

## 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 President and Chief Operating Officer, **EUGENE D. MANALASTAS.**, hereinafter referred to as "**PAGCOR**";

- and -

**FIVE 2 SEVEN ENTERTAINMENT PRODUCTION**, a sole proprietor registered with the Department of Trade and Industry (DTI) with DTI Certificate No. 03505984 and principal office address at PH20 Sorrel, 3950 Sociogo Street, Sampaloc, Manila, represented by its Proprietor, **GIUSEPPE BEDE M. SAMPEDRO** hereinafter referred to as the "**CONTRACTOR**", a copy of Special Power of Attorney is hereto attached as Annex "A".

Collectively referred to as the "Parties"

### WITNESSETH: THAT -

**WHEREAS**, PAGCOR requires the Procurement of Entertainment for the Monthly Variety Shows (April, May and June 2016) under ITB No.DC16-003 ("Services");

**WHEREAS**, considering that all the requisites were met, PAGCOR, resolved to directly contract with the CONTRACTOR pursuant to Section 50 of the Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184;

**WHEREAS**, the CONTRACTOR has submitted the Single Calculated Responsive Quotation to undertake the supply and delivery of said Services;

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

**ARTICLE I**  
**DESCRIPTION OF WORK**

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

**Project: Procurement of Entertainment for the Monthly Variety Shows (April, May and June 2016)**

**Performance Duration:**

Minimum of sixty (60) minutes of very satisfactory performance based on the Exclusivity of the Program

**Performers , Date and Venue of Performance:**

**April 2016**

April 08, 2016 Mimosa Satellite– Christian Bautista  
April 08, 2016 Ronquillo Satellite - Dessa  
April 09, 2016 Casino Filipino-Cebu - Basil Valdez  
April 13, 2016 Crown Regency Sat. - Edgar Allan Guzman  
April 15, 2016 Malabon Satellite - Morisette Amon  
April 20, 2016 Casino Filipino-Angeles – Allan K  
April 22, 2016 Casino Filipino-Davao - Edgar Allan Guzman  
April 27, 2016 Casino Filipino-Pavilion- Basil Valdez

**May 2016**

May 13, 2016 Mimosa Satellite– Allan K  
May 13, 2016 Casino Filipino-Cebu – Randy Santiago & Dessa  
May 14, 2016 Casino Filipino- Pavilion – One Intestine  
May 14, 2016 Ronquillo Satellite – Lloyd Umali  
May 18, 2016 Casino Filipino-Angeles – One Intestine  
May 21, 2016 Casino Filipino-Davao – Dessa  
May 27, 2016 Malabon Satellite – Allan K  
May 31, 2016 Crown Regency Satellite - Dessa

**June 2016**

June 3, 2016 Ronquillo Satellite– Randy Santiago  
June 10, 2016 Mimosa Satellite– Tuesday Vargas  
June 10, 2016 Casino Filipino Cebu– Christian Bautista  
June 11, 2016 Malabon Satellite– Lloyd Umali  
June 14, 2016 Crown Regency Satellite– Tuesday Vargas  
June 22, 2016 Casino Filipino Angeles,– Jimmy Bondoc, Pido, & Paolo Santos  
June 24, 2016 Casino Filipino Davao– Tuesday Vargas  
June 24, 2016 Casino Filipino Pavilion– Jimmy Bondoc, Pido, & Paolo Santos

**Additional Conditions:**

1. The following shall be provided by the winning bidder during the show:

- Musical and Production Requirement:
  - Musical arrangement and CD materials
  - Music Materials
- Hotel, F&B and Transportation:

- Food & Beverage of performer Collaterals
    - Posters and Tarpaulins
2. The artists / entertainers, branch assignments and date of performances shall not be replaced by the CONTRACTOR without express written consent from PAGCOR. If, for any cause, any or all of artist(s)/ entertainer(s)/ performer(s) shall become indisposed on the day of the show, the CONTRACTOR shall promptly retain the services of back-up artist(s)/ entertainer(s)/ performer(s) of the same caliber, who shall perform in lieu of the original artist(s)/ entertainer(s)/ performer(s), subject to the approval of the Second Party. The Contractor shall inform PAGCOR beforehand of any cancellation or non-performance.
  3. PAGCOR shall provide the venue with basic technical equipment.

The CONTRACTOR undertakes to deliver the Services in strict conformity with the agreed specifications. In the event the CONTRACTOR fails to comply with any aspect of the approved final concept, storyboard, script and items 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 artist(s)/entertainer(s)/performer(s) and employees of the CONTRACTOR. The CONTRACTOR 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 artist(s)/entertainer(s)/performer(s) or employee of the CONTRACTOR during the time and consequent to the performance of the Services under this Contract shall likewise be the CONTRACTOR's responsibility.

The CONTRACTOR further binds itself 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 effectivity date provided in the Notice to Proceed.

The schedule for the performances shall be as follows:

<u>April 2016</u>	
April 08, 2016	Mimosa Satellite – Christian Bautista
April 08, 2016	Ronquillo Satellite - Dessa
April 09, 2016	Casino Filipino-Cebu - Basil Valdez
April 13, 2016	Crown Regency Sat. - Edgar Allan Guzman
April 15, 2016	Malabon Satellite - Morisette Amon
April 20, 2016	Casino Filipino-Angeles – Allan K
April 22, 2016	Casino Filipino-Davao - Edgar Allan Guzman
April 27, 2016	Casino Filipino-Pavilion- Basil Valdez

May 2016

May 13, 2016 Mimosa Satellite – Allan K  
May 13, 2016 Casino Filipino-Cebu – Randy Santiago & Dessa  
May 14, 2016 Casino Filipino- Pavilion – One Intestine  
May 14, 2016 Ronquillo Satellite – Lloyd Umali  
May 18, 2016 Casino Filipino-Angeles – One Intestine  
May 21, 2016 Casino Filipino-Davao – Dessa  
May 27, 2016 Malabon Satellite – Allan K  
May 31, 2016 Crown Regency Satellite - Dessa

June 2016

June 3, 2016 Ronquillo Satellite– Randy Santiago  
June 10, 2016 Mimosa Satellite – Tuesday Vargas  
June 10, 2016 Casino Filipino Cebu– Christian Bautista  
June 11, 2016 Malabon Satellite– Lloyd Umali  
June 14, 2016 Crown Regency Satellite– Tuesday Vargas  
June 22, 2016 Casino Filipino Angeles, – Jimmy Bondoc, Pido, & Paolo Santos  
June 24, 2016 Casino Filipino Davao– Tuesday Vargas  
June 24, 2016 Casino Filipino Pavilion– Jimmy Bondoc, Pido, & Paolo Santos

*Casino Filipino – Angeles, McArthur Highway, Balibago, Angeles City, Pampanga*

*Casino Filipino – Cebu, Waterfront Hotel & Casino, Salinas Drive, Lahug, Cebu City*

*Ronquillo Satellite, Gold City Square, Ronquillo St., Sta. Cruz, Manila*

*Malabon Satellite, Malabon, Grand Hotel and Leisure Park McArthur Highway, Malabon City*

*Mimosa Satellite, Mimosa Drive, Clark Field, Pampanga*

*Casino Filipino-Davao, Grand Regal Hotel Davao, Km. 7, Lanang, Davao City*

*Casino Filipino-Pavilion, Waterfront Manila Pavilion Hotel & Casino, United Nations Ave. cor. Ma. Orosa St. Ermita, Manila*

*Crown Regency Satellite, Crown Regency Hotel & Towers, Osmena Boulevard, Cebu City*

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 thirty (30) days written notice to the **CONTRACTOR**.

**ARTICLE IV**  
**DAMAGES FOR DELAY**

The **CONTRACTOR** shall complete/deliver the Services within the time prescribed in this Contract. Should the **CONTRACTOR** incur delay in its performance, 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 each day of delay, including

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 **CONTRACTOR** still fails to deliver the item after the lapse of thirty (30) 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 Seven Million Five Hundred Thousand Pesos (PhP7,500,000.00), VAT Exclusive, Zero-Rated Transaction, with breakdown as follows:

Performers, Date and Venue of Performance	Talent Fee of Celebrity Hosts, Musical and/or Production Requirement, Land Transportation/Airfare, F & B, and Hotel Accommodation, per Date and Venue of Performance (VAT Exclusive, Zero Rated Transaction)
<b><u>April 2016</u></b>	
April 08, 2016 Mimosa Satellite – Christian Bautista	PhP200,000.00
April 08, 2016 Ronquillo Satellite - Dessa	PhP200,000.00
April 09, 2016 Casino Filipino-Cebu - Basil Valdez	PhP550,000.00
April 13, 2016 Crown Regency Sat. - Edgar Allan Guzman	PhP150,000.00
April 15, 2016 Malabon Satellite - Morisette Amon	PhP200,000.00
April 20, 2016 Casino Filipino-Angeles – Allan K	PhP350,000.00
April 22, 2016 Casino Filipino-Davao - Edgar Allan Guzman	PhP350,000.00
April 27, 2016 Casino Filipino-Pavilion- Basil Valdez	PhP500,000.00
<b>Total</b>	Two Million Five Hundred Thousand Pesos (PhP2,500,000.00)
<b><u>May 2016</u></b>	
May 13, 2016 Mimosa Satellite – Allan K	PhP200,000.00
May 13, 2016 Casino Filipino-Cebu – Randy Santiago & Dessa	PhP550,000.00
May 14, 2016 Casino Filipino- Pavilion – One Intestine	PhP500,000.00
May 14, 2016 Ronquillo Satellite – Lloyd Umali	PhP200,000.00
May 18, 2016 Casino Filipino-Angeles – One Intestine	PhP350,000.00
May 21, 2016 Casino Filipino-Davao – Dessa	PhP350,000.00
May 27, 2016 Malabon Satellite – Allan K	PhP200,000.00
May 31, 2016 Crown Regency Satellite - Dessa	PhP150,000.00
<b>Total</b>	Two Million Five Hundred Thousand Pesos

<b>June 2016</b>	
June 3, 2016 Ronquillo Satellite– Randy Santiago	PhP200,000.00
June 10, 2016 Mimosa Satellite – Tuesday Vargas	PhP200,000.00
June 10, 2016 Casino Filipino Cebu– Christian Bautista	PhP550,000.00
June 11, 2016 Malabon Satellite– Lloyd Umali	PhP200,000.00
June 14, 2016 Crown Regency Satellite– Tuesday Vargas	PhP150,000.00
June 22, 2016 Casino Filipino Angeles,– Jimmy Bondoc, Pido, & Paolo Santos	PhP350,000.00
June 24, 2016 Casino Filipino Davao– Tuesday Vargas	PhP350,000.00
June 24, 2016 Casino Filipino Pavilion– Jimmy Bondoc, Pido, & Paolo Santos	PhP500,000.00
<b>Total</b>	Two Million Five Hundred Thousand Pesos (PhP2,500,000.00)
<b>GRAND TOTAL COST VAT, Exclusive, Zero Rated Transaction</b>	Seven Million Five Hundred Thousand Pesos (PhP7,500,000.00)

Both parties agree that the Contract Price stated herein includes all applicable taxes, fees licenses, permits and charges required by the Philippine Government. The **CONTRACTOR** 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 **CONTRACTOR**.

**ARTICLE VI  
SCHEDULE OF PAYMENT**

Payment shall be made upon the completion of Monthly shows based on the schedule in Article V and the issuance of the Monthly Certificate of Acceptance by the End-user.

**ARTICLE VII  
WARRANTIES AND RESPONSIBILITIES**

The **CONTRACTOR** 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 **CONTRACTOR** 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

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3. The **CONTRACTOR** 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** **PERFORMANCE SECURITY**

To guarantee the faithful performance of the **CONTRACTOR** of all of its obligations under this Contract, **PAGCOR** shall deduct five percent (5%) retention money for every progress payment provided that the deduction shall not exceed the total amount of **Three Hundred Seventy-Five Thousand Pesos (PhP375,000.00)**.

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

The **CONTRACTOR** shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.

The Performance Security shall guarantee the complete and satisfactory performance of the agreed upon Services, the delivery of the items enumerated in Article I, and the full compliance of its warranties under Article VII.

### **ARTICLE IX** **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 therefrom, 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 **CONTRACTOR**, its employees or any other person.

The **CONTRACTOR** 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 X** **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 XI INDEMNIFICATION**

The **CONTRACTOR** 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 **CONTRACTOR's** services.

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

The **CONTRACTOR** 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 XII CONFIDENTIALITY/NON-DISCLOSURE**

All Information disclosed to the **CONTRACTOR** arising out of or as a result of this Contract shall be confidential in nature. The **CONTRACTOR** 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 **CONTRACTOR's** 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 XIII 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.

The **CONTRACTOR** shall pay its taxes in full and on time. The **CONTRACTOR** shall also present a tax clearance from the Bureau of Internal Revenue (BIR) and a copy of its income and business tax returns, duly stamped, received and validated by



the BIR, indicating the tax payments made thereon. Its failure to do so shall entitle PAGCOR to suspend payment for services rendered by the CONTRACTOR.

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.

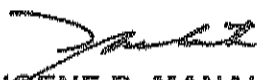
This Contract constitutes the entire agreement between the parties pertaining to the subject matter contained in it, and supersedes all prior and contemporaneous agreements, representations, warranties and understandings of the parties. No supplement, variation or amendment of this Contract shall be 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 \_\_\_\_\_, 2016 at the City of Manila, Philippines.


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

Represented by:



  
**EUGENE D. MANALASTAS**  
President and Chief Operating Officer  
TIN No. 102-010-491

**FIVE 2 SEVEN ENTERTAINMENT  
PRODUCTION**  
TIN: 176-446-068-000

Represented by:

  
**GIUSEPPE BEDE M. SAMPEDRO**  
Proprietor  
TIN No. 176-446-068-000

Signed in the presence of:

**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 MAR 17 2016 day of \_\_\_\_\_, 2016, personally appeared:

NAME

GOVERNMENT ID NO.

**EUGENE D. MANALASTAS**

**PASSPORT NO. EB7143410**

Issue Date: January 14, 2013


Place of Issue: DFA-Manila

Validity Period: January 13, 2018

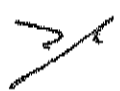
known to me to be the same persons who executed the foregoing Service Contract consisting of twelve (12) pages including this page, and who acknowledged to me that the same is his own free and voluntary act and deed as well as the free and voluntary act and deed of the entity he represents, he being duly authorized for this purpose.

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

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Page No.: 43  
Book No.: 11  
Series of 2016

  
**PETER LLOYD D. CARRIO**  
NOTARY PUBLIC  
IN AND FOR THE CITY OF MANILA  
6<sup>TH</sup> FLR. NEW WORLD MANILA BAY HOTEL & CASINO  
M.H. DEL PILAR ST., MALATE, MANILA  
COMM. NO. 2015-170 UNTIL DEC. 31, 2016  
ROLL NO. 03455. HRP LIFE TIME NO. 012755  
QUEZON CITY CHAPTER  
PTR NO. 305234/1-B-16/MANILA


  

**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 MAR 15 2016 day of \_\_\_\_\_, 2016, personally appeared:

NAME 

GOVERNMENT ID NO.

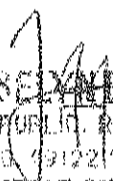
GIUSEPPE BEDE M. SAMPEDRO

DRIVER'S LICENSE  
CARD NO. N03-95-197603  
Validity Period: May 27, 2016

known to me to be the same persons 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.

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Page No.: 82  
Book No.: XVII  
Series of 2016

  
ATTY. JOSE LYNN DONNIE V. VALEROS  
NOTARY PUBLIC, ROLL NO. 54515  
PTR NO. 9912213 UNTIL 12-31-16  
IBP LIFE NO. 02925, COMMISSION NO. 2014-022  
OFFICE ADD: IMPERIAL BAYFRONT TOWER, 1642 A, MABINI M.L.A.  
MCLENO. IV-0017429 ISSUED APR 13, 2013

