

CONTRACT NO. 2022-3-005

KNOW ALL MEN BY THESE PRESENTS:

This Contract (the "Contract"), made and entered into this ___ day of February 2022 in Pasay City, Philippines, by and between:

THE SECURITIES AND EXCHANGE COMMISSION, herein referred to as "**SEC**", a government agency duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with its principal address at Secretariat Building, PICC Complex, Pasay City, herein represented by its Human Resource and Administrative Department OIC-Director **Romuald C. Padilla**, who is duly authorized to represent this transaction, herein referred to as "**SEC**";

MR. LUIS ENRIQUE T. MANGOSING, Filipino of legal age, and a resident of 11 Pres. Quezon St., Industrial Valley Subdivision IVC City of Marikina 1802, hereinafter referred to as "**CONSULTANT**";

WITNESSETH, that

WHEREAS, the SEC intended to hire the CONSULTANT as a Highly Technical Consultant for the Commission's Plan to Acquire the United Coconut Planters Bank (UCPB) Corporate Offices;

WHEREAS, the CONSULTANT has the necessary qualifications to deliver the services required by the SEC, which offer was accepted by the latter;

NOW THEREFORE, and in view of the foregoing premises and in consideration of the mutual covenants and stipulations herein set forth, the parties agreed as follows:

I. SERVICES AND PRICING

1. For and in consideration of the compensation to be made by the SEC, the CONSULTANT shall fully and faithfully perform the following services and/or activities, viz:

a. Assistance during the Negotiation Phase with UCPB/LBP

a.1 The HTC is expected to assist SEC develop an initial draft of SEC's interest and intent to negotiate the take-over of the UCPB Corporate Offices, exploring all options/agreements available that Landbank/UCPB will offer, such as by way of outright purchase, long term lease. Or a long-term lease with option to purchase.

a.2 Post review of relevant information regarding the UCPB building and the financial implication of available options to SEC, the HTC will assist SEC in drafting a final offer (legal and commercial terms) to Landbank UCPB for decision by Landbank/UCPB.

b. Assist SEC in undertaking a preliminary due diligence of the UCPB Corporate Offices to establish the suitability of the UCPB building to accommodate SEC's current organization and future expansion of the UCPB move to Landbank, existing contracts and leases with 3rd party/ies. etc.), potential high-level providing for the capex to address condition of the building's structural and MEPF system (based on information to be provided by UCPB), and a high-level cost impact of the alternative take-over schemes/modes of the UCPB building to SEC.

c. Assist SEC in the review and validation of the valuation study undertaken by either DBP, UCPB or Landbank regarding the UCPB Building, the same basis factored in or considered in the valuation of the merger of the entities.

d. Provide SEC a high-level cost estimate of the renovation/fit-out of the office and common areas for budgetary purposes based on the technical due diligence to be conducted. The estimate excludes the cost of retrofitting the building if needed.



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- e. Such services as physical/virtual appearances before the Commission and the SEC Team to submit professional opinions.
2. The SEC shall pay the CONSULTANT after the delivery at the end of each month the required deliverables ONE HUNDRED FIFTY THOUSAND PESOS (Php150,000.00) per month (inclusive of all government taxes) pursuant to DBM and DOST Joint Circular No. 1, s. of 2013 dated June 25, 2013 and DOST Special Order No. 242 dated April 3, 2013;

a. First month-P150,000.00

Deliverables:

Assistance during the Negotiation Phase with UCPB/LBP

- a.1. Initial proposal formalizing SEC's interest to enter into either a long-term lease with purchase option, an outright purchase or other available agreements that Landbank/UCPB will offer for the acquisition of the UCPB building.
- a.2. Comments and recommendation on the Valuation Study undertaken by either DBP, UCPB or Landbank of the UCPB Building.

b. Second month-P150,000.00

Deliverables:

b.1. Report on the Preliminary Due Diligence

b.2. Final proposal formalizing SEC's financial offer to enter into either a long-term lease with purchase option, an outright purchase or other available agreements that Landbank/UCPB will offer for the acquisition of the UCPB Building

c. Third month-150,000.00

Deliverables:

c.1. Report on the High-Level Cost Plan for the renovation/fit-out of the office and common areas. This does not include cost of retrofitting the building if there are indication of capital expenditures necessary to reinstate the building due to non-compliance with the building code, structural defects, etc.

3. The penalty for late deliveries is one tenth (1/10) of one percent (1%) of the cost of an unperformed portion for every day of delay. The maximum deduction shall be ten percent (10%) of the contract price. Once the cumulative amount of liquidated damage reaches more than ten percent (10%) of the contract price, the SEC may rescind the contract without prejudice to other courses of actions and remedies applicable.

4. CONFIDENTIALITY

The CONSULTANT agrees to hold in confidence any non-public information received by him from the SEC, or any of its employees during the course of this engagement and further agrees not to disclose such information to any third party unless (i) SEC gives its prior written authorization, (ii) applicable laws require the CONSULTANT to disclose or otherwise reveal such information, or (iii) such information subsequently becomes part of the public domain.

SEC reserves its right of recourse, including termination of this Contract and the filling/undertaking of the necessary legal actions, against CONSULTANT in the event of violation of this provision.



5. ACCOUNTABILITY

- a. The CONSULTANT shall have no right or authority to assume or represent the existence of any relation with the SEC except in accordance with this Contract.
- b. The SEC shall provide the necessary office equipment, materials and supplies to the CONSULTANT. Provided that, the CONSULTANT shall be held responsible and accountable for the said properties.

Upon termination of this Contract for any cause, the CONSULTANT binds himself to deliver in good order all records, documents, manuals, forms, books and papers and any and all materials and equipment furnished or placed in his custody by the SEC in connection with this Contract, it being understood that the same belong exclusively to the SEC.

The CONSULTANT shall be held liable for the value above mentioned properties which are damaged or not otherwise returned to the SEC upon termination of this Contract.

- c. It is understood that at the end of the term, the CONSULTANT shall properly turn over his work assignments and all documents acquired in the performance of his duties as Consultant to the SEC. The said turn over shall be evidenced by an appropriate document, describing the nature and quantity of turned over materials, to be signed by the SEC and CONSULTANT or their authorized representative. Failure on the part of the CONSULTANT to abide by this proper turn over provision shall be deemed a violation of this Contract, subject to the imposition of damages.

6. EFFECTIVITY AND TERMINATION

- a. This Contract shall be valid for a period of three (3) months from February 01, 2022 to April 30, 2022 unless sooner terminated by either of the parties in accordance with Article VII and VIII hereof.
- b. This Contract shall automatically be terminated, without the need to further notice, at the end of the term as specified above and may be renewed upon mutual written agreement of both parties, but such renewal shall in no case extend six (6) months or exceed the term of the
- c. appointing Head of the Procuring Entity.
- d. The SEC may end the services of the CONSULTANT or terminate this Contract prior to its expiration for any reason. The CONSULTANT is entitled to be notified of the termination of his services and the termination shall be effective only after thirty (30) days from the personal receipt of the notice or through mail in the address stated above.

If the termination is due to breach of contract by the CONSULTANT of any provision of this Contract, applicable damages shall apply.

The termination under this Article, shall only entitle the CONSULTANT to the remaining amount corresponding to the actual services rendered up to the time of termination, without prejudice to applicable damages.

- e. The CONSULTANT may terminate this Contract or end his services, subject to submission of a written notice to the SEC at least thirty (30) days prior to its effectivity.

Should the CONSULTANT serve notice of termination, the SEC may, at its sole discretion, waive or shorten the Notice Period or immediately accept the termination, in which case, the CONSULTANT will not be entitled to any fees for the unserved days from the Notice Period.

7. MISCELLANEOUS PROVISIONS



- a. It is expressly understood that there exists no employer-employee relationship between the herein parties, that the services rendered are not considered government service and that the CONSULTANT is not entitled to benefits enjoyed by regular personnel of the SEC.
- b. The CONSULTANT agrees and binds himself to protect and hold the SEC free and harmless from any liability to third person for failure on the part of the CONSULTANT to fulfill his obligations under and pursuant to this Contract.
- c. This CONTRACT may be modified or revised through written agreement between the parties herein, citing the specific clause or items to be revised or modified and the corresponding amendments.
- d. Failure on the part of the SEC to exact or insist upon the strict compliance by CONSULTANT of the terms and conditions of this Contract shall not constitute as a waiver of any of the rights of SEC. No term or condition of this Contract shall likewise be deemed to have been relinquished or waived by the SEC unless the waiver is in writing stating expressly that it is intended to modify or waive the effect of such item or condition.
- e. Should any of the terms and conditions of this Contract be held invalid or declared contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.
- f. The parties hereto agree that the venue of action for any cause or causes of action which may arise from this Contract shall be in the proper court of Pasay City, Philippines.

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

SECURITIES AND EXCHANGE COMMISSION

TIN No. 000-190-308-000

By:



ROMUALD C. PADILLA
 HRAD, OIC-Director
 TIN: 213-592-143

By:



LUIS ENRIQUE T. MANGOSING
 Consultant
 TIN: 112-831-997

SIGNED IN THE PRESENCE OF:

By:



ENGR. MARCELO Q. RABARA

By:

CERTIFIED FUNDS AVAILABLE:



DONDIE Q. ESGUERRA
 FMD Director



ACKNOWLEDGEMENT

Republic of the Philippines)
Pasay City) S. S.

BEFORE ME, a designated person to administer oaths on this 7 day of February 2022, personally came and appeared the following and presenting competent evidence of identity, as follows:

Name	Evidence of Identity
ROMUALD C. PADILLA	TIN: 213-592-143

all known to me and to me known to be the same persons who executed this Contract, consisting of six (6) pages, including this page, where the acknowledgement is written, and they acknowledged to me that the same is their free and voluntary act and deed as well as the entity/corporation they represent.

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

Notary Public

Doc. No. ____
Page No. ____
Book No. ____
Series of 2022


Atty. Jerry Lou F. Decano
Administering Officer
SEC, Securities Counsel II
Securities and Exchange Commission
Republic of the Philippines



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ACKNOWLEDGEMENT

Republic of the Philippines)
Pasay City) S. S.

FEB 21 2022

BEFORE ME, a Notary Public for and in the City of Pasay on this ___ day of January 2022, personally came and appeared the following and presenting competent evidence of identity, as follows:

Name	Evidence of Identity
LUIS ENRIQUE T. MANGOSING	TIN: 112-831-997

all known to me and to me known to be the same persons who executed this Contract, consisting of six (6) pages, including this page, where the acknowledgement is written, and they acknowledged to me that the same is their free and voluntary act and deed as well as the entity/corporation they represent.

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

Notary Public

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Page No. 12
Book No. L111
Series of 2022

ATTY. RUBEN M. AZAÑES, JR.
NOTARY PUBLIC
UNTIL DECEMBER 31, 2022
PTR NO. 2463598D, 01/03/2022- QUEZON CITY
IBP NO. 178672, 01/03/2022- Quezon City Chapter
Roll of Attorney's No: 48427
Admin Matter No. 004
TIN: 140-394-388-000
Unit 2 UGF-2 Opulent Bldg. Socorro, Quezon City