

CONTRACT FOR TAX CONSULTANCY SERVICES

THE PUBLIC IS INFORMED:

This CONTRACT is executed between:

The **BASES CONVERSION AND DEVELOPMENT AUTHORITY**, a government instrumentality vested with corporate powers, created by virtue of Republic Act No. 7227, as amended, with office and postal address at the **BCDA Corporate Center, 2/F Bonifacio Technology Center, 31st Street Corner 2nd Avenue, Bonifacio Global City, Taguig City**, represented herein by its Executive Vice President, **ATTY. GISELA Z. KALALO**, who is duly authorized for this purpose in accordance with Section No. V, Item No.178 (g) of the BCDA's Revised Manual of Approval dated 22 November 2017, hereinafter referred to as "**BCDA**";

- and -

ISLA LIPANA & CO., a professional partnership created and existing by virtue of the laws of the Republic of the Philippines, with office and postal address at **29/F Philamlife Tower, 8767 Paseo De Roxas, Makati City, Metro Manila, Philippines**, represented by its Tax Partner **BRANDO C. CABALSI**, who is authorized for this purpose hereinafter referred to as "**CONSULTANT**";

(**BCDA** and the **CONSULTANT** are individually referred to as the "PARTY" and collectively as "PARTIES".)

- ANTECEDENTS -

BCDA is mandated by law to transform former military bases and properties into premier centers of economic growth.

In line with this undertaking, **BCDA** needs to hire a **CONSULTANT** to provide advice on possible tax risk and exposure which may arise from the implementation of said development projects. The advice of the **CONSULTANT** will help mitigate the risks involved in the projects and aid Top Management in its decision making.

The **CONSULTANT** has manifested his willingness to provide his services to **BCDA** under the Office of the Senior Vice President of Investment and Financial Management Group.

The services to be provided by the **CONSULTANT** is highly technical and/or primarily confidential on policy determining where trust and confidence is primary consideration.

NOW, THEREFORE, for and in consideration of the foregoing premises, and of the mutual covenants and stipulations hereinafter set forth, the Parties agree as follows:

SECTION 1. DESCRIPTION OF THE ENGAGEMENT

The **CONSULTANT** shall render consulting services to **BCDA** on the possible tax risk and exposure which may arise from the implementation of real estate and other development projects involving the New Clark City, Metro Manila camps and other identified properties to be transferred to BCDA.

SECTION 2. TERM AND EFFECTIVITY OF THE CONTRACT

The CONTRACT shall be effective for a period of **One (1) year** from **01 March 2024 to 28 February 2025**, renewable annually but not exceeding three (3) years, subject to the availability of funds and a satisfactory performance rating and at the option of **BCDA**, unless sooner terminated by **BCDA** in accordance with Section 7 below.

SECTION 3. OBLIGATIONS OF THE PARTIES

The **CONSULTANT** shall:

3.1 GENERAL SERVICES

- 3.1.1 Provide oral and/or summary reply to queries on tax matters peculiar to BCDA's operation;

The queries shall be regarding **BCDA's** possible tax risk and exposure related to the implementation of its development projects, pending tax issues before the local and national government, administrative and judicial bodies, and **BCDA's** overall business. The reply shall contain the supporting tax laws, rules/regulations and jurisprudence.

- 3.1.2 Disseminate to **BCDA** the monthly Client Advisory Letter (CAL);

The CAL contains new regulations, rulings and jurisprudence relating to generic tax issues. In this regard, application to BCDA will generally require further consideration and advice; and

- 3.1.3 Attend meetings / teleconferences to discuss tax issues related to **BCDA's** business operation, asset disposition program and implementation of developmental projects.

3.2 "ON CALL" SPECIALIZED SERVICES

Services offered other than the general services stated above which may include, but is not limited to the following:

- 3.2.1 Conduct tax studies and provide written advice and/or opinion on the tax implications of BCDA business decisions and transactions based on relevant Philippine tax laws, jurisprudence, regulations, rulings, and other relevant issuances;
- 3.2.2 Assist in handling tax audits by the BIR and other regulatory bodies by drafting a reply letter to formal assessment; and
- 3.2.3 Assist in drafting a request for BIR rulings to determine the proper tax treatment of certain business transactions.

Such "on call" specialized services shall have a separate remuneration/service fee corresponding to the agreed deliverables subject to the execution of the engagement letter between BCDA and the Consultant

Upon execution of this Contract, the PARTIES shall meet for a walk-through of the various activities involved in the development projects and have a preliminary discussion of identified issues, if any. During the said meeting, the PARTIES shall agree on the items/areas where **BCDA** needs advice, as well as the timeline within which the same shall be provided. Depending on the number and complexity of the issues involved, the **CONSULTANT** shall endeavor to provide a reply within five (5) working days from the meeting and submission of the necessary documents which may be requested.

Thereafter, the PARTIES shall meet monthly to consider a pre-set agenda of matters of known or potential interest to **BCDA**. Such monthly meetings shall likewise serve as brainstorming sessions on planned or ongoing transactions which may have critical tax implications and other potential tax planning opportunities.

At any time during the term and effectivity of this Contract, **BCDA** may contact the **CONSULTANT** via phone or email to raise additional issues on which the former needs advice or raise follow-up questions/clarifications on advice previously given. In case of follow-up questions/clarifications, **BCDA** shall do its best to bring it to the attention of the **CONSULTANT** within five (5) working days from the time the advice was provided.

In any case and taking into consideration the circumstances, **BCDA** agrees to give the **CONSULTANT** a reasonable period (i.e., within 24 to 48 hours, excluding weekends and holidays) to respond.

BCDA shall:

- 3.3 Provide the **CONSULTANT** information, resources and assistance including access to records, systems, premises and people required in the performance of the services
- 3.4 Communicate on a timely basis any changes in its circumstances that could affect the performance of this Contract.
- 3.5 Assign a **BCDA** personnel to oversee the following:
 - o Management decisions relating to the services;
 - o Use or implementation of the output of the services; and
 - o Determine whether the services are appropriate.

SECTION 4. TERMS OF PAYMENT

For general services rendered under this agreement, **BCDA** shall pay the **CONSULTANT** a monthly retainer fee in the amount of Thirty Three Thousand Pesos (Php33,000.00), or a total of Php396,000.00 annually, inclusive of all applicable taxes.

For “on call” specialized services rendered, **BCDA** shall pay the **Consultant** based on the following rates:

	Rates per hour
Partner	22,800.00
Director	16,500.00
Senior Associate	7,700.00

The aggregate amount for the “on call” specialized services per Calendar Year shall not exceed the amount of Five Hundred Thousand Pesos (Php500,000.00), inclusive of all applicable taxes.

SECTION 5. DEGREE OF PERFORMANCE

The **CONSULTANT** is expected to perform his/her duties faithfully and to the best of his/her ability, and to comply with the scope of work with the highest standards of professional and ethical competence and integrity.

SECTION 6. CONFIDENTIALITY

- 6.1 The **CONSULTANT** shall not disclose any proprietary or confidential information relating to **BCDA** or to this contract without prior written consent from **BCDA**.
- 6.2 The **CONSULTANT** is obliged to follow information security procedures and take all reasonable precautions for the protection of Confidential Information.
- 6.3 This duty of Confidentiality binds any person which may be hired by the **CONSULTANT**, with consent of **BCDA**, to help in the fulfillment of the obligations under this Agreement.
- 6.4 Upon the termination or expiration of this Contract for any reason, **CONSULTANT** shall deliver to **BCDA** all of its property or Confidential Information, in tangible form, that the **CONSULTANT** may have in its possession or control.
- 6.5 Any conflict of interest or potential conflict of interest should be declared by the **CONSULTANT** immediately upon discovery.

SECTION 7. TERMINATION OF CONTRACT

- 7.1 For the duration of the **CONTRACT**, **BCDA** shall have the right to conduct a periodic evaluation of the **CONSULTANT**'s performance, the services delivered and outputs submitted, as well as to terminate this Contract due to contractual breach, breach of trust,

loss of confidence, unsatisfactory performance and/or other reasons detrimental to the interest of BCDA.

- 7.2 Over the same period, the **CONSULTANT** may initiate the termination of this CONTRACT provided that:
- 7.3 A written notice for the termination of the consultancy agreement, stating the reasons for the termination of the contract is submitted by the **CONSULTANT** to the **BCDA** Executive Vice President for approval with a copy furnished to the **BCDA** Human Resource and Management Department (HRMD), at least thirty (30) calendar days prior to the proposed date of termination; and
- 7.4 The written notice has been received, accepted and approved in writing by the **BCDA** Executive Vice President.

SECTION 8. AUTHORITY TO ENTER INTO AGREEMENT

The **CONSULTANT** shall neither have the right nor the authority to enter into agreements on behalf of **BCDA** in any manner.

SECTION 9. OWNERSHIP OF OUTPUTS

The outputs realized, produced and submitted by the **CONSULTANT** shall be owned and used solely by **BCDA** with proper acknowledgement on the contributions made by the **CONSULTANT**. Such outputs shall not be used for the benefit of any other party without the written permission of **BCDA**.

The **CONSULTANT** shall not sell, transfer, publish, disclose or otherwise make the work product available to third parties without BCDA's written consent.

SECTION 10. NO EMPLOYER-EMPLOYEE RELATIONSHIP

It is understood that there shall be no employer and employee relationship between **BCDA** and the **CONSULTANT**, hence, **BCDA** shall not be responsible for complying with labor laws, rules and regulations governing employer-employee relationships in the Philippines.

SECTION 11. WAIVER

The failure of the PARTIES to insist upon the strict performance of any of the terms and conditions hereof shall not be deemed as a waiver of any right or remedy the other PARTY may have nor shall it be construed as a waiver of any subsequent breach of default. No waiver of any right stipulated herein shall be deemed to have been made unless expressed in writing and signed by the PARTIES.

SECTION 12. ENTIRE AGREEMENT

This CONTRACT constitutes the entire, full and complete agreement between the Parties concerning the subject matter hereof. All prior agreements or arrangements, written or oral, between the Parties relating to the subject matter hereof are hereby deemed cancelled and superseded.

No other representations has induced the Parties to execute this Contract, and there are no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with reference to this Contract or otherwise.

SECTION 13. AMENDMENTS

No amendment, alteration, or variance from this Contract shall be binding on either party unless executed in writing by both parties, except for adjustments in compensation in the event of increase in the cost of services as provided under Section 4 hereof.



SECTION 14. SEVERABILITY AND CONSTRUCTION

Each paragraph, part, term and/or provision of this Contract shall be considered severable, and if for any reason, any paragraph, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such as not impair the operation of or effect the remaining portions, sections, parts, terms and/or provisions of this Contract, and the latter shall continue to be given full force and effect and bind the Parties hereto. The invalid sections, parts, terms and/or provisions shall not be deemed part of this Contract.

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

SECTION 15. VENUE OF ACTIONS

The venue of any legal actions arising out of this Contract shall be brought in the proper court of record in Taguig City, to the exclusions of other courts.

IN WITNESS WHEREOF, the parties hereto hereby set their hands on _____ at _____.

BASES CONVERSION AND DEVELOPMENT AUTHORITY

CONSULTANT

By:

By:

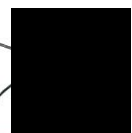


ATTY. GISELA Z. KALALO
Executive Vice President

ATTY. BRANDO C. CABALSI
Tax Partner



WITNESSES:



HEDDA Y. RULONA
Senior Vice President-IFMG, BCDA

DEAN S. MONTALBAN
Vice President-ACD, BCDA

ACKNOWLEDGMENT

Republic of the Philippines)
TAGUIG CITY) S.S.

BEFORE ME, a Notary Public in and for the above jurisdiction, this 01 day of MAR 01 2024 , 2024, personally appeared the following:

NAME	GOVERNMENT ISSUED ID	DATE/PLACE ISSUED
ATTY. GISELA Z. KALALO		
ATTY. BRANDO C. CABALSI	Passport No. PI9GZ2770B	14 June 2019/DFA NCR East

known to me and to me known to be the same persons who executed the foregoing instrument and each acknowledged to me that the same is their free and voluntary act and deed and of the corporations herein represented. This instrument consists of 6 pages including the page on which this



Acknowledgement is written. It is a CONTRACT FOR TAX COMPLIANCE ADVISORY SERVICES, and is signed or initialed on each and every page by the representatives of the parties and the witnesses.

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

Doc. No. 27;
Page No. 6;
Book No. 84
Series of 2024.



ATTY. EDUARDO P. BAROT
Notary Public for Taguig, Roll No. 36248
Commission No. 4 Until December 31, 2024
PTR No. A-6123318/01.02.24/Taguig City
IBP Lifetime Member No. 013895/06.02.15/RSM
MCLE Compliance No. VII-0020354/04.14.2023
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Taguig City, Philippines



