

## CONTRACT FOR CONSULTANCY SERVICES

This Contract for Consultancy Services (the "Contract") is made and executed by and between:

**HOME GUARANTY CORPORATION**, a Government-Owned and Controlled Corporation, created under Republic Act No. 8763, otherwise known as the Home Guaranty Act of 2000, with office address at Jade Building, No. 335 Senator Gil Puyat Avenue, Makati City, represented herein by its Officer-in-Charge, **CORAZON G. CORPUZ**, hereinafter referred to as the "**FIRST PARTY**";

- and -

**TOWERS WATSON PHILIPPINES, INC. (Willis Towers Watson)**, a corporation duly organized and existing under Philippine Laws, with office address at 15/F The Marajo Tower, 312 26<sup>th</sup> Street corner Fourth Avenue, Fort Bonifacio Global City, Taguig City, Philippines herein represented by **PATRICK V. MARQUINA**, hereinafter referred to as the "**SECOND PARTY**".

### RECITALS:

**WHEREAS**, Executive Order No. 203, s. 2016 vests in the Governance Commission for Government-Owned and Controlled Corporations (GCG) the implementation and administration of the Compensation and Position Classification System (CPCS) and General Index of Occupational Services (IOS) for the GOCC Sector covered by Republic Act No. 10149;

**WHEREAS**, Job Leveling is one of the requirements of the GCG for the FIRST PARTY to implement the new salary structure provided under the CPCS;

**WHEREAS**, the FIRST PARTY needs the services of a Consultant to conduct Job Leveling (Position Classification) using the CPCS methodology;

**WHEREAS**, on 12 April 2016, an Invitation to Bid (ITB) for the purpose was posted in the Philippine Government Electronic Procurement System (PhilGEPS), HGC Website and HGC Bulletin Boards;

**WHEREAS**, on 19 April 2016, the deadline for submission of eligibility documents, only the SECOND PARTY submitted the required documents, and on the basis of the documents submitted, the SECOND PARTY was found to be eligible to participate in the bidding;

**WHEREAS**, on 12 May 2016, the deadline for the submission of bids, the SECOND PARTY submitted its Technical and Financial Proposals, and upon evaluation thereof based on the criteria indicated in the ITB, the Bids and Awards Committee (BAC) found the same as the single rated bid for the project;

**WHEREAS**, on 24 May 2016, the bid of the SECOND PARTY was declared as the Single Rated Bid for the procurement of a Consultant to conduct Job Leveling for HGC;

**WHEREAS**, after negotiation and Post-Qualification, the bid of the SECOND PARTY was found to be responsive to the requirements of HGC;



**WHEREAS**, on 20 June 2016, a Notice of Award was issued to the **SECOND PARTY**; and

**WHEREAS**, the **SECOND PARTY** attests that none of its officials are related within the third degree of consanguinity or affinity to the hiring authority and/or the representative of the **FIRST PARTY**.

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

### **ARTICLE 1 OBLIGATIONS OF THE PARTIES**

- 1.1 The **FIRST PARTY** shall have the following obligations:
- a. Provide the **SECOND PARTY** documents necessary to carry out its obligations under this Contract;
  - b. Extend administrative assistance to the **SECOND PARTY** in the conduct of interviews and other project-related activities; and
  - c. Pay the **SECOND PARTY** in accordance with Article 2 of this Contract.
- 1.2 The **SECOND PARTY** shall undertake/deliver the following:
1. Conduct of kick-off meeting;
  2. Review and analysis of documents (Mandate, Mission and Vision, Organizational Charts, Functional Charts, Job Descriptions, among others);
  3. Conduct of interviews of selected personnel;
  4. Conduct of orientation of the HRD, Job Leveling Committee and selected personnel on the CPCS Methodology;
  5. Mapping of current levels to CPCS levels;
  6. Conduct of a minimum of three (3) Job Leveling workshops using the CPCS methodology with the Job Leveling Committee;
  7. Review of Job Grades and alignment of results;
  8. Presentation of preliminary hierarchy to HGC Management, and documentation; and
  9. Submission and presentation of Final Results to HGC Management and Governing Board.

### **ARTICLE 2 CONTRACT PRICE AND TERMS OF PAYMENTS**

- 2.1 In consideration of the complete and faithful performance of the terms of this Contract, the **FIRST PARTY** shall pay the **SECOND PARTY** the sum of **TWO MILLION PESOS (PhP 2,000,000.00)**, inclusive of all applicable taxes, payable as follows:

Phases	Timeline	Activities	Deliverables / Tangible Output	Amount
Project Planning and Briefing	1 week	Conduct of briefing / kick-off meeting.	1. Briefing/kick-off meeting conducted. 2. Project Plan.	P 300,000.00

Document Review and Analysis	1 week	1. Conduct of review of relevant documents such as organizational structure, functional charts, job leveling documents, among others. 2. Conduct of interviews of selected personnel.	1. Work plan, information checklist, and timeline submitted. 2. Interviews conducted 3. Progress report submitted	P 330,000.00
Interviews				
Job Leveling	6 weeks	1. Conduct of orientation with the HRD, Job Leveling Committee, and selected personnel; 2. Mapping of current levels to CPCS levels. 3. Conduct of up to three (3) Job Leveling workshops using the CPCS methodology with the Job Leveling Committee. 4. Review of Job Grades and alignment of results. 5. Presentation of preliminary hierarchy to HGC Management, and documentation. 6. Submission and presentation of results to HGC Management and Governing Board.	1. Orientation conducted. 2. Workshops conducted. 3. CPCS grades for 140 positions showing the Career Band, Career/Job Level, and Job Grade submitted  4. Results presented to HGC. 5. Final Report submitted to HGC.	P1,200,000.00  P 170,000.00

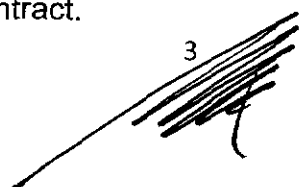
2.2 The FIRST PARTY shall withhold taxes from any amount due the SECOND PARTY and remit the same to the Bureau of Internal Revenue or such other amounts it may deem necessary to meet any lawful claims of any person or party against the SECOND PARTY.

### ARTICLE 3 CONFIDENTIALITY

3.1 Each Party hereby agrees not to disclose or permit the disclosure of any information, whether written or oral, which either Party may have acquired in the course of or in connection with the performance of the obligations under this Contract ("Confidential Information"), unless and only to the extent required by law or competent authority during and after the effectivity of this Contract.



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- 3.2 Each Party's obligations will not apply to information: (i) already known to it at the time of disclosure; (ii) in the public domain or publicly available; (iii) available from a third party who is under no such obligation of confidentiality; or (iv) independently developed by it. Each Party may disclose confidential information to its legal advisers to protect its own legitimate interest and to comply with any legal or regulatory requirements. If any court, regulatory authority, professional body or legal process requires the recipient to disclose information covered by this confidentiality obligation, then the recipient may make any such disclosure; provided that the recipient will, if permitted by law, advise the other Party promptly of any such requirement and cooperate, at such other Party's expense, in responding to it.
- 3.3 In performing the services, the SECOND PARTY may pass Personal Data within its global network of offices and affiliates and to providers of IT outsourcing who will be subject to appropriate data protection standards. Irrespective of where the SECOND PARTY receives or holds individually identifiable personal information ("Personal Data") on the FIRST PARTY's behalf, the SECOND PARTY confirms that, acting as data processor it will take appropriate technical, physical and organizational/administrative measures to protect that Personal Data against accidental or unlawful destruction or accidental loss or unauthorized alteration, disclosure or access. The SECOND PARTY will only use that Personal Data for the purposes of providing services to the FIRST PARTY or for other reasonable purposes which are related to the services the SECOND PARTY provides, unless the FIRST PARTY instructs the SECOND PARTY otherwise. Each Party shall comply with the provisions and obligations imposed on that Party by applicable data privacy legislation and regulations.

#### ARTICLE 4 INTELLECTUAL PROPERTY RIGHTS

- 4.1 The FIRST PARTY shall retain ownership of all original data and materials, and the intellectual property rights in that data, provided to the SECOND PARTY by the FIRST PARTY or the FIRST PARTY's representatives. The FIRST PARTY will have the right to use, reproduce and adapt the copies of the work product delivered to the FIRST PARTY for internal purposes within its organization. The SECOND PARTY shall retain the intellectual property rights in such work product, and the skills, know-how and methodologies used or acquired by the SECOND PARTY during the course of providing any service.
- 4.2. The services the SECOND PARTY performs, including the work product the SECOND PARTY delivers to the FIRST PARTY, are provided solely for the intended purpose, and may not be referenced or distributed to any other party without the SECOND PARTY's prior written consent. The FIRST PARTY may distribute the SECOND PARTY's work product to the FIRST PARTY's affiliates, provided that the FIRST PARTY ensures that each such affiliate complies with these terms and the applicable scope of work as if it were a party to them, and the FIRST PARTY remains responsible for such compliance.
- 4.3 The FIRST PARTY shall not refer to the SECOND PARTY or include any of the SECOND PARTY's work product in any shareholder communication or in any offering materials (or fairness opinion provided by the FIRST PARTY's professional advisers) prepared in connection with the public offering or private placement of any security, unless otherwise agreed in writing.



**ARTICLE 5  
LIMITATION OF LIABILITY**

- 5.1 If the SECOND PARTY's services do not conform to the requirements agreed between the Parties, the FIRST PARTY shall promptly notify the SECOND PARTY and the SECOND PARTY shall re-perform non-conforming services at no additional charge or, at the SECOND PARTY's option, refund the portion of the fees paid with respect to such services.
- 5.2 If re-performance of the services or refund of the applicable fees would not provide an adequate remedy for damages, the aggregate liability of the SECOND PARTY and its employees, directors, officers, agents and subcontractors (the "related persons") to the FIRST PARTY whether in contract, tort (including negligence), breach of statutory duty or otherwise for any losses arising from or in any way connected with the SECOND PARTY's services shall not exceed in aggregate the greater of (a) US\$250,000 or (b) the total amount of the fees paid to the SECOND PARTY for the services provided pursuant to that scope of work during any 12-month period beginning with the commencement of that scope of work, unless otherwise agreed in writing. Nothing in these terms shall exclude or limit the liability of the SECOND PARTY or its related persons in the case of: (a) death or personal injury resulting from the SECOND PARTY or its related person's negligence; (b) willful misconduct; (c) fraud; or (d) other liability to the extent that the same may not be excluded or limited as a matter of law. In no event shall the SECOND PARTY or any of its related persons or affiliates be liable for any indirect damages of any kind (including, without limitation, loss of income, loss of profits, loss of reputation and loss of business opportunities).

**ARTICLE 6  
TERMINATION**

- 6.1 If either Party fails to observe or perform or in any manner breaches any of its obligations under this Contract and such failure is not remedied within ten (10) days after written notification thereof is given by the aggrieved party, the Party who is not at fault shall have just cause to forthwith terminate this Contract by giving written notice to the Party at fault, without prejudice to the right of the former to avail itself of other remedies provided under this Contract and existing laws.
- 6.2 Either Party for good cause shown may terminate a project on 30 days' written notice to the other Party.
- 6.3 Upon termination of this Contract as provided herein, the SECOND PARTY shall return to the FIRST PARTY, without need of further notice or demand, any and all Confidential Information provided to the SECOND PARTY, if any, in its possession. The Parties shall agree beforehand on the manner by which the Confidential Information shall be returned. Notwithstanding the foregoing, the Parties may retain (subject to their obligations of confidentiality under this Contract) copies of the Confidential Information to the extent required by their respective record retention and business continuity policies and procedures.
- 6.4 The termination of this Contract shall be without prejudice to any right or obligation of the Parties which have accrued prior to such termination.

- 6.5 The Parties acknowledge that the provisions on intellectual property rights, confidentiality and limitation of liability shall survive the termination of this Contract.


## ARTICLE 7 MISCELLANEOUS PROVISIONS

- 7.1 This Contract shall not be assigned in whole or in part by either Party without the consent of the other Party.
- 7.2 Nothing contained in this Contract shall be construed as constituting or evidencing any partnership, agency, or contract of employment between the Parties. Neither Party shall hold itself out contrary to the terms of this Contract. It is specifically understood that the SECOND PARTY is and shall remain an independent contractor throughout the duration of this Contract.
- 7.3 The failure of a Party to insist upon strict performance of any of the terms and conditions and covenants hereof shall not be deemed a relinquishment or waiver of any rights or remedy that it may have under this Contract.
- 7.4 Any waiver by either Party of a breach of this Contract shall be in writing. Such waiver shall not affect the waiving Party's rights with respect to any other or further breach.
- 7.5 This Contract is the complete, exclusive and integrated statement of agreements between the Parties, and supersedes all understandings or prior agreements, whether oral or written, and all representations or other communications between the Parties in relation to the subject matter contemplated herein. Any modification or amendment shall be in writing and signed by both Parties.
- 7.6 If any provision of this Contract is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this Contract, and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The Parties agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible the objectives of the invalid or unenforceable provision.
- 7.7 Any controversy, dispute or claim between the parties shall be resolved by binding and final arbitration before three neutral arbitrators. The arbitration shall be conducted and administered by the Singapore International Arbitration Centre (SIAC) in accordance with SIAC rules. One arbitrator shall be named by each Party and the third named by the two party-appointed arbitrators, or, if they should fail to agree on the third, by the organization administering the arbitration. Each Party will bear the expenses of the arbitrator it selects and one-half of the expenses of the third arbitrator and other costs related to the arbitration. The arbitrators shall provide a decision in writing stating the reasons and rationale for their decision. The arbitration will be conducted in Manila. Judgment on the award of the arbitrators may be entered by any court having jurisdiction. The proceedings shall be confidential. This arbitration process shall be the sole and exclusive means of resolving any controversy, dispute or claim. In addition, either party may seek an injunction or other equitable relief if such action is necessary to avoid irreparable damage or to preserve the status quo.

7.8 Any controversy, dispute or claim of any kind between the Parties shall be governed by and interpreted in accordance with the laws of the Philippines without regard to any provisions governing conflict of laws.

IN WITNESS WHEREOF, both parties have hereunto set their hands this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ at Makati City.

  
**CORAZON G. CORPUZ**  
 Officer-in-Charge  
 Home Guaranty Corporation

  
**PATRICK V. MARQUINA**  
 Director, Talent and Rewards  
 Towers Watson Philippines, Inc.  
 (Willis Towers Watson)

Signed in the Presence of:

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
 CITY OF \_\_\_\_\_) S.S.

BEFORE ME, on this 30 JUN 2016 day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_, personally appeared the following:

	I.D. NO.	Date and Place Issued
CORAZON G. CORPUZ	<u>0069</u>	_____
PATRICK V. MARQUINA	<u>EC1797341</u>	<u>AUG. 4, 2014 / DFA MANILA</u>

who are known to me to be the same persons who executed the foregoing instrument and they both acknowledged to me that the same is their free and voluntary act and deed and that of the entities represented therein.

This instrument consisting of seven (7) pages including this page on which this Acknowledgment is written has been signed by the parties and their instrumental witnesses and executed for the purpose(s) therein set forth.

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

**MA. VICTORIA B. MARCELLANA**  
 Notary Public  
**NOTARY PUBLIC**  
 Commission No. A-225 (2016-2017)  
 Jade Bldg 555 San Juan Puyat Ave.  
 Makati City

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IBP O.R. No. 1032-02-001-001025, Albay Chapter  
 PTR No. 53266-02-001-001025, Makati City  
 MCLE Compliance No. J-2009057, April 14, 2016  
 Roll No. 40782

