

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 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 -

ALFONSO S. RAQUEL, JR., Filipino, of legal age and a resident of #1241 Guadalupe Condominium, J. P. Rizal St., Makati City, 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, has resorted to Negotiated Procurement for the hiring of the services of a Highly Technical Consultant who will be hired to do work that is (i) highly technical or proprietary; and/or (ii) primarily confidential or determining, where trust and confidence are the primary consideration for the hiring of 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 his 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;

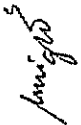
 **NOW, THEREFORE**, for and in consideration of the foregoing premises, PAGCOR hereby engages the services of the CONSULTANT, under the following terms and conditions:

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.

Page 1 of 6

Hiring of an Individual Consultant for CCD under ITB No. 04-03-2013
Consultancy Contract of Mr. Alfonso S. Raquel, Jr.



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 **Thirty Three Thousand Three Hundred Thirty Three Pesos and 33/100, (PhP33,333.33)** per month, or a total of **One Hundred Ninety-Nine Thousand Nine Hundred Ninety-Nine Pesos and 98/100 (PhP199,999.98)** for a period of six (6) months, subject to withholding taxes.
3. The CONSULTANT shall report directly to the **Assistant Vice President of Corporate Communications Department (CCD)** for his 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:
 - a.) Help communicate positive information about PAGCOR's accomplishments as well as updates on nation-building programs and Corporate Social Responsibility projects of PAGCOR;
 - b.) Serve as a conduit to opinion columnists, TV and radio anchors to help ventilate issue favorable to PAGCOR;
 - c.) Assist in getting exposure in print, radio, TV for PAGCOR entertainment requirements;
 - d.) Help clarify/shed light on issues affecting PAGCOR that may come out in media;
 - e.) Help defend PAGCOR from groups who are attempting to spread disinformation campaign against the corporation and its incumbent officials; and
 - f.) Provide counsel to PAGCOR on issues within his/her areas of expertise, i.e. media and public relations.
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 his obligations due to the CONSULTANT's own fault or due to *force majeure* or other circumstances beyond the control of either party.

In addition, when the CONSULTANT fails to satisfactorily complete his 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.

Handwritten initials and signatures:
A small mark resembling "OR" at the top left.
A large stylized signature, possibly "R", in the middle left.
A signature that appears to be "Alfonso S. Raquel" written vertically on the bottom left.

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 **One Thousand Six Hundred Sixty-Six Pesos and 66/100, (P1,666.66)¹ per month** as Performance Security, which shall not exceed the total amount of **Nine Thousand Nine Hundred Ninety-Nine Pesos and 99/100, (P9,999.99)**.

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 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 his 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 his 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

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).

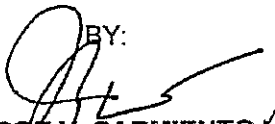
in any other capacity or manner whatsoever, whether for profit or otherwise, by any individual, entity or corporation, engaged in a similar business as PAGCOR.

9. The CONSULTANT, his 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 his 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 _____, Philippines.

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

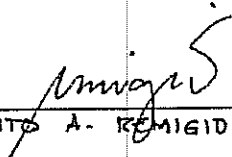
BY:

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


ALFONSO S. RAQUEL, JR.
Consultant
TIN: 102-872-775-000

SIGNED IN THE PRESENCE OF:



NORBERTO L. OBIAS



CHARITO A. REMIGIO

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:

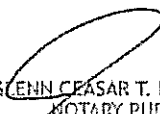
Name	Govt. ID Presented	Valid Until
Jorge V. Sarmiento	Passport No. EB1763201	January 19, 2016

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 six (6) 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. 442
Page No. 90
Book No. I
Series of 2013.


ATTY. GLENN CESAR T. DE GUZMAN, JR.
NOTARY PUBLIC
6TH FLR. HYATT HOTEL & CASINO
M.H. DEL PILAR ST., MALATE, MANILA
APPT. NO. 2013-025, UNTIL DEC. 31, 2014
ROLL NO. 55105, ISP LIFETIME NO. 08437
RSM CHAPTER
PTR NO. 1404911/01-08-13/MANILA

Handwritten signatures and initials:
A
R
[Signature]
[Signature]
[Signature]



ACKNOWLEDGMENT

BEFORE ME, this 15 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
ALFONSO S. RAQUEL, JR.	SSS Digitized I.D. 03-7706700-6

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 his 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 six (6) 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. 264
Page No. 54
Book No. 1
Series of 2013.


EDWARD ALLAN P. LIM
Notary Public for Quezon City
Until December 31, 2014
Commission No. NF-185
EDSA cor. Timog Ave., Diliman, QC
PTR No. 7652777 - Jan 14, 2013 - QC
IBP No. 342911 - Jan 10, 2013 - QC
Roll No. 65745