

CONTRACT AGREEMENT

Media Placement, and Television Airing of Energy Efficiency and Conservation (EE&C) Practices across Multiple Platforms Through Alternative Mode of Procurement (AMP) 53.6

KNOW ALL MEN BY THESE PRESENTS:

MAR 24 2023

THIS AGREEMENT made this _____ day of _____ 2023 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 **Secretary, RAPHAEL P. M. LOTILLA** hereinafter referred to as "**DOE**".

and

Nine Media Corporation (CNN Philippines), a corporation under Philippine law, with office address at Upper Ground Floor, Worldwide Corporation Center, Shaw Boulevard, Mandaluyong City, represented herein by its Chief Financial Officer, **LEON H. DY**, and SVP-Commercial and Business Development, **MARIA CECILIA MAJOR** hereinafter referred to as "**CNN Philippines**".

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

WITNESSETH:

WHEREAS, Section 4 (m), Rule III of the Energy Efficiency and Conservation Act (EEC 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, Section 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 x x x x 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:

Y

am

x x x x x x x 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 x x x x x 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 x x x x x x x

WHEREAS, CNN Philippines has the highest affinity of the target markets (A, B, C) as well as decision makers in the country compared to other networks with limited target markets. CNN Philippines 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 and Television Airing of Energy Efficiency and Conservation (EEC) Practices and has accepted a Bid from the **CNN PHILIPPINES** for the supply of those services in the sum of **ELEVEN MILLION PESOS ONLY (Php 11,000,000.00)** 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. CNN Philippines shall ensure the delivery of the following particulars/specifications:

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

Media Values	Frequency
30s plugs – airing 2x a day for seven days before each episode.	140
Digital cross post of plugs on CNN PH Facebook, Twitter and YouTube	10
30min episodes, initial airing – 1x a month for 10 months	10

y

Am

30min episodes, replays – 2x replays per episode	20
Digital cross post of 30min episodes on CNN PH FB and YT	10
60s pullouts – one pullout per episode airing 14x each	140
Sponsored articles – 1x per episode with video embedded and cross-posts on CNN PH FB and TW	10
Facebook boosting of sponsored articles	10
Total:	350

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

B. DOE shall provide CNN Philippines with Hi-Res logo in JPG format and guide copy to produce LSG, OBB, CBB, and any other similar materials.

The following proposed topics shall be covered/discussed during the television airing of the following:

- i. Episode 1 – Introduction of Emerging Energy
Episode 1: b – Earth Hour 2023: The Biggest Hour For Earth
- ii. Episode 2– The Philippine Energy Labeling Program
- iii. Episode 3 – The Energy Efficiency Practitioners
- iv. Episode 4 – Energy Efficiency in the Commercial Sectors
- v. Episode 5 – Energy Efficiency and Conservation and Renewable Energy
- vi. Episode 6 – Energy Efficiency in the Transportation Sectors
- vii. Episode 7 – Energy Efficiency in Buildings
- viii. Episode 8 – Government Energy Management Program
- ix. Episode 9 – Designated Establishments
- x. Episode 10 – National Energy Consciousness Month

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 : News and Public Affairs and Entertainment (Primetime shows / programs)
- Placement of the Ad : Before or after the gap
- Number of spots : 350 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 **CNN PHILIPPINES** "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 **CNN PHILIPPINES** 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, **CNN PHILIPPINES** 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, the **CNN PHILIPPINES** will make a suitable courtesy announcement as to such omission or interruption.
3. If **CNN PHILIPPINES** does not telecast spots equal to the agreed total spots, which is not due to a Force Majeure Event, **CNN PHILIPPINES** 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 **CNN PHILIPPINES** at earned rate according to its rate card on which the contract is based. If **CNN PHILIPPINES** terminates this contract, **DOE** will then either 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 (EEC) Practices package is **ELEVEN MILLION PESOS ONLY (PhP 11,000,000.00)** 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 topics of approved educational television program. 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 **CNN PHILIPPINES**.

G. PAYMENT

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

Activity	Deliverable	Percentage of the Total Contract Amount
1. Submission of Approved Rundown	Approved Rundown	30%
2. Submission of Approved Production Plan	Approved Production Plan	
3. 100% airing and posting of 30-second plugs across multiple platforms of network	30s plugs are 100% aired	40%
4. Complete airing and posting of ten (10) episodes, compiled version replays, pullouts across multiple platforms of network	All episodes and pullouts are aired and replayed	
5. Submission of original brand title cards, copies of materials in hard drives, viewership and reach report, and certificate from third-party validation team/entity.	Submission of original brand title cards, copies of materials in hard drives, and certificate from third-party validation team/entity	30%
Total		100%

2. **CNN Philippines** shall issue an official billing statement each progress billing. For billing purposes, **CNN Philippines** shall provide report of placement and the corresponding verifiable proof of placements, such as, third party certification, photograph, screen shots, etc.

H. EXPECTED OUTPUTS

1. **CNN PHILIPPINES** to submit to DOE the following:

Activity	Deliverable
1. Submit schedule of the special television program airing to the DOE.	Approved schedule of commercial airing
2. Air the following DOE Educational Television Program (TVP) I during the agreed timeline:	30-second plug, ten stories, 30-minute compilation 100% aired
30s plugs – airing 2x a day for seven days before each episode.	
Digital cross post of plugs on CNN PH Facebook, Twitter and YouTube	
30min episodes, initial airing – 1x a month for 10 months	
30min episodes, replays – 2x replays per episode	
Digital cross post of 30min episodes on CNN PH FB and YT	
60s pullouts – one pullout per episode airing 14 x each	
Sponsored articles – 1x per episode with video embedded and cross-posts on CNN PH FB and TW	

Activity	Deliverable
Facebook boosting of sponsored articles	
3. Submit report on the Television Program airing of the materials.	Report on the Analysis of the Viewership

- i. Report on the viewership and reach of the story and plugs aired by the network and posted on their social media platforms.
- ii. A certificate from a third-party validation team/entity, not under the network's name/corporation, shall be provided by the Service Provider after all the episodes has been aired and posted.

I. GENERAL CONDITIONS

1. Except as otherwise stated in this Agreement, no rights, interests, or obligations herein may be transferred, assigned, delegated, pledged, novated, or otherwise disposed of (whether wholly or partly) by one Party without the prior written consent of the other Party. Any purported assignment, delegation, pledge, novation, or other disposition in violation of this clause shall be void.
2. This contract is subject to the terms and conditions of licenses held by **CNN PHILIPPINES** 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. INTELLECTUAL PROPERTY

CNN Philippines shall exclusively own all rights, titles and interests in and to any content produced by CNN Philippines for the purpose of this Agreement ("Content"). CNN Philippines grants DOE a non-exclusive, non-transferable, non-sublicensable, non-assignable, revocable, limited license and right to use the Content for the purpose of this Agreement and for any internal use of DOE. Other than the aforementioned, DOE shall not use or publish the Content without the written consent of CNN Philippines.

All intellectual property rights not expressly granted to the DOE under this Agreement are reserved to CNN Philippines.

The DOE represents and warrants that: (i) it shall not use or authorize the use of the afore-mentioned Content other than as authorized in this Agreement; (ii) it shall not add to, edit or revise the aforementioned Content in any manner.

Each Party acknowledges that the other Party may be required to use its names, logos, trade, or service marks ("Marks") in performing this Agreement. Each Party grants the other Party a non-exclusive, royalty-free, non-transferable, non-sublicensable, revocable, limited license to use its Marks during the Term to the extent necessary to perform this Agreement. Each Party agrees that it will not do anything inconsistent with the ownership of such Marks and that all uses of the Marks by it shall inure to the benefit of the owner of the Marks. Each Party agrees that nothing in this Agreement shall give it any right, title or interest in the Marks of the other Party other than the right to use the Marks solely in accordance with this Agreement.

K. ARBITRATION

The Parties shall, as often as possible, mutually consult with each other with respect to the performance of their respective obligations under this Agreement. The Parties shall exert their best efforts to promptly resolve any differences or disagreements with respect to any dispute that may arise in connection with this Agreement. However, if such disagreement or differences persist despite efforts of the Parties to settle the same, it is mutually agreed upon that the dispute shall be resolved before the Office of the Solicitor General (OSG) and/or Department of Justice (DOJ) pursuant to the provisions of the Uniform Rules on Dispute Resolution under Presidential Decree No. 242, as amended, for Government Agencies or Executive Order No. 292, otherwise known as the Administrative Code of 1987, whichever is applicable.

L. GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines. Arbitration or any action brought to enforce or

interpret this Agreement shall be brought in the courts of Taguig City or Mandaluyong City, to the exclusion of other courts.


In consideration of the payments to be made by DOE to CNN PHILIPPINES as hereinafter mentioned, CNN PHILIPPINES 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 CNN PHILIPPINES 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.


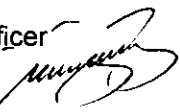
IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

DEPARTMENT OF ENERGY (DOE):

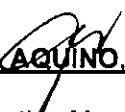
CNN PHILIPPINES:

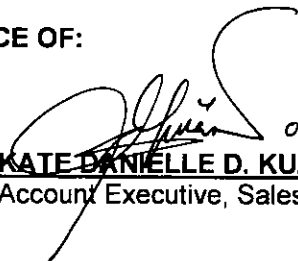

RAPHAEL P. M. LOTILLA
Secretary

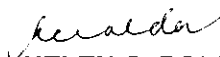



LEON H. DY
Chief Financial Officer

MARIA CECILIA R. MAJOR
SVP, Commercial and Business Dev.

SIGNED IN THE PRESENCE OF:


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


KATE DANIELLE D. KUAN
Account Executive, Sales
03-09-23


HELEN C. ROLDAN
Chief Accountant
Accounting Division
Financial Services, DOE

CAF NO. 03-23-03-017
CAF Date: March 23, 2023
SPECIAL ACCOUNTS - LOCALLY FUNDED
P 11,000,000.00

ACKNOWLEDGMENT

Republic of the Philippines)
_____) S.S. _____

CITY OF MANILA

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

NAME ISSUE	IDENTIFICATION NO.	DATE/PLACE	OF
RAPHAEL P. M. LOTILLA			
LEON H. DY	TIN 106-880-854-000		
MARIA CECILIA R. MAJOR	TIN 296-881-694-000		

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 eight (8) pages, including this page on which this acknowledgement is written refers to a **CONTRACT AGREEMENT FOR THE MEDIA PLACEMENT AND TELEVISION AIRING OF ENERGY EFFICIENCY AND CONSERVATION (EE&C) PRACTICES THROUGH THE USE OF ALTERNATIVE MODE OF PROCUREMENT (AMP) 53.6** and has been signed by the parties and their witnesses and sealed with my notarial seal.

WITNESS MY HAND AND NOTARIAL SEAL.

MAR 24 2023

ATTY. ROLAND E. LAS PIÑAS
Notary Public - City of Manila
Notarial Commission No. 2023/016
Exp. Date 31 2024
240 OAH (Luzon) St., Samp. Ma.
City of Manila, Ph. 84035
PSE No. 08-01-0113, 2023/MLA.
ISEP No. 08-01-0113 / 08/20/2022
www.notarypublic.com.ph

Doc. No. 280
Page No. 57
Book No. IV
Series of 2023.

on

1