-PASAY CITY
IBP NO. 920328 1-30-13-RIZAL
ROLL NO. 32252

Idang

