

**CONSULTANCY CONTRACT
FOR THE HGC AX SYSTEM ENHANCEMENT PROJECT**

THIS CONTRACT ("Contract") is entered into this 7th day of September 2017 by and between the **HOME GUARANTY CORPORATION (HGC)**, represented herein by its Officer-in-Charge, **CORAZON G. CORPUZ**, having its principal place of business at **335 Jade Bldg., Senator Gil Puyat Ave, Makati City, Philippines**, and **GENIE TECHNOLOGIES, INC.** ("the Consultant"), represented by its Product Manager, **LANIFER G. FACTURA**, having its principal office located at **7th Flr Alphaland Southgate Tower Don Chino Roces, Makati City**.

WHEREAS, the Home Guaranty Corporation (HGC) wishes to have the Consultant perform the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services

- (i) The consultant shall perform the services specified in Annex A, "Terms of Reference for the Engagement of Consulting Services for the HGC AX System Enhancement Project," which is made an integral part of this Contract ("the Services").
- (ii) The Consultant shall undertake the programming and deployment of functional specifications in Annex B, "Functional Specifications," as part of the services.
- (iii) The Consultants shall maintain as Service Level Agreement in the form and within the time periods specified in the Annex A, Item III, "Service Level Agreement."

2. Term

The Consultant shall perform the Services within six (6) months during the period commencing **2 October 2017** and continuing through **1 April 2018** or any other period as may be subsequently agreed by the parties in writing.

3. Payment

A. Ceiling

For Services rendered pursuant to the Terms of Reference (Annex A), the HGC shall pay the Consultant an amount not to exceed ***Five Million Four Hundred Seventy Five Thousand Pesos (Php 5,475,000.00)***. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

B. Schedule of Payments

Based on the TOR, a fee shall be paid upon the submission of the agreed outputs and deliverables



within the time-periods allocated for submission for the specific outputs and deliverables.

Payment for services rendered shall be per services delivered according to the following schedule:

COMPONENT	AMOUNT
Inception Report Development	30% of the contract price
Software Development and Enhancement	25% of the contract price
Systems Integration	25% of the contract price
Documentation	20% of the contract price

Any change in the delivery dates shall be mutually agreed upon between the HGC and the Consultant.

C. Payment Conditions

Payment shall be made in the Philippine Pesos, not later than thirty (30) days following the submission by the Consultant of the outputs and deliverables specified in the TOR, certified by the Coordinator designated in **paragraph 4**, as accepted and approved.

4. Project Administration

A. Coordinator

The HGC designated the Vice-President of the Management Services Group, **Atty. Jimmy B. Sarona** as HGC's Coordinator; the Coordinator will be responsible for the coordination of activities under this contract, for acceptance and approval of the reports and of other deliverables by the Consultant and for receiving and approving invoices for the payment.

B. Documentation

The documentation listed in Annex A Item 2.6, "Documentation shall be submitted in the course of the assignment, and will constitute the basis for the final acceptance of the Project.

5. Performance Standards

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the HGC considers unsatisfactory.



6. Confidentiality

During the term of the Contract, and **within two (2) years after its expiration**, the Consultant shall not; disclose any propriety or confidential information relating to the Services, the Contract or the HGC's business or operations; at any time, communicate or disclose to any person or entity any propriety or confidential information acquired in the course of the Services; or, make public the recommendations formulated in the course of, or as a result of, the Services, without prior written consent from HGC. For purpose of this clause, "confidential information" means any information or knowledge acquired by the Consultant and/or its Personnel arising out of, or in connection with, the performance of the Services under this Contract that is not otherwise available to the public.

7. Ownership of Material

Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the HGC under the Contract shall belong to and remain the property of the HGC. The Consultant may retain a copy of such documents and software. After the modular syllabus has been updated, completed, and pilot-tested, the final outputs shall be exclusive owned by the HGC..

8. Consultant not to be Engaged in Certain Activities

The Consultant agrees that, during the term of the Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-Consultant and any affiliated with such Sub-Consultant, shall be disqualified from providing goods, works, or consulting services for any project resulting from or closely related to this Contract other than Services and any continuation thereof provided there is no current or future conflict.

9. Insurance

The Consultant, at its own cost, shall be responsible for taking out or maintaining any appropriate insurance policy against any risk related to the project.

HGC undertakes no responsibility in respect of life, health, accident, travel or any other insurance coverage for the Consultant, Sub-Consultant, and each of their Personnel or for the dependents of the Consultant, Sub-Consultant or any such Personnel.

10. Assignment

The Consultant shall not assign this Contract or sub-contract any portion of it without the HGC's prior written consent.

11. Law Governing Contract and Language

The Contract, its meaning and interpretation. And the relation between the Parties shall be governed by the Applicable Philippine Laws (Applicable Laws).

The Consultant shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Sub-Consultant, as well as the Personnel

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of the Consultant and any Sub-Consultant, complies with the Applicable Law. The HGC shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

If, after the date of the Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under the Contract shall be increased or decreased on a no loss-no gain basis.

The Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

12. Dispute Resolution

If any dispute or difference of any kind whatsoever shall arise between the Parties in connection with the implementation of the contract, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any and all disputes arising out of the Contract which cannot be amicably settled between the parties shall be referred to adjudication/arbitration in accordance with the rules of procedure of Philippine Laws.

13. Liquidated Damages

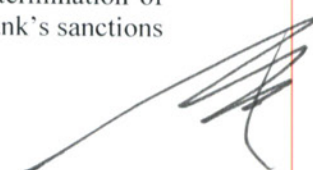
If the Consultant fails to submit the required deliverable or output in the form and within the time-periods specified in the TOR, the HGC shall, without prejudice to its other remedies under the Contract and under Philippine laws, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the services for each day of delay on the approved contract schedule.

In case the sum of liquidated damages reaches ten percent (10%) of the contract amount, HGC shall automatically rescind the contract, without prejudice to other courses of action and remedies open to it.

14. Inspections and Auditing

The Consultant shall permit the Bank and/or persons or auditors appointed by the Bank to inspect and/or audit its accounts and records and other documents relating to the submission of the Proposal to provide the Services and performance of the Contract. Any failure to comply with this obligation may constitute a prohibited practice subject to contract termination and/or the imposition of sanctions by the Bank (including without limitation to determination of ineligibility) in accordance with prevailing Bank's sanctions procedures.

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15. Termination

HGC may extra-judicially terminate the Contract subject to the conditions and procedures provided under the Guidelines on Termination of Contracts, provided under GPPB Resolution No. 18-2004, dated 22 December 2004, attached hereto as Annex "C".

FOR THE HGC

FOR THE CONSULTANT

Signed by

Signed by

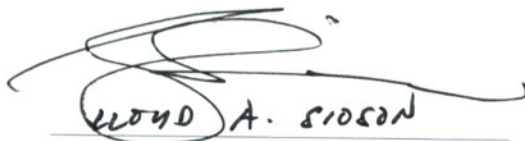


CORAZON G. CORPUZ
Officer-in-Charge, HGC



LANIFER G. FACTURA
Product Manager, GTI

WITNESSES



LLOYD A. SISON

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

MAKATI CITY

) SS

28 SEP 2017

BEFORE ME, this _____ day of _____, 2014,
personally appeared:

Name

Passport/Valid ID No:

Date/Place Issued

CORAZON G. CORPUZ

LANIFER G. FACTURA

TIN No. 166-390-092-000 9/13/2012/Makati

Known to me and to me known to be the same persons who executed the foregoing instrument consisting of seven (7) pages including this page on which this acknowledgement is written, and acknowledged to me that the same is their free and voluntary act and deed, as well as the free and voluntary act and deed of the principals they represent.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and on the date first above-written.

MA. VICTORIA B. MARCELLANA

Notary Public

Commission No. **MA-229 (2016-2017)**

NOTARY PUBLIC

Jade Bldg. 305 S.M. Grand Puyat Ave
Makati City

IBP O.R. No. 1012005, Dec. 10, 2015, Albay Chapter

PTR No. 5926604, Jan. 5, 2016/Makati City

MCLE Compliance No. 1-0004757, April 14, 2016

Roll No. 40182

Doc. No. 29;
Page No. 2;
Book No. X;
Series of 2017

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