

METRO CHECK COLLECT SERVICE AGREEMENT

EXECUTED: This Metro Check Collect Service Agreement (“Agreement”) is executed on this _____ day of _____ (“Effective Date”) at _____, Philippines.

METROPOLITAN BANK & TRUST COMPANY, a universal banking corporation duly organized and existing under and by virtue of Philippine laws, with head office address at Metrobank Plaza, Sen. Gil Puyat Avenue, Makati City, and hereinafter referred to as “METROBANK;”

-and-

_____, a corporation duly organized and existing under and by virtue of Philippine laws, with principal place of business at _____, represented in this Agreement by _____, and hereinafter referred to as “CLIENT.”;

RECITALS:

- A. CLIENT is a supplier of goods and/or services to various customers (“Customers”) and wants to streamline its collection activities by availing of METROBANK’s Check Collect Service.
- B. METROBANK agrees to provide such service to the CLIENT.
- C. CLIENT and METROBANK, for and in consideration of the foregoing, have agreed as follows:

TERMS AND CONDITIONS:

1. SERVICE

- 1.1 METROBANK shall perform logistic services pertaining to check collection from CLIENT and/or the CLIENT’s Customers and deposit the same to the CLIENT’s designated deposit account with METROBANK (“Account”) and will also pickup and deliver collection related documents, invoice countering, and preparation of reports to the CLIENT (“Service”).
- 1.2 METROBANK shall have the sole prerogative in determining actual manner and time of rendering the Service and may suspend the Service in case of unavailability of resources, servicing capacity, any natural calamity, outbreak of war, civil disorders, epidemic or due to any analogous circumstances, that in METROBANK’s sole opinion, will result in greater risks to its assets, personnel or the CLIENT’s Collections Items (as defined below).

2. COLLECTION ITEMS

- 2.1 Collection Items shall refer to invoices, checks, receipts, reports, and other documents agreed upon by the Parties under this Agreement.
- 2.2 CLIENT agrees that METROBANK will not accept the following checks for the Service:
 - a) Foreign currency check
 - b) Postal Money Order
 - c) Stale-dated check
 - d) Lost check with caution notice
 - e) Checks bearing uncanceled other bank’s endorsement
 - f) Second endorsed checks
 - g) Gift Checks
 - h) Payable to “Cash”
 - i) Pay to “Cash” or “Bearer” checks
 - j) Checks with defects
- 2.3 The CLIENT undertakes to inform its Customers of the relevant terms of this Agreement, including the unacceptable checks specified above.

3. THIRD PARTY SERVICE PROVIDERS

- 3.1 For operational efficiency and expanded delivery channels, CLIENT authorizes METROBANK, from time to time to engage third party service providers (“TSPs”) to fulfill the Service. CLIENT

also authorizes METROBANK, on their behalf, to regularly select and accredit TSPs and manage, monitor, and review their performances under this Agreement.

- 3.2 CLIENT acknowledges and agrees that METROBANK and the TSPs are not, and shall not be deemed to be, partners, agents or joint ventures with each other. CLIENT recognizes that METROBANK and the TSPs are two separate and distinct entities.
- 3.3 CLIENT shall directly coordinate with METROBANK's Customer Care on any issues and/or complaints from its Customers or any third party, arising out of, or in connection with the TSPs performance of its obligations under this Agreement or for any other acts or omissions, which resulted to losses, damages, expenses and costs to the CLIENT or its Customers. METROBANK, shall upon the CLIENT's request, extend its full cooperation and assistance to protect the CLIENT's interests.

4. **NO DEPOSIT RELATIONSHIP**

- 4.1 The CLIENT accepts that pursuant to *Bangko Sentral ng Pilipinas Circular 940 - Guidelines on Deposit and Cash Servicing Outside of Bank Premises*, no deposit relationship exists between the CLIENT and METROBANK while the Collection Items, specifically the checks are still in transit or in the possession of the TSPs.
- 4.2 Checks collected shall be accepted/credited to the CLIENT's Account only upon compliance with the conditions set forth in the Current/Savings Account Agreement covering the CLIENT's Account.

5. **LOST/DESTROYED COLLECTION ITEMS**

- 5.1 In case a Collection Item is lost and/or destroyed while in METROBANK's or TSPs' possession, METROBANK shall inform the CLIENT within the next Banking Day from its knowledge of such loss or destruction.
- 5.2 Upon notice of such loss or destruction of a check, the CLIENT shall immediately secure a Stop Payment Order (SPO) or other required documents from its Customer/s to prevent the negotiation of the alleged lost and/or destroyed check. Should the CLIENT or its Customers fail to obtain a SPO notwithstanding METROBANK's advice, the CLIENT agrees to hold harmless and indemnify METROBANK for all expenses, costs, and damages incurred, indirectly or directly attributable to such failure to secure a SPO. The CLIENT's Account shall not be credited until receipt of the replacement checks, which the CLIENT shall secure from its Customer/s.
- 5.3 CLIENT shall provide or request for a replacement of the lost Collection Items from its Customer/s, without cost to METROBANK or the TSP. If such lost Collection Item is necessary for the performance of METROBANK's or TSP's obligations under this Agreement, METROBANK and/or the TSP shall be excused from such performance until such time that the CLIENT has obtained the replacement.

6. **INFORMATION DELIVERY AND RETRIEVAL.**

- 6.1 In accordance with Metro Check Collect-Implementation Guidelines, the CLIENT shall provide METROBANK its collection/delivery schedule/itinerary, instructions for additional Customers, or any other information or requests relevant to the provision of the Services (collectively, "Information") through Managed File Transfer Protocol ("MFTP") or any other electronic means, in a format acceptable to METROBANK.
- 6.2 Any Information related to the Collection Items shall be subject to METROBANK's actual and final verification. For avoidance of doubt, METROBANK's validation and report shall be final, conclusive and will prevail over the CLIENT's supplied Information.
- 6.3 The CLIENT authorizes METROBANK to rely and act, without any liability, on all Information, provided by the CLIENT or any third-party authorized or purported to be authorized by the CLIENT. METROBANK shall accept the Information as correct, accurate and duly authorized by the CLIENT without further investigation. CLIENT shall be responsible for the accuracy of the Information and METROBANK or TSPs' shall not be liable for acting on the basis of false or inaccurate information.
- 6.4 However, METROBANK has the option not to process Information if it has reason to believe that there is error, fraud or forgery, breach of security or if the Information is, in METROBANK's sole opinion, inaccurate or incomplete. To the extent permitted by law, METROBANK shall not be liable for any losses, damages, costs or expenses, which the CLIENT may suffer or incur because of

METROBANK's exercise of its rights under this clause or relying on such erroneous, fraudulent, incomplete or inaccurate Information. Notwithstanding the foregoing, METROBANK may but shall not be required to investigate the authenticity or authority of persons sending the Information or to verify the accuracy and completeness of the Information.

- 6.5 CLIENT may access and download reports or other status reports through MFTP. In the event of any conflict between any information either submitted or obtained electronically and METROBANK's periodic printed reports and statements, the CLIENT irrevocably and unconditionally agrees that METROBANK's printed reports and statements will prevail and govern for all purposes. Such reports and statements shall be deemed correct unless METROBANK receives a written dispute from the CLIENT, within seven (7) days from the date on which the report or statement is posted or otherwise made available to the CLIENT.

7. BANK CHARGES, FEES AND TAXES

- 7.1 The CLIENT agrees to pay METROBANK all applicable fees and charges specified in this Agreement or in Annex A (Bank Charges and Fee Schedule), and in other communication channels in accordance with clause 12.1 as may be set by METROBANK from time to time. METROBANK may modify the fees and charges by providing the CLIENT not less than 30 days' prior notice.
- 7.2 METROBANK may at any time, debit the Account and apply such amounts due to METROBANK, which includes, but not limited to the following: (a) service charges on inter-regional transactions; (b) transaction, service or commission fees; (c) usage, implementation, customization or maintenance fees; (e) all taxes and government fees, assessments, penalties; or (f) all other bank charges, penalties, return charges, cancellation charges, out-of-pocket expenses, costs, and/or expenses related/incidental to this Agreement and to the applicable services.
- 7.3 METROBANK may impose either of the following fee structure namely: (a) fee based charging; (b) average daily balance (ADB) based charging; or (c) combination of (a) and (b), as clearly specified in Annex A (Bank Charges and Fee Schedule).
- 7.4 It is understood that the required minimum ADB is based on the projected transaction volume per month as indicated in Annex A (Bank Charges and Fee Schedule). For transactions in excess of the projected volume, METROBANK may debit the Account for these additional transaction volumes.
- 7.5 If the CLIENT is unable to meet the total ADB requirement as indicated in Annex A (Bank Charges and Fee Schedule), METROBANK shall automatically charge the CLIENT a penalty fee of 5% per annum of the ADB shortfall.
- 7.6 In case the Account balance is insufficient to cover for the fees and charges under this Agreement, the CLIENT authorizes METROBANK to automatically debit any of its deposit accounts with METROBANK and apply the same as payment.
- 7.7 Should METROBANK be prevented from debiting the Account or any of the CLIENT's deposit accounts for any reason whatsoever, including but not limited to compliance with legal, court or regulatory orders and processes, CLIENT agrees to pay METROBANK the corresponding fees and charges in accordance with Annex A (Bank Charges and Fee Schedule).
- 7.8 CLIENT's failure to maintain sufficient funds in the Account or any of its deposit accounts to settle the fees and charges or to pay such under this Agreement is considered an event of default and will entitle METROBANK to immediately terminate this Agreement without prior notice or demand.

8. MODIFICATION OF SITES FOR FEE-BASED CLIENTS

- 8.1 CLIENTs with fee-based arrangement, may from time to time, add or modify the existing sites in Annex A (Bank Charges and Fee Schedule) through a signed written instruction ("Instruction") from any one of the two Authorized Representatives specified in Annex B, which is made an integral part hereof. The CLIENT may send the Instruction either through personal delivery or scanned copy sent through the Authorized Representative's electronic mail ("email").
- 8.2 The Instruction shall contain the following: (a) CLIENT's name; (b) requests for any additional, deletion, suspension or modification of sites, with the preferred start date of pick up/collection; (c) the complete address of the site/s; (d) the contact person for the site/s; (e) date of the Instruction; and (f) such other information as METROBANK may require.

- 8.3 The CLIENT shall provide the Instruction to modify the existing sites to METROBANK at least five (5) banking days ahead of its intended preferred start date of collection. METROBANK's compliance with any Instruction is dependent on the relevant cut-off time or day that such is received by METROBANK. For the avoidance of doubt, if the Instructions are sent to METROBANK beyond the five (5) day period indicated herein, METROBANK shall have no liability for any delay, loss, or any such damage arising to or in relation to non-compliance with the Instructions.
- 8.4 In case the Instruction was sent through email, CLIENT will ensure that METROBANK receives the original hard copy at least twenty four (24) hours before the intended start date of the collection. CLIENT recognizes METROBANK's right to deny processing of the Instructions, should the CLIENT fail to comply with this clause.
- 8.5 The Instruction shall be conclusive, valid and binding upon the CLIENT, until METROBANK receives a subsequent Instruction superseding the earlier one. In case of inconsistency or conflict between two Instructions, the more recent Instruction will prevail. In any case, METROBANK shall be absolved from any liability arising from its reliance on an Instruction in accordance with this Agreement.
- 8.6 In case the Instruction was not signed by the Authorized Representative or sent from an email address not listed in Annex B, METROBANK shall have the sole option to deny or withhold processing of the Instruction until METROBANK has confirmed the Instruction from the CLIENT's Authorized Representative. METROBANK may (*at its discretion*) take measures in connection with or in reliance upon such Instruction as it may, in good faith, consider appropriate.
- 8.7 Changes to the CLIENT's Authorized Representative shall not bind METROBANK, until it receives an amended Annex B, signed by the CLIENT's authorized signatory/ies based on their Secretary's Certificate/Board Resolution. For this purpose, METROBANK will consider the latest Annex B and Secretary's Certificate/Board Resolution in its possession. CLIENT shall immediately inform METROBANK in case the Authorized Representative is no longer authorized to send the Instructions. Without such notice, METROBANK shall be entitled and authorized to rely on the latest documents on file as valid, binding and effective upon CLIENT.

9. TERM AND TERMINATION

- 9.1 This Agreement shall take effect on Effective Date and will continue until terminated by either party by giving the other party, at least thirty (30) days prior written notice.
- 9.2 METROBANK reserves the right to immediately terminate or suspend this Agreement without prior notice in case: (a) the CLIENT is in breach of this Agreement or any other agreement with METROBANK; (b) it is required to comply with any legal or regulatory obligation or with an order of a competent court or METROBANK's internal policies and procedures; (c) the CLIENT becomes insolvent; (d) the CLIENT mishandles its account/s; or (e) in METROBANK's reasonable opinion, the Account may have been used or is being used for any fraudulent or illegal transactions or activities, such as but not limited to violation of anti-money laundering and terrorist financing laws.
- 9.3 Termination or expiration of this Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of a Party prior to such termination or expiration.

10. LIMITATION OF LIABILITY

- 10.1 METROBANK shall not be liable for any special, indirect or consequential damages (including but not limited to loss of profit or loss of business) hereunder, even if METROBANK has been advised of the possibility of such damages. METROBANK shall only be liable for damages directly and solely resulting from METROBANK's gross negligence or willful misconduct.
- 10.2 In case the TSPs fail to render the Service for any reason whatsoever, METROBANK shall, as far as practicable inform the CLIENT of such and propose a plan of action to address TSPs non-performance.

11. FORCE MAJEURE EVENT

- 11.1 Neither the CLIENT nor METROBANK shall be responsible for any failure to perform any of its obligations with respect to the Service if such performance would violate any law or regulation or if its performance is prevented, hindered, or delayed by a Force Majeure Event; in such case, its obligations shall be suspended for so long as the Force Majeure Event continues (and, in the case of METROBANK, no other branch, subsidiary, or affiliate shall become liable). "Force Majeure

Event” means any event due to any cause beyond the reasonable control of METROBANK, such as but not limited to requisitions, involuntary transfers, unavailability of any system, epidemic, quarantine restrictions, sabotage, fire, flood, embargo, explosion, acts of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, war, or acts of government. Each party shall promptly notify the other of the existence of a Force Majeure Event and shall consult each other to find a mutually acceptable solution.

12. CONFIDENTIALITY/DATA PRIVACY

- 12.1 METROBANK acknowledges that in the course of this Agreement, it will be exposed to information about the CLIENT’s business and their Customer’s. Thus, METROBANK will take commercially reasonable precautions to preserve the integrity and confidentiality of this information.
- 12.2 However, CLIENT also acknowledges and agrees that METROBANK is authorized to provide or disclose information relating to the CLIENT and its Customers (or their authorized representatives) to TSPs to the extent necessary: (a) for the purpose of providing the Service; or (b) for complying with applicable laws, regulations or any order or directive from courts or regulatory agencies such as the Bangko Sentral ng Pilipinas (BSP).
- 12.3 For so long as the Customer avails of the Service, it acknowledges and agrees that METROBANK can hold, process or use any of its or its Customer’s Personal Data in connection with this Agreement. “Personal Data” means data, which relates to a person who can be identified or identifiable; (a) from those data or (b) those data combined with other information, which is in METROBANK’s possession or is likely to come into its possession.
- 12.4 If CLIENT provides Personal Data of any individual including its authorized representatives or Customers, CLIENT confirms, warrants and represents that it had obtained the required consent of such individuals to the collection, processing, use and disclosure of such Personal Data to a TSPs in accordance with Data Privacy Act of 2012 and METROBANK’s policies related to Data Privacy and Information Security or any amendments thereof.
- 12.5 CLIENT agrees that its continued availment or use of the Services will constitute as its acceptance of METROBANK’s policies including those related to Data Privacy and Information Security or any amendments thereof.
- 12.6. CLIENT shall be accountable and take full responsibility in addressing its Customers’ complaints for any breach of Confidentiality of Information and Data Privacy arising from the implementation of the contracted Service. METROBANK undertakes to cooperate by providing the necessary assistance which the CLIENT may request in resolving such complaint.

13. OTHER PROVISIONS

- 13.1. **Communication.** Customer agrees that METROBANK may from time to time, send or communicate through METROBANK’s website, phone, e-mail messages and/or other electronic alerts, other electronic channels, and/or notices by the use of any contact numbers and/or e-mail address provided to METROBANK. It is the CLIENT’s responsibility to ensure the security of their phones, e-mail addresses and network communication facilities and hereby holds free and harmless METROBANK, its subsidiaries and affiliates, as well as any of its officers, directors and employees against any and all losses, claims, damages, penalties, liabilities, suits and costs of any kind arising from such breach of security, including but not limited to those relating to secrecy laws or regulations (if any) should any communication be viewed or accessed by any unauthorized person.
- 13.2. **Rules and Regulations.** This Agreement shall be subject to the rules and regulations and documentary requirements of the government, the Bangko Sentral ng Pilipinas, and METROBANK.
- 13.3. **Review.** This Agreement shall be subject to quarterly review by the Parties from the Effective date or as the need arises.
- 13.4. **Representations and Warranties.** The CLIENT and METROBANK represent and warrant to each other that: (a) they are duly organized and existing in good standing in every jurisdiction where they are legally required; (b) they have the power and authority to execute, deliver and perform their obligations herein; and (c) this Agreement is their legal and valid obligation, enforceable in accordance with its terms.
- 13.5. **Assignment.** The CLIENT may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the other. However, METROBANK may make such an assignment or transfer to any entity within the Metrobank Group. This Agreement shall be

binding on and shall inure for the benefit of the respective successors-in-title and permitted assignees of each Party.

- 13.6. **Entire Agreement.** The parties agree that this Agreement, together with the attached Annex A constitute the entire Agreement of the parties with respect to the subject matter hereof.
- 13.7. **Amendment.** Upon written notice to the CLIENT, METROBANK may amend the operational procedures for the Services. Any other amendment to the terms and conditions of this Agreement must be agreed upon by the parties in writing.
- 13.8. **Rights and Remedies.** The rights and remedies provided herein are cumulative and not exclusive of any rights or remedies provided by law or by any other agreement between the CLIENT and METROBANK.
- 13.9. **Severability.** If at any time any one or more of the provisions hereof is or becomes illegal, invalid or unenforceable, the remaining provision of this Agreement will remain in full force and effect.
- 13.10 **Customer Disputes.** In rendering the Service, METROBANK merely acts as a conduit between the CLIENT and its Customers, and therefore, METROBANK shall not be liable for any claim, dispute or action which may arise between the CLIENT and the Customers. The CLIENT shall be solely responsible in handling and settling of any of its Customers' queries, claims, or complaints. METROBANK shall immediately refer to the CLIENT such queries, claims, and complaints.
- 13.11 **Governing Law.** This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted and construed in all respects in accordance with Philippine laws. Any claim, issue, or controversy arising out of this Agreement shall be filed and litigated exclusively in the appropriate court of Makati City.

IN WITNESS WHEREOF, the parties have hereunto affixed their signatures through their duly authorized representative(s) on this _____ at _____

**METROPOLITAN BANK & TRUST
COMPANY**



By: _____
(Authorized Signatory Printed over Signature)
Name:
Position:
Date:

By: _____
(Authorized Signatory Printed over Signature)
Name:
Position:
Date:

By: _____
(Authorized Signatory Printed over Signature)
Name:
Position:
Date:

By: _____
(Authorized Signatory Printed over Signature)
Name:
Position:
Date:

Signed in the presence of:

(Signature Over Printed Name / Position)
Name:
Position:
Date:

(Signature Over Printed Name / Position)
Name:
Position:
Date:

**ACKNOWLEDGEMENT
(CLIENT)**

**REPUBLIC OF THE PHILIPPINES)
CITY OF)**

I _____, a Notary Public duly authorized in the city named above to take acknowledgements, certify that on this _____ of _____, personally appeared and are identified by me through competent evidence of identity:

NAME	ID No.	Date & Place of Issue and Date of Expiration	CTC No.	Date and Place of Issue

known to me the same persons who executed and signed the foregoing instrument and they have shown me competent evidence of identity and acknowledged to me that the same is their own free and voluntary act and deed as well as free and voluntary act and deed of the corporations represented.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place first above-written.

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of : _____

**ACKNOWLEDGEMENT
(METROBANK)**

**REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)**

I [Click here to enter text.](#), a Notary Public duly authorized in the city named above to take acknowledgements, certify that on this **INSERT DATE** of **INSERT MONTH**, **YEAR**, personally appeared and are identified by me through competent evidence of identity:

NAME	ID No.	Date & Place of Issue and Date of Expiration	CTC No.	Date and Place of Issue

known to me the same persons who executed and signed the foregoing instrument and they have shown me competent evidence of identity and acknowledged to me that the same is their own free and voluntary act and deed as well as free and voluntary act and deed of the corporations represented.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place first above-written.

Doc. No. : _____.
Page No. : _____.
Book No. : _____.
Series of : _____.

BANK CHARGES AND FEE SCHEDULE
For Metro Check Collect Agreement
As of

New Client

Additional Site

Amendment

It is understood that Annex A shall be amended as deemed necessary by the parties' mutual written consent. However, the BANK reserves its right to totally or partially reject CLIENT's request for additional activities/services and/or additional sites to be serviced. Such revisions and/or amendments shall automatically form part of this agreement and will take effect on the date signed by the Bank's authorized representative/s.

Account Number	Click here to enter text.	
Collection Activities: Check as applicable		
<input type="checkbox"/> Document Pickup # of trips /mos.	<input type="checkbox"/> Document Delivery # of trips /mos.	<input type="checkbox"/> Document Dispatch # of trips /mos.
<input type="checkbox"/> Check Collection # of trips /mos.	<input type="checkbox"/> Countering # of trips /mos.	
Other Services: Check as applicable		
<input type="checkbox"/> Backend Processor Insert Amount	<input type="checkbox"/> Collector Insert Amount	<input type="checkbox"/> Coordinator Insert Amount

Fee Structure:
 Check as applicable
 Combination of Fee and ADB Php Insert Amount
Refer to Fee Table
 ADB Based Php Insert Amount
Total Number Projected of Trips Click here to enter text.
 Fee Based Php Refer to Fee Table

Collection Activities: (price per trip)			
Centralized collection		Document Pickup	
Decentralized collection:		Document Delivery	
a. 1 to 3 checks		Document Dispatch	
b. 4 to 8 checks		Countering	
c. 9 to 15 checks		a. Counter receipt	
d. 16 and above		b. Invoices	
e. Failed collections		c. Other documents	

Collection Details: (price per check)		Data Processing: (price per document)	
a. Current dated checks		a. Checks	
b. Post-dated Checks		b. Invoices	
c. PDC Warehousing		c. Official Receipt/ Provisional Receipt	
d. Checks for Pullout		d. Other Documents	
		e. Invoice Printing	

AGREED AND ACCEPTED:

METROPOLITAN BANK & TRUST COMPANY



By: _____
 (Authorized Signatory Printed over Signature)
 Name:
 Position:
 Date:

By: _____
 (Authorized Signatory Printed over Signature)
 Name:
 Position:
 Date:

Signed in the presence of:

 (Signature Over Printed Name / Position)
 Name:
 Position:
 Date:

 (Signature Over Printed Name / Position)
 Name:
 Position:
 Date:

ANNEX B

Authorized Representatives

Metro Check Collect Service Agreement

Pursuant to clause 8.1 of the Metro Check Collect Service Agreement (“Agreement”) executed by METROBANK and (NAME OF CLIENT) (“Client”) dated _____, the following will be the Client’s Authorized Representative, effective _____ :

Name	Designation/ Position	Email address	Contact details	Specimen Signature

This Annex B is subject to the terms and conditions of the Metro Check Collect Service Agreement executed between the Client and Metrobank.

(Signature Over Printed Name / Position)

Name:
Position:
Date:

