



SERVICE CONTRACT

This Service Contract (the "Contract") entered into and executed 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 Coast Hotel Manila, 1588 M. H. del Pilar corner Pedro Gil Streets, Malate, Manila, Philippines 1004, represented in this act by its **Branch Manager, JOSE MARCIANO C. BAUTISTA**, hereinafter referred to as "**PAGCOR**";

- And -

JARDINE SCHINDLER ELEVATOR CORPORATION, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at the 20TH Floor, Insular Life Corporate Center, Insular Life Drive, Filinvest Corporate City, Alabang, Muntinlupa City represented in this act by its **Director Vis/Min, JANE M. ENTERO**, duly authorized for this purpose, as per Secretary Certificate dated February 10, 2021, hereto attached as Annex "A", hereinafter referred to as the "**CONTRACTOR**".

The parties warrant that they are duly organized, registered, validly existing and in good standing under the laws of the Republic of the Philippines, and that the parties and their representatives are capable and have the requisite power, authority, permits, clearances and licenses, to enter into this Service Contract and to perform the Services and all of their obligations under this Service Contract.

WITNESSETH: THAT

WHEREAS, **PAGCOR** has a requirement for the Procurement of Three (3) Years Preventive Maintenance for the Existing Service Escalator of CF-Bacolod under ITB No.: FB21-06-001BAC (Services");

WHEREAS, considering all requisites were met, **PAGCOR** procured the Services through Negotiated Procurement, specifically Two Failed Bidding, pursuant to Section 53.1 of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, the **CONTRACTOR** is the exclusive distributor and exclusive service provider of Schindler Escalators;

WHEREAS, the **CONTRACTOR** has submitted a responsive bid to undertake the Services;

Service Contract

Procurement of Three (3) Years Preventive Maintenance for the Existing Service Escalator of CF-Bacolod

under ITB No: FB21-06-001BAC

Witness - Contractor
CONTRACTOR
Witness - PAGCOR
Witness - PAGCOR
BM, CF-Bacolod

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 enters into a contract under the following terms, conditions and stipulations:

ARTICLE I SCOPE OF WORK

The **CONTRACTOR** shall ensure compliance with the following responsibilities in its performance of the Services:

1. Once a month inspection and maintenance services of Two (2) Units Escalators (Two (2) Units Schindler 9300CU Escalators) located at CF-Bacolod.
2. Maintenance shall include the following:
 - a.) Oiling and cleaning of the machine/equipment
 - b.) Greasing and lubrication of bearings, cables, chains and elevator doors.
 - c.) Necessary minor adjustment/s to the mechanical parts.
 - d.) Maintenance supplies such as cleaning materials, greases, oils and other needed lubricants.
 - e.) Check-up abnormal noise or vibrations and check components inside the control panel.
 - f.) Check hand rail belt entry safety switches. Also check comb plate safety switches.
 - g.) Check movement of step and alignment with comb. Also cleaning of groove and steps.
 - h.) Check synchronization of belt and step speed.
 - i.) Check functioning of electro-mechanical brake.
 - j.) Check driving chain and step chain lubrication.
 - k.) Cleaning of control panel and machine room.
 - l.) Check clearance between skirt panel and step.
 - m.) Cleaning of external part of escalator.
 - n.) Checking of electric supply voltage.
 - o.) Checking of braking distance.
 - p.) Check over-speed monitor.
 - q.) Check main drive reducer and motor.
 - r.) Check tensioning device for step chain.
 - s.) Check holding clamps for steps.
 - t.) Check and retightening of electric terminal within the control panel, motor and switches.
3. Inspection and maintenance to be undertaken by Contractors qualified escalator servicemen within regular working hours within regular working days. Any overtime service done beyond these regular working hours, at **PAGCOR** request, will be shouldered by **PAGCOR** and paid after presentation of billing statement indicating the works done on the equipment.
4. Contractor to immediately provide within six (6) hours qualified technicians/servicemen to service abnormal operations and/or emergency calls reported by **PAGCOR**,

Witness - Contractor

CONTRACTOR

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BM, CF-Bacolod

Service Contract

Procurement of Three (3) Years Preventive Maintenance for the Existing Service Escalator of CF-Bacolod
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5. Contractor to provide free of charge, all necessary gear oil, grease and cleaning materials and replacement parts listed as follows for each escalator damaged under normal operating conditions (wear and tear and/or material fatigue):
 - a) Relays
 - b) Lubricating Oil
 - c) Fuses (except for the main power supply to the motors)
 - d) Connectors
 - e) Terminal Lugs
 - f) Screws and bolts
6. **PAGCOR** shall shoulder other replacement parts and cost of labor then presentation of service reports, replaceable spare parts description and with prior approval of **PAGCOR**, provided also that the cost of labor and spare parts submitted as reasonable and acceptable. Otherwise, **PAGCOR** has the option to look for another supplier for that particular repair.
7. Any violation of the provisions in this Article shall be considered delay on the part of the **CONTRACTOR** and shall give **PAGCOR** the option to take over and negotiate the contract with another provider, subject to the provisions of Article VII.

ARTICLE II
CONTRACT AMOUNT AND SCHEDULE OF PAYMENT

The contract price for the **CONTRACTOR**'s Services shall be in the total amount of One Million Twenty-Four Thousand Two Hundred Pesos. (Php 1,024,200.00), VAT-Exclusive, Zero-Rated transaction for three (3) years service.

PAGCOR shall pay the **CONTRACTOR** thirty-six (36) equal monthly payments of Twenty-Eight Thousand Four Hundred Fifty Pesos (Php 28,450.00), payable after the **CONTRACTOR**'s completion of monthly preventive repair and maintenance services, and within fifteen (15) days from **PAGCOR**'s receipt of the quarterly billing statement.

Both parties agree that the total price stated herein is inclusive of all applicable taxes, fees and charges required by the Government. The **CONTRACTOR** holds **PAGCOR** free from liability for any or all taxes arising out of this transaction.

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

ARTICLE III
CONTRACT TERM

The Contract shall be for a period of three (3) Years commencing from the receipt of Notice to Proceed (NTP), within the said period, **PAGCOR** may terminate this Contract with or without cause, without need of judicial intervention upon thirty (30) days written notice to the **CONTRACTOR**.

**ARTICLE IV
WARRANTIES**

The **CONTRACTOR** hereby warrants and represents that:

- a. It is an entity duly organized, validly existing, and in good standing under the laws of the Republic of the Philippines, and it has the requisite power and authority to enter into and perform its obligations under this Contract.
- b. There are no actions, suits or proceedings pending or, to the best of its knowledge, threatened which may have a material adverse effect on its ability to fulfill its obligations under this Contract or on its operations, business, properties, assets or business condition.
- c. That the Services to be rendered shall be as described under Article I of this Contract. The **CONTRACTOR** warrants that it 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.
- d. The **CONTRACTOR** warrants that it is the owner of all equipment to be used for any maintenance services covered under this Contract, or, if not, the **CONTRACTOR** has the authority from the owner to use such equipment.

**ARTICLE V
PERFORMANCE SECURITY**

To guarantee the faithful performance of the winning bidder under contract, it shall post a Performance Security within ten (10) calendar days from the receipt of Notice of Award and in no case later than the signing of the contract, in accordance with any of the following schedule:

Form of Security	Minimum Amount in Percentage of Total Contract Price
Cash or cashier's/manager's check, bank draft/guarantee confirmed by a Universal or Commercial Bank	Fifty-One Thousand Two Hundred Ten Pesos (PhP51,210.00)
Irrevocable letter of credit issued by a Universal or Commercial Bank	
Surety Bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission.	Three Hundred Seven Thousand Two Hundred Sixty Pesos (PhP307,260.00)

The Performance Security shall guarantee the full and complete escalator maintenance service of the items under Article I hereof.

The Performance Security shall be co-terminus with the final completion of the contract. The same will be released only after the issuance of the Certificate of Acceptance of the item, provided that there are no claims filed against the contract awardee.

ARTICLE VI
CLAIMS AND DISPUTES

All claims and disputes relating to or arising from this Contract shall as much as possible, 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 declaration of nullity if this Contract in its entirety or in part and in cases arising after or by reason of the declaration on nullity of this Contract in its entirety or in part.

In the event that a dispute arises with respect to this Contract, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses, incurred in ascertaining such party's rights or in preparing to enforce, or in enforcing, such party's rights under this Contract, whether or not it was necessary for such party to institute suit.

ARTICLE VII
DAMAGES FOR DELAY

Should **CONTRACTOR** incur delay in the performance of the Services as scheduled, the **CONTRACTOR** shall pay a penalty of one-tenth of one percent (1/10 of 1%) of the total undelivered /unperformed portion of the Service to be rendered for each hour of delay, including Sundays and Holidays, beyond the specific period. The maximum deduction shall be ten percent (10%) of the amount of the contract. **PAGCOR** shall have the option to rescind the contract, without prejudice to other course of action and remedies upon it.

In case the **CONTRACTOR** still fails to render the required Services after the lapse of thirty (30) days from the date provided by **PAGCOR**, in addition to the penalties agreed upon, **PAGCOR** shall have the option to terminate this Contract.

Once the cumulative amount of the penalties incurred by the **CONTRACTOR** reaches ten (10%) of the amount of the Contract, **PAGCOR**, shall have the option to terminate the same, without prejudice to other courses of action and remedies available to it.

ARTICLE VIII
FORCE MAJEURE

In the event that the obligations in this Contract cannot be complied within the prescribed period because of fortuitous event and/or force majeure, as defined by prevailing laws and such other causes not attributable to the **CONTRACTOR**, **PAGCOR** shall have no cause for action against the **CONTRACTOR** and shall pay the value of the Services already rendered and accepted.

Witness - Contractor

CONTRACTOR

Witness - PAGCOR

BM CF-Bacolod

Witness Contractor

**ARTICLE IX
DEFAULTS**

In the event that any of the parties fail to comply in good faith with their undertakings, as set forth in this Contract, within the periods provided herein, the non-defaulting parties shall be released from their obligations under this Contract, without prejudice to the rights of restitution, recovery and damages.

In the event of breach by either party, the parties agree to amicably settle the same under the provisions of this Contract hereof prior to judicial action.

CONTRACTOR

**ARTICLE X
NO EMPLOYER-EMPLOYEE RELATIONSHIP**

There shall be no employer-employee relationship between **PAGCOR** and the employees of the **CONTRACTOR**. The **CONTRACTOR** shall have exclusive control and supervision of its employees in the performance of the Services herein agreed upon. The **CONTRACTOR** shall be solely responsible for all acts and/or omissions of its personnel and of all persons allowed by it to have access to the **PAGCOR**'s premises for any damage which may be caused to persons or property while remaining either casually or in business in any part of said premises. Any accident, injury or sickness of any kind, or death that may occur to any employee of the **CONTRACTOR** during the time and consequent to the performance of the services under this Contract shall likewise be the **CONTRACTOR**'s sole responsibility.

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

Witness - PAGCOR

**ARTICLE XI
CONFIDENTIALITY**

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 any unauthorized disclosures made by its 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**.

BM, CF-Bacolod

**ARTICLE XII
TAXES AND LICENSES**

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

Witness Contractor

The **CONTRACTOR** shall regularly present, within the duration of the Contract, a tax clearance from the Bureau of Internal revenue (BIR) as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

The **CONTRACTOR** shall pay taxes in full and on time, failure to do so will entitle PAGCOR to suspend payment for Services rendered by the **CONTRACTOR**.

**ARTICLE XIII
INDEMNIFICATION**

CONTRACTOR

The **CONTRACTOR** shall be liable for any loss, damage, or injury of any kind to **PAGCOR** and its officers and/or personnel, and shall hold them free and harmless against all actions, proceedings, claims and demands, which may be made by any person in respect of any loss, death, damage or injury arising by reason of the Services under this Contract. The **CONTRACTOR** shall indemnify **PAGCOR**, its officers, and personnel on account of the costs of defending or settling any such action, proceeding claim or demand, including but not limited to reasonable legal costs.

The **CONTRACTOR** agrees to protect and to exercise due care and proper handling of the properties of **PAGCOR** during the performance of the Services.

Witness PAGCOR

The **CONTRACTOR** shall be jointly and severally liable with its personnel and shall indemnify and hold **PAGCOR** free and harmless for any death, injury or damage to **PAGCOR** and to third person, loss, breakage, or destruction of properties, as a consequence of **CONTRACTOR** and its personnel's acts omissions, willful intent or negligence in the performance of the Services of its obligations under this Service Contract.

The **CONTRACTOR** shall be liable in case of theft, robbery, or any loss to **PAGCOR** as a result of the Services provided by the **CONTRACTOR** and its personnel. The **CONTRACTOR** hereby agrees to replace, repair or retribute any loss involving its personnel and the performance of its Services.

**ARTICLE XIV
MISCELLANEOUS**

BM, CF-Bacolod

In the event that the facts and circumstances arise or are discovered which render this Contract disadvantageous to the Government, the parties hereto agree to immediately re-negotiate its terms and conditions, or at the option of **PAGCOR**, terminate the same.

No terms or conditions of this Contract shall be deemed waived and no breach or default excused unless such waiver or excuse shall be in writing and signed by the party affected.

This Contract may not be assigned or sub-contracted to another without the prior written consent of the **PAGCOR**.

All notices and other communications provided for or permitted hereunder shall be in writing and sent to the parties to whom the notice is addressed at their respective addresses as indicated in this Contract.

If any provision hereof is prohibited or made unenforceable under any applicable law by a competent court or authority, the same shall not affect any other provision of this Contract, which are otherwise valid and enforceable.

This Contract contains all the covenants and stipulations agreed upon by the parties and shall be modified, revised or amended only upon written agreement of both parties.

The parties agree to abide by these terms and conditions in good faith.

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 **PAGCOR** shall not be exclusive of any other right or remedy of **PAGCOR**, whether under this Contract or provided or permitted to **PAGCOR** 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 all parties thereto.

IN WITNESS WHEREOF, the parties hereto have signed these presents on this ____ day of _____, 2021 at the City of Bacolod, Philippines.

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

**JARDINE SCHINDLER ELEVATOR
CORPORATION**
TIN: 004-662-294-000

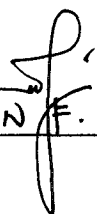
Represented by:


Represented by:


JOSE MARCIANO C. BAUTISTA
TIN: 000-887-972-000


JANE M. ENTERO
TIN: 160-057-884-000

Signed in the presence of:


ENGR. MARLON F. BIRONIDO


FLOREN DELA CRUZ

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of Bacolod, on this OCT 12 2021, 2021, personally appeared the following with their respective Government ID numbers, to wit:

NAME

GOVERNMENT ID

JANE M. ENTERO

Bureau of Internal Revenue
TIN: 160-057-887-000

Known to me to be the same person who executed the foregoing Service Contract consisting of ten (10) 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 voluntary act and deed of the entity he is duly authorized to represent.

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

Doc. No. 274
Page No. 44
Book No. 70
Series of 2021.

ATTY. BONIFACIO T. DECARLOS
Notary Public

Until December 2021

BP NO. 107869/01-10-2021/Cebu City

PTR NO. 23.11267/11-22-2020/Cebu City

Roll of Attorneys No. 31311

Notarial Commission No. 68-19

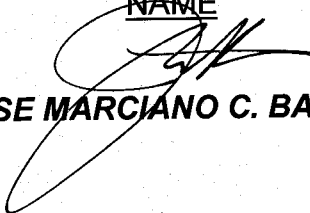
MCLE Compliance No. VI-001079

9-D. Jakosalem St., Cebu City

ACKNOWLEDGMENT

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

BEFORE ME, a Notary Public for and in the City of Bacolod, on this ____ day of 20 OCT 2021, personally appeared the following with his respective Government ID number:


NAME

JOSE MARCIANO C. BAUTISTA

GOVERNMENT ID NO.
Unified Multi Purpose ID
CRN 0111-2756709-8

Known to me to be the same person who executed the foregoing Service Contract consisting of ten (10) 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 voluntary act and deed of the entity he is duly authorized to represent.

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

Doc. No. 266
Page No. 54
Book No. LXXX
Series of 2021.


HOPE MAREY B. DEPASUCAT-SAZON
Rpl. No. 57549
Commission Serial No. 0075-21
Notary Public for the Cities of Bacolod & Talisay & Municipalities of Murcia and Don S. Ivador Benedicto
Valid until December 31, 2021
PTR No. 3695861 - December 29, 2020 - E. 2, Magalona, Negros Occ.
IBP No. 121151 - December 28, 2020 - Pasig City
Suite 2 Mezzanine Floor Business & Consumers Bank Bldg.
Araneta Street, Bacolod City
Email: city.hope.bambidpr@gmail.com
Tel. No. 0947-8927910 / (34) 432-3875
MCLE Compliance VI - 0000597 - September 30, 2016

Service Contract
Procurement of Three (3) Years Preventive Maintenance for the Existing Service Escalator of CF-Bacolod
under ITB No: FB21-06-001BAC