

PHILHEALTH
Saturday-21st May 2016

LETTER OF AGREEMENT BETWEEN HOTEL H2O AND
PHILHEALTH

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ACCOMMODATION DATES: PHILHEALTH – Saturday, 21st May 2016

PHILHEALTH and Hotel H2O agree as follows:

These arrangements will be a definite commitment upon signing of this agreement (the "Contract") by both parties.

However, until Wednesday 18th May 2016 (not later than 1700H), unless both parties have agreed upon and fully executed this Contract, should another group request the dates and be in a position to sign an agreement immediately with Hotel, we will advise Group, and Group will have three (3) business days to sign this Contract and confirm the arrangements on a definite basis or Hotel may at its option enter into an agreement with another group or individuals.

If this Contract is not fully executed by Wednesday 18th May 2016 (1700H), the room block may be automatically released.

BANQUET DETAILS

Meeting Room	Date + Time	No. of Pax	Set up	Meal Requirement	Package Rate per Person	TOTAL RATE
Arctic Function Room	Saturday, 21 st May 2016	30 pax	Class Room Set Up	AM Snack + Buffet Lunch + PM Snack	Php1,300.00 nett	PHP39,000.00nett
TOTAL SALES						PHP 39,000.00nett

Inclusions:

- Use of venue for minimum guaranteed persons
- Registration table setup
- Rostrum with microphone
- Latest audio and sound equipment
- Complimentary use of LCD Projector
- Projector screen
- Free – flowing coffee or hot tea
- Wireless internet connectivity (on selected areas)

FULL payment amounting of **PHP39,000.00 nett** (banquet charges) will be settled thru sendbill arrangement with CAF and Signed Contract of Agreement.



DISCLOSURE

Group agrees that it will disclose to all members of Group and attendees, the type and amount of all automatic and mandatory charges [e.g., resort charges, service charges, etc] that will be charged to them by the Hotel under this Contract and the early departure fee that may be charged to them under this Contract. Group agrees that it will also have sole responsibility for determining whether it is necessary to disclose to members of Group, attendees or any third parties, any other terms of this Contract or the terms of any other relationship between the Group or you and the Hotel or China Oceanis Philippines Inc. or its affiliates, including that a portion of Group's room rates are being paid to you as a commission or rebate or that you have received or may receive any other benefits from Hotel or China Oceanis Philippines Inc. or its affiliates.

CHARGES FOR ADDITIONAL SERVICES

Hotel provides a variety of facilities and services not specifically described in this Contract, which are available to groups and individuals at additional charge. A list of Hotel's current pricing for these facilities and services is attached to this Contract, or is available to individual guests upon request. Prices are subject to change.

CONTENT

To the extent that Group provides any content to Hotel, including promotional brochures, flyers, logos, pictures, music and meeting schedules (collectively, the "Content") for any reason, including for distribution at the meeting or for inclusion on a H2O Groups website, Group hereby warrants that it has all rights, permissions, and licenses necessary to provide the Content to Hotel for its intended use. Group further warrants that it has all rights, permissions, and licenses necessary to display or perform all Content used by Group at its event.

GROUP DATA

To the extent Group provides any information to Hotel, including Group's contact information and personally identifiable information of Group's members and meeting attendees (collectively, the "Group Data") for any reason, Group hereby represents, warrants and covenants that, prior to providing Hotel with the Group Data, Group shall have obtained all rights and permissions necessary to (i) provide the Group Data to Hotel, (ii) transfer the Group Data to locations both within and outside the point of collection, including to the Philippines, and (iii) grant to Hotel the right to use or release the Group Data to China Oceanis Philippines Inc. ("COP"), COP's affiliates, and other entities and locations within the COP reservation, sales and catering, and database management systems for lawful COP related business purposes, including to confirm reservations and to provide stay related communications, and to provide access to third parties retained to provide services required or requested by Group, including Contracted Vendors.

ROOM AND RELATED CHARGES

Guests shall be responsible for other incurred charges other than those stipulated in this Contract and must be settled upon checkout, unless signed by the Authorized signatory.

BILLING ARRANGEMENTS

A master account will be set up for Group covering its charges (the "Master Account"). The estimated amount of the Master Account must be paid in advance [in accordance with the deposit schedule set forth below] unless direct billing has been established. Direct billing requests will be reviewed in accordance with Hotel's normal approval process. Should Hotel determine after establishing direct billing or a deposit schedule that your credit status has changed, Hotel will have the option to require payment of all estimated Master Account charges no later than fourteen (14) days before arrival, including any estimated Attrition fees. Group shall review all charges billed to the Master Account to ensure accurate billing.

We request that you advise Hotel of your expected method of payment of the Master Account at least 30 days in advance of arrival. If payment will be by Credit Card, the Credit Card must be provided to Hotel no later than the first day of the event, and all Master Account charges will be charged at departure. Any amounts not paid at departure will accrue interest at the rate of 1 ½% per month from the date of departure.

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Payment of all direct billing must be made within seven (7) days of receipt of a reconciled invoice from Hotel. In the event any charges are disputed, Group must notify hotel of such disputes within five business days or disputes will be considered waived. All undisputed charges will be paid within thirty (30) days, and if not paid within 30 days will be subject to interest accruing at the rate of 1 ½ % per month from the date of departure.

CREDIT CARD BILLING

Subject to the terms and conditions of this Agreement, Hotel will accept Credit Card payments for all Transactions. Hotel shall honor valid Credit Cards properly tendered for use. For purposes of this contract, "Credit Card" means a credit card issued pursuant to the rules and regulations (the "Rules") of American Express, Diners Club International, Discover Card, JCB, MasterCard VISA, or any "Credit Card" for which Hotel provides processing.

Banquet Requirements

Meeting Room	Date + Time	No. of Pax	Set up	Meal Requirement	Package Rate per Person	TOTAL RATE
Arctic Function Room	Saturday: 21 st May 2016	30 pax	Class Room Set Up	AM Snack + Buffet Lunch + PM Snack	Php1,300.00 nett	PHP39, 000.00nett
TOTAL SALES						PHP 39,000.00nett

Inclusions:

- Use of venue for minimum guaranteed persons
- Registration table setup
- Rostrum with microphone
- Latest audio and sound equipment
- Complimentary use of LCD Projector
- Projector screen
- Provision of the following conference amenities
- Pads and pencils
- Flipchart paper with stand
- Whiteboard, marker and eraser
- Free – flowing coffee or hot tea
- Wireless internet connectivity (on selected areas)

FULL payment amounting of **PHP39,000.00 nett** (banquet charges) will be settled thru sendbill arrangement with CAF and Signed Contract

OTHER REQUIREMENTS

Parking Rate

- a. Overnight parking will be validated by Front Office, 1 parking space per room
- b. Valet Service – will be paid thru personal account.

FOOD AND BEVERAGE POLICIES

Due to licensing requirements and quality control issues, all food and beverage to be served on Hotel property will be supplied and prepared by Hotel outlets. All food and beverage prices are subject to a 6% mandatory service charge and applicable taxes.

SECURITY

Hotel does not provide security in the meeting and function space and all personal property left in the meeting or function space is at the sole risk of the owner. Group agrees to advise its attendees that they are responsible for safekeeping of their personal property. Group may elect to retain security personnel to safeguard personal property in the meeting and function space. In addition, depending upon the



nature of your event, Hotel reserves the right based on its reasonable judgment to require Group to retain security personnel in order to safeguard guests or property in Hotel. Any security personnel retained by Group must be at its own expense and from a licensed security company that meets the minimum standards established by Hotel, including insurance and indemnification requirements, and at all times remains subject to Hotel's advance approval. Security personnel are not authorized to carry firearms without advance Hotel approval.

RELOCATION CLAUSE

In the event any member of your Group with a guaranteed guest room reservation cannot be accommodated by Hotel, Hotel will provide the following:

1. Accommodation at a comparable Hotel as close as reasonably possible at no charge to the guest for the first night the guest is displaced from Hotel.
2. One complimentary round trip ground transportation between Hotel and the alternate Hotel for each day the guest is displaced.
3. One five (5) minute phone call and necessary arrangements for forwarding of the displaced guest's telephone messages and mail.
4. Offer to relocate displaced guest back to the first available guest room.
5. Upon return to Hotel, upgraded accommodations (if available) and a welcome expression from the General Manager.
6. Credit to Group for any guests displaced toward its guest room block pick up for purposes of this Contract and for calculation of Group complimentary guest room credit.

ATTRITION AND CANCELLATION POLICIES

The parties agree that the event which is the subject of this Contract will generate revenue for Hotel from a variety of sources, including guest rooms, food and beverage events, and other charges for additional services (including, incidental charges for food and beverage and other hotel amenities) that would be incurred by individual guests and by Group. In the event that Group does not fulfill all of its commitments or cancels in its entirety this Contract, Hotel will suffer damages that will be difficult to determine. The parties agree that the Attrition and Cancellation clauses provide for liquidated damages that have been specifically agreed upon by the parties as a reasonable estimate of the Hotel's losses and do not constitute a penalty of any kind.

GUEST ROOM ATTRITION

Group agrees to provide a minimum peso amount of guest room revenue which shall be equal to the number of guest room nights set forth in the Guest Room Accommodation chart (or the number of guest room nights as adjusted pursuant to the Room and Space Block Review clause, if any) times Group's average guest room rate, not including tax (the "Minimum Revenue"). If Group holds its meeting as agreed, Hotel will waive its right to seek damages for Group's failure to achieve the Minimum Revenue, if Group achieves at least 90% of the Minimum Revenue. Should Group fall below this amount, Group will pay as a reasonable estimate of the Hotel's losses an amount equal to the difference between 80% of the Minimum Revenue and the actual guest room revenue achieved by Group (the "Attrition Damages"). All applicable taxes on the Attrition Damages will be paid by Group.

GUEST ROOM ATTRITION RESALE CREDIT

Any Attrition Damages due pursuant to the **GUEST ROOM ATTRITION** clause will be reduced by the guest room revenue received from unused Group guest rooms that are resold by Hotel. Because it is impossible to accurately determine what guest rooms are resold and at what rate, the parties agree that "resold" rooms will be calculated as follows: The resale revenue credited to Attrition Damages will be equal to Hotel's average daily rate for each day that guest rooms are resold. Unused Group rooms will be the last guest rooms resold, thus guest rooms will be considered resold to the extent that Hotel is able to sell more guest rooms than it could have sold if Group had fully occupied its reserved block. For



example, if Group does not use thirty (30) rooms in its block but only ten (10) rooms remain unsold in Hotel, the Attrition Damages owed will be reduced by the average daily rate times twenty (20).

CANCELLATION

Hotel estimates that the Minimum Revenue it will receive from this event (including previous Outstanding balance) if it is held as agreed pursuant to this Contract is as follows:

Banquet Charges	: PHP39, 000.00
Total Estimated Revenue	: <u>PHP39, 000.00 NETT</u>

If Group elects to cancel this Contract for any reason other than a termination for cause or pursuant to the **FORCE MAJEURE** clause of this contract, Group agrees to provide written notice to Hotel accompanied by the payment indicated in the following scale:

Upon signing of the contract	100%
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If such payment does not accompany the Group's cancellation notice, the amount owed by the Group shall be determined in accordance with the scale above by using the date the payment is actually made by Group to Hotel, rather than the date Group provided notice of cancellation to Hotel. The option to cancel is agreed by the parties to constitute the exercise of a contractual option and not a default. The parties further agree that the amounts set forth above are reasonable estimates of the losses that would be incurred by Hotel and include consideration of the possibility of Hotel's ability to mitigate its losses through resale, therefore the reductions applicable in the **GUEST ROOM ATTRITION** and **GUEST ROOM ATTRITION RESALE CREDIT** clauses will not apply in the event of a cancellation.

FORCE MAJEURE

The performance of this Contract is subject to acts of God, government authority, disaster, or other emergencies, any of which make it illegal or impossible for Hotel to provide the facilities and/or services for Group's event or meeting. It is provided that this Contract may be terminated for any one or more of such reasons by written notice from one party to the other without liability.

INDEMNIFICATION

To the extent allowed by applicable law and subject to sovereign immunities afforded to Group, each party hereby agrees to indemnify, defend and hold the other harmless from any loss, liability, costs or damages arising from actual or threatened claims or causes of action resulting from breach of any of its representations, warranties or covenants herein or the negligence, gross negligence or intentional misconduct of the party indemnifying or its respective officers, directors, employees, agents, contractors, members or participants (as applicable), provided that with respect to officers, directors, employees, and agents, such individuals are acting within the scope of their employment or agency, as applicable.

MAGNA CARTA FOR DISABLED PERSONS

Group and Hotel shall each be responsible for compliance with the public accommodation requirements of the Magna Carta for Disabled persons and any applicable laws in their respective operation or use of Hotel. Hotel shall provide, to the extent required by law, such auxiliary aids and services or modifications of Hotel rules or policies as may be reasonably requested by Group on behalf of its disabled members for use in sleeping rooms and public areas of Hotel operated by Hotel personnel, provided that Group gives reasonable advance written notice to Hotel of such needs. During its use of Hotel, Group shall be responsible for providing its disabled members with auxiliary aids and services or modifications of Group rules or policies in connection with any Group program, activities or presentation (including, for example, engagement of and payment to specialized service providers, such as sign language interpreters), where such accommodation is necessary for use in the meeting space used by Group, other than those types and quantities typically maintained by Hotel.

LIMITATION ON PUNITIVE DAMAGES

The parties hereby agree that neither party shall be liable for any punitive damages.



DISPUTE RESOLUTION

The parties will resolve any controversy, claim or dispute of any kind or description arising out of or relating to this Contract through binding arbitration before one arbitrator conducted in accordance with the rules of the Philippine Law and city in which Hotel is located. The law of the City in which Hotel is located will be the governing law. The arbitration award will be enforceable in any municipal court. In the event of arbitration or litigation arising from or associated with this contract or the enforcement of any arbitration

award, the parties agree that the prevailing party therein shall recover attorneys' fees and costs including expert witness and arbitration fees and pre and post judgment interest. In addition, Group shall be responsible for payment of attorneys' fees and interest associated with Hotel's efforts to collect monies owed under the terms of this Contract.

COMPLIANCE WITH LAWS AND HOTEL RULES AND POLICIES

Group agrees to comply with all applicable federal, state and local laws and Hotel rules and policies governing the Contract and event, including any rules, regulations or requests of the Philippine Government.

ASSIGNMENT

Group agrees that it may not assign its interest, rights or duties under this Contract to any other person or entity without Hotel's prior approval.

NOTICE

Any notice required or permitted by the terms of this Contract must be in writing. Notice may be sent via facsimile transmission and will be considered effective as of the date and time of the facsimile confirmation of transmission.

WAIVER

If either party agrees to waive its right to enforce any term of this Contract, it does not waive its right to enforce any other terms of this Contract.

SEVERABILITY

If any provision of this Contract is held to be invalid or unenforceable, that provision shall be eliminated or limited to the minimum extent necessary such that the intent of the parties is effectuated, and the remainder of the Contract shall have full force and effect.

SIGNATURE

This Contract, with exhibits attached (if any), constitutes the entire agreement between the parties, supersedes all other written and oral agreements between the parties concerning its subject matter, and may not be amended or changed unless done so in a writing signed by Hotel and Group. Oral modifications to this written Contract, even if allowed by local law, will not be considered binding.

The undersigned represent that they are authorized to sign and enter into this Contract.

In the event this Contract is executed by a third party on behalf of Group, the attached Joinder and Consent to Contract must be executed by Group. If such Joinder is not received by Hotel within thirty (30) days after the date set forth on the first page of this Contract, Hotel shall have the option to terminate this Contract by giving written notice to you and all applicable cancellation and related fees shall be paid by you to Hotel within fifteen (15) days thereafter.

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Saturday-21st May 2016

ACCEPTED AND AGREED TO:

For and In behalf of HOTEL H2O


ANGELA MARIE GUTIERREZ
Sales Account Manager

APPROVED BY


MS MA LUISA BERNABE
Director, Sales and Marketing

CONFORME:

 5/18/16
MR DELIO A. ASERON II
Head, Corporate Action Center