

CONSULTANCY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **Consultancy Agreement** or "**Agreement**" made and entered into in Paranaque City, Philippines, by and between:

DUTY FREE PHILIPPINES CORPORATION, a government-owned and controlled corporation duly organized and existing under and by virtue of Republic Act (RA) No. 9593, with its principal office address at EHA Building, Fiesta Mall Compound, Ninoy Aquino Avenue, Sto. Niño, Paranaque City, herein represented by its Chief Operating Officer, **VICENTE PELAGIO A. ANGALA**, who is duly authorized to represent this transaction, hereinafter referred to as "**DFPC**";

- AND -

INSTITUTE OF CORPORATE DIRECTORS, INC., a company incorporated and existing under the laws of the Republic of Philippines and having its office at the 14th Floor Trident Tower, Senator Gil Puyat Avenue, Makati City, represented herein by its Chief Executive Officer, **LEONARDO JOSE M. BERBA**, herein referred to as "**ICD**".

WITNESSETH, that

WHEREAS, the Governance Commission for Government Owned and Controlled Corporations (GCG) has directed GOCCs to comply with the requirements of its Memorandum Circular 2013-02 (Re-issued) on Performance Evaluation System;

WHEREAS, to comply with the aforesaid GCG circular, **DFPC** has decided to avail the services of a consultant who can provide the technical and advisory services to its Board of Directors and Management in the development of a Performance Agreement/Balance Scorecard acceptable to the GCG;

WHEREAS, the consultant was formerly contracted by **DFPC** and developed the **DFPC**'s 2017 Strategic Map which provides general direction until the year 2027;

WHEREAS, the consultant possess the expertise and competence in good governance policy, strategic planning, and have an excellent understanding of the requirements of the GCG;

WHEREAS, the **DFPC**-Bids and Awards Committee (BAC), after undergoing the processes required under Republic Act No. 9184 (Government Procurement Reform Act), adopted BAC Resolution No. 202010 recommending the **DFPC**-COO the award, which the latter approved, of the contract of **ICD**;

NOW, THEREFORE, for and in consideration of the foregoing premises and of the covenants and stipulations hereunder set forth the parties hereto have agreed as they do hereby agree as follows:

ARTICLE I SCOPE OF SERVICES

ICD shall provide to **DFPC** technical expertise, advisory services and assistance in revitalizing **DFPC**'s Vision, Mission, Core Values, strategies, performance commitments, and targets of 2020 to set the direction of **DFPC**; Review the strategy map and scorecard while focusing on a set of strategic priorities with prioritized initiatives for implementation; Development of scorecards for **DFPC** Division for 6-9 units; and identify priority projects and activities for each division and/or selection aligned to the priorities of the Corporation.

ICD shall conduct lectures, facilitate discussions, and bring expert insights during scheduled sessions. For this purpose, ICD shall only deploy resource speakers and facilitators from a pool of ICD fellows, associates and managers who has been accepted by DFPC and whose Curriculum Vitae are hereto attached and made an integral part of this agreement. The discussions will focus on the following:

- a.) DFPC Charter Statement: Vision, Mission and Core Values;
- b.) Direction of DFPC for its 2020 Strategies, Performance Commitments and Targets; and
- c.) DFPC Scorecard Development.

The above services shall include all other services, although not specifically provided but can be reasonably inferred as being necessary, without which the above services cannot be completely provided, as if such services were expressly mentioned herein.

Subject to the agreement of the parties, the scope of services may be revised during the implementation of this agreement, as may be required in the interest of the services.

ARTICLE II DETAILS OF ENGAGEMENT AND CONTRACT DURATION

Details of Engagement (Intervention Elements)

<u>Activity</u>	<u>Duration</u>	<u>Description</u>	<u>Participants</u>
Pre-Work Coordination	2-3 meetings one week prior to Board Retreat	Preparation and company basic information gathering interviews and Focus Group Discussion	DFPC Chairman, Chief Operating Officer, Management, Planning Team ICD Team
Corporate Board Retreat	1 Day (March 03, 2020)	Brief introduction on Corporate Governance, Crafting of Charter Statement – Vision, Mission, Core Values, Identifying Strategic Objectives and Development of the Strategy Map	DFPC Board Key Officers Planning Team ICD Team
Strategy Planning	1 Day (March 11, 2020)	Crafting of measure and initiatives to guide strategy implementation and monitoring	DFPC Key Officers Division Heads and Management Planning Team ICD Team
Cascading Session	2 Days (March 12-13, 2020)	Commitment Portfolio, Development of division scorecards and initiative work plan (6-9 units), Capacitating DFPC Planning Team	DFPC Key Officers Division Heads and Management Planning Team ICD Team
Follow through session with Planning Team/OSM Capacitating	2 to 3 Follow Up meetings	DFPC Planning Team guidance on further finalization of scorecards and	Planning Team Core Group ICD Team

execution
monitoring

Closing Report Post Intervention Turnover of outputs ICD

The services herein required shall be completed within a period of fifteen (15) calendar days from receipt of the Notice to Proceed.

ARTICLE III CONSIDERATION

For and in consideration of the services, DFPC shall pay ICD a fee in the amount of ~~SIX~~ **HUNDRED FIFTY EIGHT THOUSAND PESOS (Php 658,000.00)**, inclusive of all applicable taxes. The contract price shall be paid within fifteen (15) days from submission of ICD's completion report and billing statement.

Extension of work beyond the projected timetable and additional interventions beyond the scope of this contract will be subject to additional charges and execution of a supplementary agreement.

ARTICLE IV RESPONSIBILITIES OF DFPC

To ensure timely completion of the services to be provided herein, DFPC shall:

1. Provide relevant information, documents and records that may be requested by ICD;
2. Ensure presence and cooperation of appropriate personnel during data gathering/interviews;
3. Provide necessary logistical support such as handouts, IDs, office supplies and other office materials and equipment; and
4. Provide an appropriate venue for the conduct of the sessions including meals, transportation and accommodations for the participants, and speakers and facilitators to be deployed by ICD.

ARTICLE V NO EMPLOYER-EMPLOYEE RELATIONSHIP

The herein parties further agree and accept that there will be no employer/employee relationship between them during the tenure of this Consultancy Agreement.

As such, the SERVICES to be rendered is not considered government service and not covered by the Civil Service rules and regulations.

ARTICLE VI CONFIDENTIALITY AND OWNERSHIP OF DATA

ICD shall not, in any time during the terms of this Agreement and thereafter, use or disclose to any person, firm or corporation any confidential information concerning the affairs of DFPC which ICD may have acquired in the course of or as an incident to this Agreement without prior written consent of DFPC, except in cases allowed or as may be prescribed by law.

Upon the expiration of this Agreement, ICD shall, without any need of demand, turnover all documents and records that may have come into their possession to DFPC.

All relevant data compiled or prepared in the course of the performance of the services shall be the absolute property of **DFPC** and shall not be used by **ICD** for purposes unrelated to this Agreement without prior written approval/consent of **DFPC**.

Likewise, **DFPC** shall not use, reproduce, or disseminate materials and presentations which are proprietary to **ICD**, without **ICD**'s consent.

**ARTICLE VII
WARRANTIES**

ICD hereby warrants that it has not given nor promised to give money or any gift to any official or employee of **DFPC** or the government to secure this Agreement. Any violation of this warranty shall be a sufficient ground for the revocation or termination of this Agreement.

IN WITNESS WHEREOF, the parties have signed these presents on this ____ day of _____, 2020.


By:

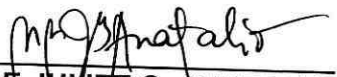

VICENTE PELAGIO A. ANGALA
Chief Operating Officer
Duty Free Philippines Corporation




LEONARDO JOSE M. BERBA
Chief Executive Officer
Institute of Corporate Directors

Signed in the presence of:


VICTOR RAMON G. MARFORI, JR.
Officer-in-Charge
Human Resource Management Division


MARY ROSE JULIET G. ANATALIO
Director, Board Services

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
PARANAQUE CITY) S.S.

BEFORE ME, a Notary Public for and in CITY OF MAKATI this 27 day of JUL 27 2020 2020, personally appeared with their government ID:

Name

Government ID (TIN/GSIS/Passport/Driver's License)

VICENTE PELAGIO A. ANGALA

DFPC ID 0257

ISSUED FEB 2017 Paranaque

LEONARDO JOSE M. BERBA

DRIVER'S LICENSE NID 82 019555

ISSUED APR 27 2017 QC

Known to me and to me known to be the same persons who executed this Contract of Services, consisting of four (4) pages including this page on which this acknowledgement is written, signed by the parties and their instrumental witnesses and that they acknowledged to me that the same is their free and voluntary act and deed and that of the entities that they represent.

WITNESS MY HAND AND SEAL in the place and on the date written above.

ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
United Notary Public
IBP No. 05729, Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-183-(2019-2020)
PTR No. 8116014 Jan. 2, 2020
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

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