

CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Contract made this MAR 20 2017 2017, in Taguig City, by and between:

The **NATIONAL NUTRITION COUNCIL**, an agency attached to the Department of Health, with office address at Nutrition Building, 2332 Chino Roces Avenue Extension, Taguig City, represented herein by its Executive Director IV, **ASSISTANT SECRETARY OF HEALTH MARIA-BERNARDITA T. FLORES, CESO II**, herein referred to as "NNC"; and

The **MANILA BROADCASTING COMPANY**, with office address at Star City Complex, Vicente Sotto Street, Roxas Blvd., Pasay City represented herein by its Drama Manager, **SALVADOR M. ROYALES**, herein referred to as "MBC".

WITNESSETH

WHEREAS, the NNC shall produce and air Season 12 of "Katumbas ay Biyaya", a 30-minute drama series on nutrition as provided in the Terms of Reference hereto attached as **Annex 1**;

WHEREAS, a market study, hereto attached as **Annex 2**, was conducted to determine the most appropriate contractor for the production and airing of "Katumbas ay Biyaya Season 12" which showed the Manila Broadcasting Company which operates the DZRH radio station as the best contractor for the project;

WHEREAS, the Bids and Awards Committee (BAC) of the NNC, through BAC Resolution No. 08-2017 hereto attached as **Annex 3**, recommended the alternative method of procurement, particularly Negotiated Procurement for the production and airing of "Katumbas ay Biyaya Season 12";

WHEREAS, Manila Broadcasting Company has signified its interest to undertake the project;

NOW, THEREFORE, for and in consideration of the foregoing premises hereinafter stipulated, the parties have agreed as follows:

MARIA-BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV

1. **Obligations of the Manila Broadcasting Company:**

- a. develop, produce and air 52 episodes of drama at 30 minutes per episode to be aired during Saturdays between 10:00 a.m. and 11:00 a.m.;
- b. submit to NNC, for approval, the scripts of the drama prior to production;
- c. conduct an on-air contest among listeners for each episode and provide Php100 cellphone load each to the first 5 phone-in callers or texters with the correct answer to the question for the week;
- d. conduct a contest among listeners for sending their true life stories on the positive influence of "*Katumbas ay Biyaya*" and feature these in the program, and provide the 10 winning entries with cash prizes of at least Php10,000 each;
- e. air nutrition plugs of the NNC on rotation basis at four plugs per episode and three nutrition plugs on rotation basis from Sunday to Friday for the duration of the airing of the 52 episodes;
- f. inform the NNC in writing of any pre-emption in airing of episodes or changes in schedules and provide corresponding airtime for missed episodes and spots for nutrition plugs;
- g. prepare and submit entries to award-giving bodies for broadcast industries including *Kapisanan ng mga Brodkaster ng Pilipinas* Golden Dove Awards and Catholic Mass Media Awards;
- h. develop, maintain and update social media accounts including Facebook and Twitter of the program including but not limited to linking audio streaming of the program, content marketer everyday monitoring of inquiries and/or comments of the listeners and followers of the program in Facebook page; post text contest winners weekly and post episodic plug weekly, lay-out and post announcements about the program and load contest for the first 100 Facebook likes and shares and first 50 Twitter favorites and retweets; and
- i. submit to NNC the following:
 - 1) 2 copies of the complete Season 12 episodes in USB flash disk at 1 set per USB. The NNC shall be the sole proprietor of the materials and shall have the right to use these materials in similar campaigns.

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- 2) certificates of performance for airing of the drama series with the CD-on-air of episodes aired and the airing of nutrition plugs;
- 3) 2 copies of complete episodes of Season 12 which are edited as ready-to-air for other radio stations in USB flash disk at 1 set per USB (editing to include edit-out of free cellphone load contest);
- 4) Facebook page design, Twitter account and accomplishment report including posts per episode, compilation of queries, comments and actions requested; and,
- 5) proof of receipt of cash prize from winning letter senders, list of text winners and screenshots of SMS as proof that the Php100 cellphone load were received, project completion report with photo documentation of all recordings and properly captioned, and audited financial report at the end of the project within 1 month from the date of airing of the last episode.

2. **Obligations of the National Nutrition Council:**

- a. coordinate with the contractor for pre-production to discuss ways to further enhance the program as well as identify the topics and other production requirements;
- b. review and approve all drama scripts prior to production and prior to airing;
- c. provide nutrition plugs for airing;
- d. prepare the talking points for the technical discussion of each episode and questions for the text contest;
- e. provide the necessary technical assistance and reference materials for the development of the drama component for each episode;
- f. provide nutritionist-dietitians as resource speakers for the technical discussion in the various episodes;
- g. monitor the weekly airing of the drama episodes;
- h. monitor the Facebook and Twitter accounts of the program;
- i. review and identify with the contractor the winning letter senders for airing of their true life stories on *Katumbas ay Biyaya*;

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- j. assign a focal person to liaise and coordinate the requirements of the contractor; and,
- k. process payment upon receipt of the required deliverables.

3. **Project cost**

The total project cost amounts to Php10,677,260.00 inclusive of VAT chargeable against NNC funds subject to existing government accounting and auditing rules and regulations. The amount is based on the following costs:

ITEM	DETAILS	AMOUNT (Php)
1. Production Cost	Php67,000 per episode x 52 episodes	3,484,000
	Supplies	20,000
2. Airtime Cost	Php132,880 per episode x 52 episodes	6,909,760
3. Token for cellphone load contest	a. Php100 per winner x 5 winners per episode x 52 episodes	26,000
	b. Php50 per winner of the first 100 likes and shares of official Facebook page and Php50 per winner of the first 50 Twitter favorites and retweets	7,500
4. Prize for 10 letter senders of winning life stories	Cash prize of Php10,000 each x 10 winners	100,000
	Delivery cost of cash prize to 10 winners	10,000
	Travelling expenses of DZRH personnel for conduct of interview with winners at average of P12,000 per area x 10 areas	120,000
5. Airing of nutrition plugs outside of the episodes	Airtime cost	c/o MBC Bonus
TOTAL		10,677,260

S. Royales

M. B. Flores
MARIA-BERNARDITA T. FLORES, CESO II
 Assistant Secretary of Health/Executive Director IV

[Signature]

4. **Terms of payment**

Payment shall be through domestic **letter of credit** upon submission of deliverables. The schedule of payment shall be as follows, subject to the usual government accounting and auditing rules and regulations:

Schedule of Payment	Amount (Php)
First payment (12.92%) - Production cost upon submission of approved scripts of first 18 episodes and approved content of Katumbas ay Biyaya Facebook page	1,379,500
Second payment (23.32%) - Airtime cost upon submission of 2 copies of CD-on-air; Certificates of Performance of episodes 1 to 18 and nutrition plugs aired; list of winners of weekly text contest with proof that Php100 cellphone load were received for episodes 1 to 18; and accomplishment report of Facebook page	2,489,760
Third payment (11.70%) - Production cost upon submission of approved scripts for episodes 19 to 35 and accomplishment report of Facebook page	1,249,000
Fourth payment (20.70%) - Airtime cost upon submission of 2 copies of CD-on-air; Certificates of Performance of episodes 19 to 35 and nutrition plugs aired; list of winners of weekly text contest with proof that Php100 cellphone load were received for episodes 19 to 35; and accomplishment report of Facebook page	2,210,000
Fifth payment (10.67%) - Production cost upon submission of approved scripts for episodes 36 to 52 and accomplishment report of Facebook page	1,139,000
Sixth payment (20.70%) - Airtime cost upon submission of 2 copies of CD-on-air; Certificates of Performance of episodes 36 to 52 and nutrition plugs aired; list of winners of weekly text contest with proof that Php100 cellphone load were received for episodes 36 to 52; 2 copies of the complete Season 12 episodes in USB flash disk at 1 set per USB; 2 copies of episodes 1 to 52 edited as ready-to-air in USB flash disk at 1 set per USB; proof of receipt of cash prize of winning letter senders; project completion report with photo documentation of all recordings conducted within one month from the date of airing of last episode; accomplishment report of Facebook page; and audited financial report.	2,210,000
TOTAL	10,677,260

Justino

J. Reyes

MARIA BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV

Ingulay

5. **Penalty Clause**

This contract shall be implemented as agreed upon in accordance with the terms and conditions stipulated herein. Failure on the part of MBC to comply with the provisions of this contract shall be cause for the imposition of appropriate penalties or the contract's termination.

A penalty of one tenth (1/10) of one percent (1%) of the total project cost will be deducted from the final payment for every day of delay in the submission of required outputs for causes attributable to MBC after the end of the project. However, in the event where work is delayed due to delays in the approval of the materials by NNC or other reasons beyond the control of MBC, both parties shall mutually concur and agree in writing on a revised schedule or work plan.

6. **Duration and Effectivity**

This contract shall take effect on the date of the issuance of Notice to Proceed by the NNC to MBC and shall remain in force until May 2018, unless otherwise modified or amended by mutual consent of parties concerned. Provisions of this contract may be modified, altered, supplemented or amended subject to the mutual written agreement of both parties that can be in a form of letters of conforme.

7. **Venue**

In case of disputes arising from the interpretation or implementation of this Contract, the courts of Taguig City shall have exclusive jurisdiction to the exclusion of all other courts. However, all claims and disputes relating to or arising out of this contract shall as much as possible, be settled amicably by the parties before resorting to any judicial action.

8. **Miscellaneous provisions**

In the event that situations arise that render this Contract disadvantageous to the NNC, the parties hereto agree to immediately re-negotiate the terms of the Contract.

This Contract may be executed in any number of counterparts, such as through letters of conforme, and shall all together be considered as part of the Contract.

Signature

Royales

Signature
MARIA BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV

Signature

IN WITNESS WHEREOF, the parties hereto have signed this Contract, this

MAR 20 2017

CITY OF MANILA

2017, Philippines.

Manila Broadcasting Company

National Nutrition Council

S. Royales

SALVADOR M. ROYALES

Drama Manager

[Signature]
ASSISTANT SECRETARY OF HEALTH
MARIA-BERNARDITA T. FLORES, CESO II
Executive Director IV

SIGNED IN THE PRESENCE OF:

J. Parroco

JOMAI PARROCO

Sales Manager

Manila Broadcasting Company

[Signature]

ROSSANA S. QUILLOPE

Chief, Financial and Management
Division

ENTRUSTED TO THE AVAILABLE
OF FUNDS PURSUANT TO LOI 962
IN THE AMOUNT OF ₱ 10,677,260/-
ROA NO. 02-101101-2017-03-372

[Signature]

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

City of CITY OF MANILA) S.S.

MAR 20 2017

BEFORE ME, Notary Public for and in this jurisdiction, this _____ 2017, in
CITY OF MANILA Philippines, personally appeared:

SALVADOR M. ROYALES

ID No.: 02-847

MBC-DZRH Office I.D.

MARIA-BERNARDITA T. FLORES

Unified Multi-Purpose ID

CRN 006-0100-4193-0

Both known to me to be the persons who executed the foregoing instrument and they acknowledged to me that the same is the lawful and official act and deed and that they are duly authorized to sign the same.

This Contract consisting of ___ pages including this page on which this acknowledgment is written, has been signed by the parties and their witnesses.

IN WITNESS WHEREOF, I have hereunto set my hand on the day, year and place first-above-written and affixed with my notarial seal.

Doc. No. 266

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Series of 2017

ATTY. JOSELYN BONNIE V. VALEROS

NOTARY PUBLIC, ROLL NO. 54515

PTR No. 5921026 Issued on Dec. 27, 2016 Until Dec. 31, 2017

IBP Life No. 723863 Issued on Aug. 21, 2007

Commission No. 2016-099 Issued on April 06, 2016 Until Dec. 31, 2017

MCLE No. v-0022298 Issued on June 14, 2016 Valid until April 14, 2019.

Office Add. Imperial Bayfront Tower, 1642 A. Mabini, Manila

MARIA-BERNARDITA T. FLORES, CESO II
Assistant Secretary of Health/Executive Director IV