

SERVICE AGREEMENT

This **Agreement** is entered into this day of , 20 , by and between

REMITCARD PHILIPPINES, INC., a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at _____, herein represented by its _____, hereinafter referred to as "**RemitCard**"

-and-

_____ a non-stock non-profit corporation organized under the last of the Philippines, with principal office at _____, herein represented by its _____, hereinafter referred to as "**Foundation**"

WITNESSETH: That:

WHEREAS, the Foundation is an entity authorized to receive donations from natural and juridical persons, including local and foreign entities to raise funds to support its projects and activities, as well as collect membership dues and contributions from its members;

WHEREAS, RemitCard has the capability to assist the Foundation to enhance and increase its fundraising activities and membership dues collections by employing the latest IT technology to ensure an effective and accurate system of transferring funds;

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, the parties agree as follows:

ARTICLE I

Appointment of RemitCard

1.1 **Appointment of RemitCard.** The Foundation hereby appoints RemitCard to undertake, execute and provide wireless processing remittance services (money transfers through M-Commerce application) to the best of its skills and ability and in the best interest of the Foundation, in connection with its fundraising and solicitations activities as well as with the collection of its membership dues.

1.2 **Acceptance.** RemitCard agrees to provide wireless processing remittance services subject to the terms set forth in this Agreement.

1.3 **Term.** The term of this Agreement shall be for a period of three year(s), commencing on the date first written above unless sooner terminated as provided herein. Thereafter, this Agreement shall be automatically renewed for the same period unless either party gives unto the other a written notice of non-renewal at least 30 days before expiration of the period.

ARTICLE II

Wireless Processing Remittance Service

2.1 **Card Design and Printing.** RemitCard shall design the card to be utilized for the money-transfer transaction, subject to the approval of the Foundation. The Foundation which shall retain ownership of the design and the transaction card, will be allowed to include the name and trademark of RemitCard only while this service contract is in effect. The transaction card shall feature security control marks to maintain the integrity of the money-transfer transaction. Design fee shall be for the account of the Foundation. Costs of printing to be advanced by the Foundation, shall be for the account of RemitCard. The Foundation will be reimbursed by deducting the costs from the service fee due to RemitCard.

2.2 **Card Distribution.** RemitCard will cause the distribution of the transaction cards to its accredited distribution outlets, subject to the confirmation of the Foundation.

2.3 **Distribution Costs.** RemitCard will be responsible for the distribution fees of its accredited distributors. However all extraordinary fees charged by the accredited distributors will be for the account of the Foundations whose cards are being distributed in the particular outlet.

2.4 **Marketing.** The Foundation which shall have the sole responsibility of marketing the transaction cards to its members, donors and the public in general shall use good faith efforts to diligently market the same. The Foundation may provide RemitCard with the advertising it will use when soliciting funds from its members and donors.

2.5 **Reports.** RemitCard shall generate monthly sales reports and furnish a copy of this to the Foundation. This report shall itemize the number of cards activated, their denomination, access no., PIN # and date activated.

Upon the request of the Foundation, RemitCard may also furnish reports on the printing of cards, the distribution of cards as well as report on card inventory and dispatch

2.6 **Payment and collection.** Collection from the accredited distribution of contributions and donations generated from the sales of the transaction cards outlets shall be the sole and exclusive responsibility of the Foundation.

2.7 **Service Fee.** The Foundation shall pay RemitCard a service fee equivalent to P38 regardless of the amount of the card activated. This service fee covers cost of the card, introductory posters and display racks, distribution outlet fees and RemitCard fees. RemitCard shall bill the Foundation based on the monthly sales report, after reconciliation of accounts by both parties. RemitCard will assist in reconciling and obtaining counter invoices from distribution outlets.

2.8 **Incidental Costs.** Other incidental costs incurred in the distribution of the cards will be for the account of the Foundation. These would include, but not limited to, barcode (sku) stickers, counter fees and poster display fees.

ARTICLE III

Obligations of RemitCard

3.1 **Service covered.** RemitCard shall create a program for the wireless processing remittance service appropriate to the needs of the Foundation. The term program shall refer to firmware, systems software, basic application software, software tool and machine instructions including all related documents and materials.

3.2 **Non-guaranty.** RemitCard shall not guaranty solvency of the accredited distribution outlets nor does it guaranty payments of the cards activated. It will assist the Foundation in its collection from the outlets on a “best-efforts” basis.

3.3 The services, which RemitCard will provide in accordance with this Agreement, are fully specified in the service schedule attached as Annex “A.” It shall not be required to carry out any works or perform any services or supply any material to the Foundation that are not expressly identified or defined in the service or reasonably incidental thereto.

ARTICLE IV

Termination and Disposition at Termination

4.1 **Basis for termination by RemitCard.** RemitCard will have the right to immediately terminate this Agreement if (i) Foundation is delinquent in making payments of any sum due under this agreement and continues to be delinquent for thirty days after the last day on which such payment is due; and (ii) Foundation violates the confidentiality agreement.

4.2 **Basis for termination by Foundation.** The Foundation shall have the right to terminate this agreement if RemitCard commits a breach of its service obligations or any terms and/or conditions contained in this agreement and it fails to remedy such breach within 7 days from receipt of written notice of such breach.

4.3 **Disposition on Termination.** Upon the termination of this agreement, the transaction cards presently in the possession of the authorized retail outlets will be removed by RemitCard and destroyed to ensure its non-usage. However, the termination will not affect obligations of the Foundation to RemitCard which had already become due and payable prior to the termination.

ARTICLE V

General Terms and Conditions

5.1 **Intellectual Property Rights.** The Foundation acknowledges that it is not the owner of any intellectual property rights associated with the process and it shall not at any time be deemed to have acquired any right in and to such property. All of the trade secrets, trade practices, copyrights, patents, operating practices and procedures, good will and other items, tangible or intangible, used presently or in the future by RemitCard shall remain exclusive property of RemitCard.

5.2 **Non-exclusive.** RemitCard reserves the right to market the same service to institutions, including non-stock non-profit corporations without any restrictions.

5.3 **Confidentiality.** The Foundation acknowledges that this agreement creates a relationship of confidence and trust with respect to all information of a confidential, proprietary or trade secret nature disclosed by RemitCard that relates to its business. During the term of this agreement, either party may obtain confidential and proprietary information regarding the other party or its related companies. The receiving party shall hold such confidential information in strict confidence and shall not reveal the same without the express prior consent of the disclosing party. If a party violates this provision, the offended party shall be entitled to terminate this agreement and obtain injunctive relief in addition to any other legal rights and remedies available.

Particularly, the Foundation agrees to keep confidential all proprietary information or trade secrets disclosed by RemitCard in the course of negotiations, and that should the Foundation decide at anytime within the three year time-frame to go into a similar product/service, it shall only do so through RemitCard, its successors or assigns. Likewise RemitCard through its representatives, its successors and assigns, agree to keep confidential all transaction and data provided by the Foundation and its donors. The data bank of the Foundation donors compiled by card transactions shall be kept secured and only made accessible to authorized Foundation personnel in a secured Web portal. This confidentiality clause binds both parties, its representatives, successors and assigns beyond the termination of this Agreement.

5.4 **Mutual Warranty.** Each party represents and warrants to the other that the performance of its obligations under this agreement shall be in accordance with all applicable laws and regulations in the Philippines.

5.5 **Limitation of Liability and Force Majeure.** Neither party shall be liable to the other for lost profits, indirect, consequential, special or punitive damages, whether based in contract or tort, including negligence, strict liability or otherwise.

Neither party shall be held liable for any delay or failure in the performance of any party of this agreement or the schedules attached hereto from any cause beyond its control or without its fault, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war (whether declared or undeclared), terrorist acts, riots, insurrections, fires, explosions, earthquakes, floods, nuclear accidents, strikes, power failure or surges, volcanic action, other major environmental disturbances or unusually severe weather conditions.

5.6 **Binding Effect/Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective representatives, successors and permitted assigns.

Neither Party may assign or transfer any or all of its respective rights, benefits or obligations under this Agreement without the prior written consent of the other Party and subject to the approval of the non-transferring Party of the transferee or assignee; except that if the assignment is made to an Affiliate then mere written notice to and not prior approval of the other Party is required. Any transfer or assignment made in accordance with this subsection shall not release the assigning Party from its obligations under this Agreement unless and until its respective assignee shall agree to be bound by the terms and conditions of this Agreement and the other Party has no reason to doubt the ability of such assignee to fulfill all terms and conditions of the Agreement. Any attempted

assignment in violation of this provision will be void and will entitle the offended party to terminate this Agreement.

5.7 **Notices.** Any notice which either party may desire to give the other party must be in writing and may be given by (i) personal delivery to an officer of the party, (ii) by mailing the same by registered or certified mail, postage prepaid, return receipt requested, to the party to whom the party is directed at the address of such party as set forth at the beginning of this Agreement, or such other address as the parties may hereinafter designate, (iii) by courier service, and (iv) by facsimile communication subsequently to be confirmed in writing pursuant to item (ii) herein.

5.8 **Governing Law and Jurisdiction.** This Agreement shall be construed and enforced in accordance with the laws of the Philippines. In no event shall either party be required to perform any obligation under this Agreement if it is determined that performance of such obligation violates any Philippine law, rule, or regulation. The parties agree that exclusive jurisdiction for any disputes arising between the parties to this agreement shall be brought in the proper courts located within the City of Makati.

5.9 **Amendment and Modification.** This Agreement shall not be valid until signed and accepted by a signatory duly authorized to legally bind the parties hereto. No change, amendment, modification, termination or attempted waiver of any of the provisions set forth herein shall be binding unless made in writing and signed by a duly authorized representative of both parties hereto, and no representation, promise, inducement or statement of intention has been made by either party which is not embodied herein

5.10 **Non-Waiver.** Either party's failure to require the other party's performance of any term or condition of this Agreement shall not constitute a waiver and shall not affect the right of such party to later enforce such provision, unless such waiver is made expressly in writing signed by an authorized representative of the waiving party.

5.11 **Entirety.** This Agreement, including all schedules and exhibits attached hereto constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes any and all previous proposals, representations or statements, oral or written. Any modifications to this Agreement must be in writing and signed by authorized representatives of both parties.

5.12 **Authorized Representatives.** Either party's authorized representative for execution of this Agreement or any amendment hereto shall be the president/chairman/director of their respective company. The parties executing this Agreement warrant that they have the requisite authority to do so.

5.13 **Severability.** If any provision of this Agreement shall be held void, invalid or contrary to law by a final judgment or decree of any court, commission or other judicial or quasi-judicial body of competent jurisdiction, the other provisions hereof shall not thereby be affected or impaired unless said judgment affects the Agreement as a whole.

IN WITNESS WHEREOF, the Parties herewith set their hands on the date place above mentioned.

REMITCARD, INC.

By:

By:

CYNTHIA B. PASCO
General Manager

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)s.s.

On this _____ day of _____, 2003 at the City of Makati
personally appeared before me:

CTC NO. Date & Place Issued

RemitCard, Inc.
By:
Cynthia B. Pasco

known to me and to me known to be the same persons who executed the
foregoing instrument and they acknowledge to me that the same is their own free
and voluntary act and deed.

This instrument consisting of six (6) pages including this page whereon
the acknowledgement is written were signed by the parties and their instrumental
witnesses of each and every page thereof and sealed with notarial seal.

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

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2004.