

**CONTRACT AGREEMENT**  
**Media Placement of Energy Efficiency and Conservation (EE&C) Practices**  
**Through Alternative Mode of Procurement (AMP) 53.6**

**KNOW ALL MEN BY THESE PRESENTS:**

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_ 2022 by and between:

The **DEPARTMENT OF ENERGY**, a government agency vested by virtue of Republic Act No. 7638, as amended, with principal office address at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila represented herein by its **Undersecretary JESUSITO H. SULIT**, hereinafter referred to as "**DOE**".

and

**GMA Network, Inc.**, a corporation under Philippine law, with office address at 15<sup>th</sup> Floor GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City, represented by its Account Manager, **Ms. JAN CHRISTINE S. YNARES**, hereinafter referred to as "**GMA**".

**DOE** and **GMA** are collectively referred to as "**PARTIES**" and individually referred to as "**PARTY**".

**WITNESSETH:**

**WHEREAS**, Section 4 (m), Rule III of the DOE Department Circular No. DC2019-11-0014 otherwise known as Energy Efficiency and Conservation Act (EE&C Act) – Implementing Rules and Regulations (IRR) mandates the DOE to develop and undertake a national awareness and advocacy campaign on energy efficiency and conservation in partnership with business, academe, non-government organizations, and other sectors;

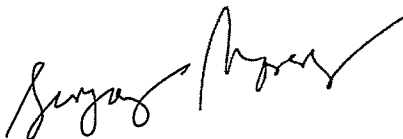
**WHEREAS**, Sections 48.1, 53, and 53.6 Rule XVI of the 2016 Revised IRR of RA 9184 authorized the conduct of Negotiated Procurement under AMP, the pertinent provisions of which are quoted as follows:

***"Sec. 48.1 Alternative Methods – Subject to the prior approval of the Head of Procuring Entity (HoPE) and whenever justified by the conditions provided by this Act, the Procuring Entity may, in order to promote economy and efficiency, resort to any of the alternative methods of procurement provided in this Rule. In all instances, the Procuring Entity shall ensure that the most advantageous price for the Government is obtained:***

x      x      x

***"Sec. 53. Negotiated Procurement is a method of procurement of goods, infrastructure projects and consulting services whereby the procuring entity directly negotiated a contract with a technically, legally, and financially, capable supplier, contractor, or consultant only in the following cases:***

x      x      x



**Section 53.6 Scientific, Scholarly, or Artistic Work, Exclusive Technology, and Media Services Where Goods, Infrastructure projects and Consulting Services can be contracted to a particular supplier, contractor, or consultant and as determined by the HoPE, for any of the following:**

**1. The requirement is for:**

x      x      x

**e. Media documentation, advertisement, or announcement through television, radio, newspaper, internet, and other communication media. Due to the nature of the information to be disseminated, alongside principles of transparency, efficiency, and economy, award more than one (1) supplier maybe made by the Procuring Entity. x x x "**

**WHEREAS, GMA** has the highest affinity of the target markets (A, B, C, D, E) as well as decision makers in the country compared to other networks with limited target markets. GMA also has the capacity to conceptualize, develop, produce, and air materials both on broadcast media and social media platforms;

**WHEREAS, the DOE** solicited Bids for certain goods and ancillary services particularly for the Media Placement of Energy Efficiency and Conservation (EE&C) Practices and has accepted a Bid from the **GMA** for the supply of those services in the sum of **TWO MILLION ONE HUNDRED TWENTY-EIGHT THOUSAND PESOS ONLY (Php2,128,000.00)** hereinafter called "the Contract Price", payable subject to existing government accounting and auditing rules and regulations. The amount covers the airtime costs and payment shall be based upon submission of required deliverables for each of the tranche of payment as stated in Section E of this Contract.

**NOW, THEREFORE,** for and in consideration of the foregoing premise, the parties hereby agree as follows:

**TERMS AND CONDITIONS:**

**A. GMA** shall ensure the delivery of the following particulars/specifications:

1. Submit schedule of commercial airing to the End-User.
2. Air the following DOE TVC Infomercials during the agreed timeline:

Media Values	Frequency
TVC 30's To be aired from April 14-16, 2022 on GMA	38
TVC 30's To be aired from April 14-16, 2022 on GTV	30
<b>Total</b>	<b>68</b>

3. Submit report on the commercial airing of the materials.

**B. DOE** shall provide **GMA** with Hi-Res logo in JPG format, TVC (based on the required specification, and any other similar materials.

**C. MEDIA REQUIREMENTS**

The media requirements include the following:

- Scope and Broadcast Areas : Nationwide
- Target Market : Programs catering to Class A-B-C-D-E market

- Programs : Special Programming for Holy Week
- Placement of the Ad : In the commercial gap
- Number of spots : 68 spots

**D. INABILITY or FAILURE TO BROADCAST**

1. Should the network, due to public emergency or necessity, legal restriction, acts of God, force majeure or at the discretion of the government authorities or for any reason beyond the control of **GMA** "Force Majeure Event", be unable to broadcast the Energy Efficiency and Conservation (EE&C) Practices at the time specified, this should be properly communicated to **DOE** as promptly as practicable. **DOE** will then, either agree with **GMA** on a satisfactory substitute time for broadcast, or if no such agreement can be reached, the broadcast shall be considered cancelled without affecting the rate shown in the contract. In the event of cancellation or postponement, **GMA** will make a suitable courtesy announcement as to the reason of cancellation or postponement with the approval of the **DOE** as to and substitute the time agreed upon.
2. If an interruption occurs in the broadcast or part of any of the Energy Efficiency and Conservation (EE&C) Practices, which is not due to a Force Majeure Event, a pro rata reduction in the charges hereunder will be made or, if such Interruption occurs during the portion of the broadcast, a credit in the same proportion to the total network charges which the omitted portion bears to the total portion of the broadcast shall be made, upon mutual agreement. In the event of such omission, **GMA** will make a suitable courtesy announcement as to such omission or interruption.
3. If **GMA** does not telecast spots equal to the agreed total spots, which is not due to a Force Majeure Event, **GMA** shall pay liquidated damages of one-tenth of one percent (0.1%) of the cost of every unperformed spot for every day of delay in the performance of the obligation. The maximum amount of liquidated damages that may be collected shall be ten percent (10%). Once the cumulative amount of the liquidated damages reaches the said limit, **DOE** shall have the right to rescind the contract without prejudice to other courses and remedies open to it.

**E. TERMINATION AND RENEWAL**

1. This contract may be terminated by either party by giving the other party fifteen (15) days prior written notice. If **DOE** terminates this contract, it will pay **GMA** at earned rate according to its rate card on which the contract is based. If **GMA** terminates this contract, **DOE** has the option to agree on a satisfactory substitute date or time of continuance of the broadcast covered by this contract at the rates on which this contract is based for such substituted date or time.

**F. RATES**

1. The total amount for the **DOE**'s Media Placement of Energy Efficiency and Conservation (EE&C) Practices package is **TWO MILLION ONE HUNDRED TWENTY-EIGHT THOUSAND PESOS ONLY (Php2,128,000.00)** inclusive of tax and subject to usual government accounting and auditing rules and regulations.
2. **DOE** directly purchases airtime and does not appoint any third-party advertising agency to carry out the airing of the EE&C Infomercials. Hence, the parties agree that no agency fees or other expenses may be deducted in any way from the payment of the total amount due to **GMA**.

**G. PAYMENT**

1. **GMA** shall be paid according to the following schedule:

Activity	Deliverable	Percentage of the Total Contract Amount								
1. Submit schedule of commercial airing to the End-User.	Approved schedule of commercial airing	30%								
2. Air the following DOE TVC Infomercials during the agreed timeline: <table border="1" data-bbox="418 635 885 951"> <thead> <tr> <th>Media Values</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>TVC 30's To be aired from April 14-16, 2022 on GMA</td> <td>38</td> </tr> <tr> <td>TVC 30's To be aired from April 14-16, 2022 on GTV</td> <td>30</td> </tr> <tr> <td><b>Total</b></td> <td><b>68</b></td> </tr> </tbody> </table>	Media Values	Frequency	TVC 30's To be aired from April 14-16, 2022 on GMA	38	TVC 30's To be aired from April 14-16, 2022 on GTV	30	<b>Total</b>	<b>68</b>	30-second plug 100% aired	40%
Media Values	Frequency									
TVC 30's To be aired from April 14-16, 2022 on GMA	38									
TVC 30's To be aired from April 14-16, 2022 on GTV	30									
<b>Total</b>	<b>68</b>									
3. Submit report on the commercial airing of the materials.	Report on the Analysis of the Viewership	30%								
<b>Total</b>		<b>100%</b>								

2. For every progress payment, 5% retention will be deducted. As such, the DOE will release the retention amount equivalent to 5% of the contracted amount within the project upon the issuance of the Certificate of Acceptance in compliance with Section 62 of the 2016 revised IRR of RA 9184 and GPPB Resolution 30-2017.
3. **GMA** shall issue an official billing statement each progress billing. For billing purposes, **GMA** shall provide report of placement and the corresponding verifiable proof of placements, such as, google drive which contains the tape on air.

**H. EXPECTED OUTPUTS**

1. **GMA** to submit to DOE the following:

Activity	Deliverable								
1. Submit schedule of commercial airing to the End-User.	Approved schedule of commercial airing								
2. Air the following DOE TVC Infomercials during the agreed timeline: <table border="1" data-bbox="418 1764 1047 2023"> <thead> <tr> <th>Media Values</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>TVC 30's To be aired from April 14-16, 2022 on GMA</td> <td>38</td> </tr> <tr> <td>TVC 30's To be aired from April 14-16, 2022 on GTV</td> <td>30</td> </tr> <tr> <td><b>Total</b></td> <td><b>68</b></td> </tr> </tbody> </table>	Media Values	Frequency	TVC 30's To be aired from April 14-16, 2022 on GMA	38	TVC 30's To be aired from April 14-16, 2022 on GTV	30	<b>Total</b>	<b>68</b>	30-second plug 100% aired
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TVC 30's To be aired from April 14-16, 2022 on GTV	30								
<b>Total</b>	<b>68</b>								
3. Submit report on the commercial airing of the materials.	Implementation report which includes the airing time stamps as well as ratings								

- i. Report on the viewership and reach of the story and plugs aired by the network.
- ii. Ratings report generated by GMA Research thru the Arianna software of Nielsen

**I. GENERAL CONDITIONS**

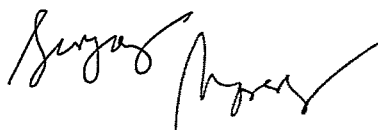
1. Rights and privileges under this contract shall not be assigned or transferred by **DOE** or **GMA**.
2. This contract is subject to the terms and conditions of licenses held by **GMA** and are also subject to all government laws and regulations now in force or which may be enforced in the future.
3. The failure of either party to enforce any of the provisions herein listed with respect to a breach thereof in any one instance shall not be construed as a general relinquishment or waiver under this agreement and the same shall nevertheless be and remain in full force and effect.
4. **Each Party** hereby agrees to keep confidential all matters concerning this agreement and the product subject of the commercial and agrees not to discuss the same to third parties without the consent of **the other Party**.
5. This Agreement contains the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements or understandings between the Parties with respect to that subject matter. No amendment to this Agreement will be valid unless confirmed in writing and signed by both Parties.
6. A waiver is not valid or binding on the other Party granting that waiver unless made and confirmed in writing by an authorized signatory. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver by that Party nor will any single or partial exercise of any right or the exercise of any other right preclude any further exercise.
7. This Agreement does not constitute either Party as a partner, Agent or employee or representative of the other.
8. The Parties may execute this Agreement in counterparts, each of which shall constitute an original for all purposes, including any copies of the same, and all duplicate counterparts will be construed together and constitute one Agreement.
9. The individuals signing this Agreement warrant that they are authorized to and by their signatures intend to bind the entity for which they purport to act.

**J. DISPUTE RESOLUTION**

All disputes, controversies, or claims arising from or relating to this Agreement shall be settled through negotiation and/or mediation and shall be decided by arbitration in accordance with R.A. No. 9285 or the "*Alternative Dispute Resolution Law of 2004*".

**K. GOVERNING LAW**

This agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines. In case of any suit or action arising from this Agreement, the action shall be filed in the proper courts of Taguig City, Metro Manila, Philippines exclusively, to the exclusion of all other courts and venues.



In consideration of the payments to be made by **DOE** to **GMA** as hereinafter mentioned, **GMA** hereby covenants with **DOE** to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

**DOE** further hereby covenants to pay **GMA** in consideration of the provision of the aforementioned services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the Contract.

**IN WITNESS** whereof, the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

**DEPARTMENT OF ENERGY  
(DOE)**

**GMA NETWORK, INC.  
(GMA)**

By:

By:


  
**JESUSITO H. SULIT**  
Undersecretary

  
**JAN CHRISTINE S. YNARES**  
Account Manager

SIGNED IN THE PRESENCE OF:

  
**PATRICK T. AQUINO, CESO III**  
Director IV  
Energy Utilization Management Bureau, DOE

  
**MALOU F. REYES**  
Sales Director  
GMA Network, Inc.

  
**AGUSTUS CESAR A. NAVARRO**  
Chief Accountant  
Accounting Division  
Financial Services, DOE

ACKNOWLEDGMENT

Republic of the Philippines)  
CITY OF MANILA S.S.

CITY OF MANILA

BEFORE ME, a Notary Public for and in \_\_\_\_\_, personally appeared the following:

NAME	IDENTIFICATION NO.	DATE/PLACE OF ISSUE
JESUSITO H. SULIT	SL-NB-87-053739	4-15-19 / oc
JAN CHRISTINE S. YNARES	D16-02-20021	01-03-2022 / QC

Known to me to be the same persons who executed the foregoing instrument and they acknowledge to me that the signatures they affixed confirm their own free acts and the entity they represent.

This instrument consisting of seven (7) pages, including this page on which this acknowledgement is written refers to a **Contract Agreement on the Media Placement of Energy Efficiency and Conservation (EE&C) Practices through Alternative Mode of Procurement (AMP) 53.6** and has been signed by the parties and their witnesses and sealed with my notarial seal.   
07 APR 2022

WITNESS MY HAND AND NOTARIAL SEAL.

Doc. No. 450  
Page No. 91  
Book No. LXVI  
Series of 2022.

ATTY. LEONARDO A. SARMIENTO III  
Notary Public for the City of Manila  
Notarial Commission NO. 2020-045  
Extended until 06-30-2022 B.M. No. 3795  
PTR OR No. 0154919/01/04/2022  
IBF OR No. 094682/01-04-2022  
Roll of Attorney No. 55618  
MCLE No. VI-0022746/04-02-19