

## MEMORANDUM OF AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS:

**HOME DEVELOPMENT MUTUAL FUND**, a government financial institution duly organized and existing by virtue of R.A. No. 9679, with principal address at 358 Petron Mega Plaza, Sen. Gil Puyat Ave., Makati City, duly represented herein by its Chief Executive Officer, **ATTY. DARLENE MARIE B. BERBERABE**, hereinafter referred to as "**Pag-IBIG Fund**",

and

**DEVELOPMENT BANK OF THE PHILIPPINES**, a government financial institution created and operating pursuant to Executive Order No. 81 dated December 3, 1986, as amended by Republic Act (R.A.) No. 8523 dated February 14, 1998, with principal address at DBP Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City, herein represented by its President and Chief Executive Officer, **Gil A. Buenaventura**, hereinafter referred to as **DBP**;

### WITNESSETH: That

**WHEREAS**, Republic Act No. 8792, otherwise known as E-Commerce Act of 2000 and its implementing rules mandate all government-owned and -controlled corporations to provide a method and manner of payment or settlement of fees and other obligations to the government through systems using electronic data messages or electronic documents;

**WHEREAS**, Pag-IBIG Fund has an existing agreement with Bancnet Inc. to allow the latter's participating banks to make use of Bancnet's eGOV Facility for Pag-IBIG Fund's electronic and web-based collection requirements;

**WHEREAS**, in order to provide a more efficient and convenient payment channel to **Pag-IBIG Fund's** registered employers, **Pag-IBIG Fund** has decided to adopt and implement an electronic and web-based collection platform, such as, herein provided via BancNet's eGOV Facility, of which **DBP** is a participating bank, herein referred to as "**DBP Collection Facility via BancNet's eGOV**";

**WHEREAS**, **DBP** has agreed to provide **Pag-IBIG Fund** a web-based collection solution which will enable **Pag-IBIG Fund** to accept payments with the corresponding data files from the employers and **DBP** shall



likewise provide reports necessary for **Pag-IBIG Fund** to efficiently monitor payments made under the system;

**NOW THEREFORE**, for and in consideration of foregoing premises and the mutual covenants and conditions hereinafter set forth, the parties hereto have agreed, as they hereby agree, as follows:

## **ARTICLE I OBJECTIVES**

1. This Agreement has been entered into by the Parties with the primary purpose and objectives of providing **Pag-IBIG Fund** and its registered employers an electronic online payment and collection facility developed by **DBP** utilizing the BancNet eGOV Portal as an Accredited Agent Bank (AAB).
2. The Parties shall work to establish and create a web-based solution for internet originated payments and collections via BancNet eGOV Portal supported by all necessary facilities for the effective and efficient management and handling of the collection of **Pag-IBIG Fund** contributions and loan amortizations due from registered employers and member-borrowers.

## **ARTICLE II COMMITMENTS AND UNDERTAKINGS**

In order to attain the objectives of this Agreement, each Party hereby commits itself as follows:

**Pag-IBIG Fund** shall:

1. Inform its registered employers that they may open a Current /Savings Account with zero (0) opening and maintaining balance with **DBP** where its remittances for **Pag-IBIG Fund** shall be debited;
2. Inform its registered employers that they may utilize the **DBP Collection Facility via BancNet's eGOV** for the remittance of contributions and loan amortizations due to **Pag-IBIG Fund**;
3. Provide **DBP** with all the necessary data and information, as well as other pertinent technical requirements, specifications, procedures and facilities for the installation and development of the **DBP Collection Facility via BancNet's eGOV**;

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4. Open and maintain a Current/Savings Account with **DBP** in order to implement the objectives of this Agreement. The Current/Savings Account shall be an interest-bearing account subject to **DBP's** Rules and Regulations and in accordance with applicable Bangko ng Sentral ng Pilipinas guidelines; and
5. Accept and post all transactions and/or payments sent by **DBP** in accordance with the terms and conditions set herein.

**DBP** shall:

1. Handle the opening of Current/Savings Accounts with zero (0) opening and maintaining balance for **Pag-IBIG Fund** registered employers where remittances for **Pag-IBIG Fund** shall be debited;
2. Provide **Pag-IBIG Fund** with the **DBP Collection Facility via BancNet's eGOV** which shall allow **Pag-IBIG Fund** to accept remittances of contributions and loan amortizations from registered employers electronically;
3. Secure all the necessary approvals, permits, and clearances from the Department of Finance, Bangko Sentral ng Pilipinas and other government agencies for the implementation of the project;
4. Accept, for and in behalf of **Pag-IBIG Fund**, remittances of membership contributions and loan amortizations from registered employers, and other amounts due **Pag-IBIG Fund**;
5. Remit all payments received for and in behalf of **Pag-IBIG Fund** based on the agreed upon float period as stipulated in **Pag-IBIG's** Agreement with BancNet for the collections coursed through BancNet's eGOV Facility;
6. Provide **Pag-IBIG Fund** an online viewing facility for proper monitoring of fund balances and collections;
7. Submit the Collection Files to **Pag-IBIG Fund** containing all the details of the remittances received by **DBP** on behalf of **Pag-IBIG Fund** following the reportorial requirements embodied in the BancNet eGOV Facility Agreement.





### ARTICLE III GUIDELINES

1. **DBP**, in accepting the remittances on behalf of **Pag-IBIG Fund**, does not in any way guarantee that the amount remitted by the registered employer is the correct amount due or the correct payment for the state period or the employees covered therein, it being understood that by virtue of the foregoing collection arrangement, **DBP** shall not be required to verify with **Pag-IBIG Fund** the correctness of the amount paid. **DBP** shall, however, ensure that the amount paid corresponds to the figures reflected in the system-generated acknowledgement receipt which is displayed in each successful transaction.
2. **DBP** agrees to provide **Pag-IBIG Fund** through BancNet eGOV an electronic facility for downloading of Collection Files to **Pag-IBIG Fund** containing all the details of the remittances received by **DBP** on behalf of **Pag-IBIG Fund** and other electronic files that may be required by **Pag-IBIG Fund**.
3. Subject to regular security procedures, **Pag-IBIG Fund** reserves the right, and **LANDBANK**, upon prior written notice by **Pag-IBIG Fund**, agrees to allow **Pag-IBIG Fund** to examine the Current/Savings Account arising from and by virtue of this Agreement during reasonable business hours of any banking day as **Pag-IBIG Fund** may deem necessary, provided that the registered employer concerned has expressly given its consent in writing to the disclosure of deposit information to **Pag-IBIG Fund** or waived its right under applicable bank secrecy laws. It is understood that such examination by **Pag-IBIG Fund** shall strictly be limited only to the records pertaining to **Pag-IBIG Fund** and such other miscellaneous payments for the account of **Pag-IBIG Fund**.

Pursuant thereto, **Pag-IBIG Fund** agrees to keep the confidentiality of any and all customer information and data obtained not pertaining to Pag-IBIG fund but in connection with or relating to such examination. It shall likewise be the responsibility of **Pag-IBIG Fund** to ensure that the employees or representatives who are recipients of the Confidential Information to keep such information strictly confidential.

4. **DBP** shall undertake, in proper coordination with **Pag-IBIG Fund**, an information dissemination campaign regarding arrangements embodied in this Agreement.





**ARTICLE IV  
EFFECTIVITY**

The Agreement shall be effective upon signing by the Parties and shall be enforceable until terminated by either Party upon sixty (60) days prior written notice served upon the other Party. Upon such termination, **DBP** shall remit to **Pag-IBIG Fund** all collections due to the latter, if any, and submit to the latter the reports, records and documents required, pursuant to this Agreement and those that maybe necessary consistent with this Agreement's nature and purpose.

**ARTICLE V  
COMPLAINTS**

1. Except for **DBP's** failure to credit the Current/Savings Account for any payments received pursuant to and under the Agreement, **Pag-IBIG Fund** shall be responsible for handling and/or settlement of registered employer's complaints. For this purpose, all registered employers who have complaints against **Pag-IBIG Fund** shall be referred/directed by **DBP** to **Pag-IBIG Fund**.
2. Any questions/complaints of **Pag-IBIG Fund** with regard to this Agreement shall be handled by the **DBP** Financial Center.

**ARTICLE VI  
NON-EXCLUSIVITY CLAUSE**

Nothing herein shall be construed as a grant of exclusive rights to DBP in providing an electronic online web-based payment gateway or e-banking facilities/services for the **Pag-IBIG Fund**. It is expressly understood that the **Pag-IBIG Fund** has the right to engage the services of other payment gateways or e-banking facilities/services as may be warranted by its needs and requirements. It is further understood that no prior consultation and/or notice to **DBP** is required for the exercise such right of the **Pag-IBIG Fund**.

**ARTICLE VII  
CONFIDENTIALITY**

Both parties shall treat all customer, process, internet payment design, data and information as strictly confidential and shall not disclose any such data or information to any third Party without prior written consent of the other Party, except to the extent that such data or information is





already in the public domain or is acquired from a third Party who is not in breach of any confidentiality undertaking or obligation with respect to the same, or where such disclosure is required by law, valid judicial order or process or whenever necessary to initiate judicial, quasi-judicial, extra-judicial or administrative proceedings to effectively implement or enforce the provisions of RA 9679 and related laws.

### **ARTICLE VIII MISCELLANEOUS PROVISIONS**

1. This Agreement shall be subject to review as may be deemed necessary by either Party and may be supplemented, modified, or amended at any time for the mutual benefit and upon mutual agreement in writing of the Parties hereto.
2. It is understood and agreed that no employer-employee relationship shall exist or arise between **Pag-IBIG Fund** and the **DBP** representative/s and other workers who may be contracted by the latter to carry out the services of **DBP** under this Agreement. **DBP** shall hold **Pag-IBIG Fund** free and harmless from any claims and causes of action relating to the employment status of the **DBP's** representatives and workers who shall remain accountable solely to **DBP** in the performance of their duties.
3. The failure of the Parties to insist upon a strict performance of any of the terms, conditions and covenants hereof shall not be deemed a relinquishment or waiver of any right or remedy a Party may have, not shall it be construed as a waived of any subsequent breach or default or the terms, conditions and covenants herein contained, which shall be in full force and effect. No waiver by either Party shall be deemed to have been made unless expressed in writing and signed by a duly authorized representative thereof.
4. If any of the provisions of this Agreement be declared invalid of illegal, such invalidity or illegality shall not in any way affect the remaining provisions hereof or any vested right which may have already accrued in favor of the Parties.
5. During the period when collections and payments made in accordance with this Agreement are not yet credited to the **Pag-IBIG Fund** Current/Savings Account, risk of loss of the amounts collected electronically shall be the sole responsibility of **DBP**, without prejudice to the **DBP's** right to avail of its legal remedies against the person responsible for the loss.





6. **DBP** shall be relieved from the performance of its obligations and the payment of penalties under this Agreement in the event of force majeure.
7. This Agreement and the documents referred to herein or executed contemporaneously herewith constitute the entire Agreement of the Parties with respect to the subject matter hereof and shall supersede any prior expressions of intent or understanding with respect to this transaction.
8. Neither Party may assign or delegate its rights, duties or obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, a Party may assign this Agreement to an affiliate, subsidiary or any entity owned or controlled by the assigning Party, or pursuant to the merger, consolidation or corporate reorganization upon notice to **DBP**.
9. **Pag-IBIG Fund** at its own expense, agrees to indemnify and hold **DBP**, its directors, officers and employees, free and harmless from any and all losses, damages or liabilities, of whatever kind and nature, including Attorney's fees, which **DBP** may suffer in connection with this Agreement for causes attributable to the fault or negligence of **Pag-IBIG Fund** and/or its employees. Likewise, **DBP** at its own expense, agrees to indemnify and hold **Pag-IBIG Fund**, its directors, officers and employees, free and harmless from any and all losses, damages or liabilities, of whatever kind and nature, including Attorney's fees, which **Pag-IBIG Fund** may suffer in connection with this Agreement for causes attributable to the fault or negligence of **DBP** and/or its employees.
10. This Agreement shall be governed and construed in accordance with the laws of the Philippines.
11. In case of unresolved conflicts in the interpretation and implementation of this Agreement, the Parties agree to submit such dispute/s to domestic arbitration.
12. The waiver or failure of a Party to exercise any right provided for herein shall not be deemed a waiver of any further right hereunder. The rights and remedies of a Party set forth in this Agreement are in addition to any rights or remedies the **Pag-IBIG Fund** may otherwise have at law or in equity.
13. All provisions hereof relating to proprietary rights, confidentiality and non-disclosure and indemnification shall survive the completion of the collection services or any earlier termination of this Agreement.

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14. All terms and conditions not expressly provided herein shall be subject to the mutual agreement by the Parties in writing.

**IN WITNESS WHEREOF**, the parties through their respective authorized representative have hereinto signed in this Agreement this \_\_\_\_\_ day of 14 APR 2015, 2015 at CITY OF MAKATI, Philippines.

**HOME DEVELOPMENT  
MUTUAL FUND**

By:



**ATTY. DARLENE MARIE B. BERBERABE**  
Chief Executive Officer

**DEVELOPMENT BANK OF THE  
PHILIPPINES**

By:



**GIL A. BUENAVENTURA**  
President and CEO

**SIGNED IN THE PRESENCE OF**



**EMMA LINDA B. FARIA**  
DCEO, Support Services Cluster



**ANTHONY T. ROBLES**  
EVP, Branch Banking Sector





**ACKNOWLEDGMENT**

**REPUBLIC OF THE PHILIPPINES)**

CITY OF MAKATI)

At the above stated place, on the \_\_\_\_\_ day of 14 APR 2015 2015,  
before me personally appeared:

<u>NAME</u>	<u>GOVERNMENT-ISSUED IDENTIFICATION.NO.</u>	<u>EXPIRY</u>
<b>ATTY. DARLENE MARIE B. BERBERABE</b>	Passport No.EB6849579	28 November 2017
<b>GIL A. BUENAVENTURA</b>	DBP ID No. _____	

Known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed as well as the entities they respectively represent.

This instrument consists of \_\_\_\_\_ pages, including this page whereon this Acknowledgement is written and signed by the parties and their witnesses on each and every page thereof.

WITNESS MY HAND SEAL this \_\_\_\_\_ day of 14 APR 2015, 2015 at CITY OF MAKATI.

Notary Public

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**YOLANDA Y. VILLANUEVA**  
Notary Public  
Until December 31, 2015  
PTR No. MKT4249553/1-22-2014/Makati City  
Roll No. 55493  
IBP Lifetime No. 09175  
MCLE No. IV-0005379/29 March 2012/Pasig City

