

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 -

ELMER B. BLANCAFLOR, Filipino, of legal age, and a resident of 23 Faith Street, St. Teresa Village, Quezon 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 a Highly Technical Consultant who will be hired to do work that is (i) highly technical or proprietary; and/or (ii) primarily confidential or policy determining, 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 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.

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

2. The CONSULTANT shall receive a monthly consultancy fee of **Forty-One Thousand Pesos (PhP 41,000.00)**, VAT Exclusive, Zero-Rated Transaction, per month, less mandated withholding tax, or **Two Hundred Forty-Six Thousand Pesos (PhP 246,000.00)**, VAT Exclusive, Zero-Rated Transaction, for a period of **six (6) months**, less mandated withholding tax.

3. The CONSULTANT shall report directly to the **Assistant Vice-President (AVP) of the Entertainment and Bingo Department (EBD), PAGCOR Corporate Office or his duly authorized representative**, 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. Musical arrangement – responsible for organizing any musical composition and making it into any given genre, whether it's secular or classical
- b. Creating backing musical tracks for scoring or minus one karaoke material. Conceptualizing medleys and rearranging music are also part of his skills.
- c. Music Producer – Producing music also deals with mixing all instruments, balancing and creating the final product. Studio literacy and vocal coaching together with a good vocabulary on all the different instruments and vocal ranges is required.
- d. Leads rehearsals in any given event that deals with music, responsible for the arranging and all decisions regarding the music of the said event, and if required also perform with the band of orchestra.
- e. Workshop trainer and voice coach for all the PAGCOR Artists.
- f. Compose jingles for various corporate projects i.e. NCCRP, CF Game Shows
- g. Others as maybe instructed by the Assistant Vice President, EBD

Deliverables:

- provide study tapes
- provide minus one materials
- conduct once-a-week rehearsals
- conduct twice-a-month workshop
- submits monthly accomplishment report

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 except when the failure is 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, 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 unperformed portion of the CONSULTANT's contract 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 **Two Thousand Fifty Pesos (PhP2,050.00)** per month as Performance Security, which shall not exceed the total amount of **Twelve Thousand Three Hundred Pesos (PhP12,300.00)**.

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" he 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 he will acquire from PAGCOR, its directors, officers, employees licensees, contractors, patrons, clients, partners, and agents, in connection with his 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 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 _____ 2015 in the City of _____, Philippines.

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

BY:


JORGE V. SARMIENTO

President and Chief Operating Officer
TIN: 122-841-833


ELMER B. BLANCAFLOR

Consultant
TIN: 199-399-937

SIGNED IN THE PRESENCE OF:



CLARKINAH A. RECANTO


GERARD V. CARATANDO

ACKNOWLEDGMENT

BEFORE ME, this ___ day of MAR 25 2015 in CITY OF MANILA, personally appeared the following person/s, each of whom exhibited their 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. They all represented and declared to me that they voluntarily affixed the signatures appearing on the instrument/document for the purposes stated therein and that they executed the instrument/document as their free and voluntary act and deed and if they acted in representative capacity, the free and voluntary act and deed (and if they acted in representative capacity, they have the authority to sign in 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 thereof.

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

Yan Garza

Doc. No. 457
Page No. 93
Book No. IV
Series of 2015.

[Signature]
MARIANITO BRACACAN
NOTIARY PUBLIC
IN AND FOR THE CITY OF MANILA
6TH FLR, HYATT HOTEL & CASINO
M.H. DEL PILAR ST., MALATE, MANILA
APPT. NO. 2014-042, UNTIL DEC. 31, 2015
RGLL NO. 49370, RFP LIFETIME NO. 06163
CALAMBA CHAPTER
PTR. NO. 3824882/1-5-15/MANILA

[Signature]

CA

[Signature]

ACKNOWLEDGMENT

BEFORE ME, this ___ day of 25 FEB 2015 in QUEZON CITY, M.M. personally appeared the following person/s, each of whom exhibited their competent evidence of identity, to wit:


Name	Govt. ID Presented	Valid Until
ELMER B. BLANCAFLOR	Driver's License NO6-82-0002169	February 27, 2017

and presented to me an integrally complete document/instrument for acknowledgement. They all represented and declared to me that they voluntarily affixed the signatures appearing on the instrument/document for the purposes stated therein and that they executed the instrument/document as their free and voluntary act and deed and if they acted in representative capacity, the free and voluntary act and deed (and if they acted in representative capacity, they have the authority to sign in 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 thereof.

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

Doc. No. 125
Page No. 25
Book No. I
Series of 2015.


SALVADOR V. QUEBRAL
NOTARY PUBLIC
No. NP-015 (2015-2016)
4th Floor, Northridge Plaza
No.12 Congressional Ave., QC
PTR No. 0560724, 1-5-15 QC
IBP Life Member No. 4439
SC Roll No. 15452





