



## ADDENDUM

This Addendum has been executed pursuant to the **PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02 [Re-Issued])** between the –

**GOVERNANCE COMMISSION FOR GOCCs (GCG)**

- and -

**PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**

**WHEREAS**, the Parties above entered into a Performance Agreement covering CY 2014;

**WHEREAS**, Section 7.2 of GCG MC No. 2013-02 (Re-Issued) provides that “GOCCs can renegotiate the targets set in their Performance Agreements for the current year if the same are no longer feasible due to substantial changes in circumstances that could not have been foreseen at the time the targets were agreed upon.”

**WHEREAS**, the Parties agreed to renegotiate certain targets for CY 2014;

### WITNESSETH: THAT –

1. PDIC’s Performance Scorecard in its 2014 Performance Agreement is hereby amended pursuant to the attached **Renegotiated Performance Scorecard**.
2. All other conditions in the Performance Agreement shall remain effective, without prejudice to the application of future rules and regulations, such as but not limited to:
  - (a) Compliance with the deadlines and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to GCG MC No. 2014-02.
  - (b) Compliance by all members of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to GCG MC. No. 2014-03 and implementing issuances pursuant thereto.
3. PDIC shall timely inform GCG of all audit observations and notices of disallowances within seven (7) working days from the time it receives the same from the Commission on Audit (COA) prior to the regular publication of the final annual audit report. Accordingly, PDIC shall copy furnish the Governance Commission copies of all written communications between PDIC and COA on such matters, inform GCG of the schedule of its exit interview with COA seven (7) working days before the schedule or as soon as practicable, and other efficient means of inter-agency coordination

In case of failure to timely disclose such matters to the Governance Commission before it becomes public information, the submission of the application for the Performance-Based Bonus (PBB) or Performance-Based Incentive (PBI) may be considered as non-compliance with the Good

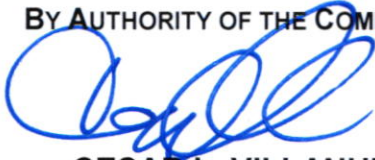
Governance Condition of submitting Concrete and Time Bound Action Plans on findings of COA, rendering the Governing Board **ineligible** to apply for the PBI, without prejudice to a further determination on the impact of the same on the GOCC's PBB application.

- Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

**DONE**, this 9<sup>th</sup> day of December 2014, in the City of Makati, Philippines.

**GOVERNANCE COMMISSION FOR  
GOVERNMENT-OWNED OR -  
CONTROLLED CORPORATIONS**

BY AUTHORITY OF THE COMMISSION:



**CESAR L. VILLANUEVA**

*Chairman*



**MA. ANGELA E. IGNACIO**


*Commissioner*



**RAINIER B. BUTALID**

*Commissioner*

**PHILIPPINE DEPOSIT INSURANCE  
CORPORATION**



**CESAR V. PURISIMA**

*Chairman*

**025605**



**CRISTINA Q. ORBETA**

*President*



**AMANDO M. TETANGCO, JR.**

*Board Member*



**ROGELIO W. MANALO**

*Board Member*



**PROTACIO T. TACANDONG**

*Board Member*

PHILIPPINE DEPOSIT INSURANCE CORPORATION

Performance Measures					Baseline Data <i>(if available)</i>			Actual	Target	
Description	Formula	Weight		Rating System	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014
		2013	2014							
<b>MFO 1 : Build-up of Deposit Insurance Fund (DIF) based on 12-month average</b>										
<b>Quantity 1:</b> Ratio of Deposit Insurance Fund (DIF) to Estimated Insured Deposits (EID)	(DIF/EID) x 100%	22.5%	22.5%	Actual / Target x Weight (but not to exceed assigned weight)		4.5%	5%	5.3%	5.6%	5%
<b>Sub-total of Weights:</b>		<b>22.5%</b>	<b>22.5%</b>							
<b>MFO 2: Deposit Insurance</b>										
<b>Quantity 1:</b> For accounts with balances of P15,000 and below: Percentage of valid claims settled within TAT	No. of valid deposits paid within TAT / No. of valid deposits below P15,000 eligible for outright payment	10%	10%	Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	N/A	100% within TAT	90% within TAT (no exclusion)

RENEGOTIATED INTERIM PERFORMANCE SCORECARD 2014

Performance Measures					Baseline Data <i>(if available)</i>			Actual	Target	
Description	Formula	Weight		Rating System	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014
		2013	2014							
<b>Quantity 2:</b> For accounts with balances greater than P15,000: Percentage of valid claims settled within TAT	No. of valid deposits paid within TAT / No. of valid claims	10%	10%	Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	N/A	100% within TAT	90% within TAT (no exclusion)
<b>Quality 1:</b> Customer Satisfaction (based on 12-month average)	Rate of client's satisfaction level for the Home Office Claims Settlement (HOCS)	2.5%	2.5%	Actual / Target x Weight (but not to exceed assigned weight)		76.1%	80.3%	96.8%	99.3%	90%
<b>Sub-total of Weights:</b>		<b>22.5%</b>	<b>22.5%</b>							
<b>MFO 3: Co-Regulation of Banks</b>										
<b>Quantity 1:</b> No. of priority banks examined	Absolute No.	0%	0%	Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	54	60 banks	60 banks

RENEGOTIATED INTERIM PERFORMANCE SCORECARD 2014

Performance Measures					Baseline Data <i>(if available)</i>			Actual	Target	
Description	Formula	Weight		Rating System	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014
		2013	2014							
<b>Timeliness 1:</b> Average no. of days to submit a recommendation to the Board of Directors for corrective action following the Bank's examination	No. of days	22.5%	22.5%	Weight - Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	55	51 calendar days	53 calendar days (from the exit conference or the last day of examination period, whichever is later)
<b>Sub-total of Weights:</b>		<b>22.5%</b>	<b>22.5%</b>							
<b>MFO 4: Receivership and Liquidation of Closed Banks</b>										
<b>Quantity 1:</b> No. of closed banks with liquidation terminated	Absolute No.	22.5%	22.5%	Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	79 (out of 75 closed banks with Liquidation Court approved FPODs ready for termination)	84	80 (out of 142 closed banks with Liquidation Court-approved FPODs ready for termination)
<b>Sub-total of Weights:</b>		<b>22.5%</b>	<b>22.5%</b>							
<b>General Administrative Services</b>										
No. of completed Business Process Reviews approved by the Board	Absolute No.	5%	5%	Actual / Target x Weight (but not to exceed assigned weight)		N/A	N/A	N/A	3	3 (Assessment Audit of Member Banks, Head Office Claims Settlement, Administration of the Procurement Process)

RENEGOTIATED INTERIM PERFORMANCE SCORECARD 2014

Performance Measures					Baseline Data <i>(if available)</i>			Actual	Target	
Description	Formula	Weight		Rating System	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014
		2013	2014							
Formulation of the Enterprise Risk Management (ERM) in accordance with ISO-based "Principles of Effective Risk Management"	Actual accomplishment	5%	5%	All or Nothing		N/A	N/A	N/A	ERM Framework was approved by the PDIC Board on 29 November 2013	Board Approval
<b>Sub-total of Weights:</b>		<b>10%</b>	<b>10%</b>							
<b>TOTAL OF WEIGHTS:</b>		<b>100%</b>	<b>100%</b>							