

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.



