

## UNIONBANK BUSINESS BANKING TERMS AND CONDITIONS

These BUSINESS BANKING TERMS AND CONDITIONS entered on the date set forth in the Business Banking Enrollment Form, by and between **UnionBank of the Philippines** ("**UnionBank**" or "**Bank**") and the **Client** (as identified in the Business Banking Enrollment Form and hereinafter referred to as "**Client**") govern the Client's use and availment of UnionBank Business Banking ("**Business Banking**") facilities for cash management services and other additional services. The Client's availment of and continued use of Business Banking signify that the authorized signatories of the Client have read, understood, and unconditionally agreed to be bound by these Terms and Conditions and all amendments, revisions, and additions which the Bank may effect from time to time.

### 1. DEFINITION OF TERMS

- I. **CASH MANAGEMENT SERVICES** – shall refer to the products offered by the Bank for the collection, disbursement, and management of accounts to help the Client efficiently manage its business.
- II. **BUSINESS BANKING** – is an electronic banking facility that allows the Client to avail of Cash Management Services and other banking services with the Bank on a per enrollment basis. The facility has two (2) platforms: Online Website ("Website") and Mobile Application ("Mobile App"), which are collectively referred to as the "System." Business Banking has two (2) Mobile Apps that are downloadable from the App Store and Play Store:
  - A. The Portal by UnionBank
  - B. UB Negosyante SME Business Banking
- III. **SYSTEM** - platform/s accessed and used by the User.
- IV. **TRUSTED DEVICE** – is a device with the Mobile App installed that the User has signed into using two-factor authentication.
- V. **USER** - Authorized users designated by the Client in the Enrollment Form or through the System, whichever applicable.

### 2. ENROLLMENT FORM

The UnionBank Business Banking Enrollment Form will serve as the primary mode of instruction and will be used as the basis for setting up the Client's organization in Business Banking. This is subject to interpretation of the designated bank personnel.

The Client guarantees and warrants that all information indicated in the enrollment form is true, correct, consistent, and accurate. The Client is responsible for reviewing the setup made and validating that it is in accordance with what was instructed. The Client has twenty-four (24) hours from receipt by the Bank of the enrollment form within which to inform UnionBank of any discrepancy in their setup. Failure of the Client to inform the Bank of any discrepancy within the period given shall render the information provided to the Bank valid and binding.

For enrollments done through <https://portal.unionbankph.com/enrollment>, the Bank will set-up the organization based on the entered information in the online form. The Client must ensure that the information in the signed and uploaded enrollment form matches the Client-entered information on the enrollment website. The Bank has the right not to process or to reject any discrepancies or inconsistencies between the online submission and uploaded documents.

The procedure below will be the basis of the Bank for setting up Client's use of the system:

- I. **ACCOUNTS** - The Client shall be required to enroll its UnionBank account/s for products and services to be availed. The types of UnionBank Accounts that are eligible for enrollment in the System include Peso Savings and/or Peso Current Accounts, Foreign Currency Savings Accounts, Business Line Accounts, and other accounts as may be allowed by the Bank at its sole discretion and without prior notice.

The Client may enroll more than one account number to the System by filling out the Multiple Account Enrollment Form. All accounts indicated in that form will follow the same setup as indicated in the Business Banking Enrollment Form.

Sister companies, affiliates, and/or subsidiary accounts must be enrolled as separate organization profiles in the System.

II. **USER ENROLLMENT DETAILS** – User shall be given log-in access to the System. The Client must designate a unique electronic mail (“Email”) address and mobile number for each User.

- A. **ACCESSING THE SYSTEM** - An activation email will be sent to the User’s nominated email address upon enrollment to the System. This will require the nomination of a password that will be used to access the System.

The system makes use of Multi Factor Authentication (MFA) to authenticate users accessing the System. This is facilitated by requesting for the User’s password and a validation of a user-owned device. By default, the user-owned device is validated by requesting for a One-Time Pin (OTP) sent to the device via SMS. The User has an option to download the System’s mobile app on a trusted device as an alternative way of generating the OTP.

After initial login, Users have the option to turn off OTP for either login or transaction creation in the System. The Client accepts the risk of reduced security in the System and agrees to be fully responsible for any unauthorized use as a result. Users will also have the ability to subsequently change the email and/or mobile number in the System. Any change/s shall require MFA before processing.

III. **ACCESS RIGHTS** – Access Rights define the different activities a User can view and perform in the System on behalf of the Client. The following access rights can be selected for each User and will be interpreted as follows:

- A. **View Account Balances** – Users shall be allowed to view the balances, transaction history, and transaction details of enrolled accounts.
- B. **Create Transactions** – Users shall be allowed to create transactions for products and services the Client is enrolled in. Users will be able to view all transactions created across the organization. The User will also be able to download transaction details, receive transaction-related emails, schedule payments, cancel transactions, and modify other related transaction information such as registered beneficiaries and frequently paid billers.
- C. **Approve Transactions** – Users shall be authorized to view transaction details, approve, or reject transactions in accordance with the Client’s Approval Policy. If the User creates a transaction, the System automatically considers the transaction as approved by such approver. The Client may request for the deactivation of the approval policy by indicating this in the special instructions section of the Business Banking Enrollment Form.
- D. **System Administrator** – Users shall be allowed to request changes to their organization such as the addition, modification, and/or removal of accounts, products, services, and Users. They may also request for the update of the business information and approval set-up. Users will also be allowed to manage the government IDs enrolled in the system. If applicable, the System Administrator shall also receive the license key and login credentials for the business check software.

Users will be given the same access rights and the same services for all Accounts indicated in the Business Banking Enrollment Form and, if applicable, the Multiple Account Enrollment Form. All accounts listed in these forms shall follow the same approval policy.

The Client shall be liable for instructions received by the System from the User’s enrollment details and these are conclusive and binding on the Client. The Bank shall not be liable for acting in accordance with or based on the requests and / or instructions coursed through the System.

Clients who have sensitive transactions that need to be kept confidential amongst a specific set of users can request for multiple organization profiles to be created. This is done so that only Users within a given organization profile will be able to see the transactions created for that

profile. This can be done by accomplishing the Business Banking Enrollment form for each profile required and indicating the purpose of each profile (for example, Company ABC – Payroll, Company ABC – Suppliers, etc.). The Client can request for as many profiles as necessary.

IV. **PRODUCTS AND SERVICES** – Users with the necessary access rights may view and initiate transactions on behalf of the Client as described below.

- A. **Account Management**– this service allows basic viewing of balances, transaction history, and other details of the Client's enrolled UnionBank accounts.
- B. **Fund Transfer** – this service allows transfer of funds to other UnionBank accounts and other local and/or international bank accounts through InstaPay, PesoNet, PDDTS, SWIFT, and other channels that the Bank, at its sole discretion and without prior notice, may introduce later on.
- C. **Bills Payment**– this service allows payments to various billers which include but are not limited to government agencies and basic utility service providers. Billers may be added or removed from time to time. The list of billers may be updated by the Bank in the System, at its sole discretion and without prior notice.
- D. **Scheduled Branch Visits**– this service allows Clients to make faster, more secure branch transactions by entering transaction details in the System and scheduling the visit in advance.
  - a. Users must select the type of branch transaction and indicate the necessary transaction information on the System. A unique appointment number will be generated. This must be entered in the queueing system upon arrival at the selected branch to be given queueing priority. The client is responsible for keeping this appointment number confidential.
  - b. The Client shall ensure that all transaction details are valid and final prior to submission. Once submitted, changes will no longer be accommodated at the branch and in case of errors in the details of the transaction, the transaction will be cancelled by the branch ambassadors. The branch also reserves the right to reject any transactions in accordance with the Bank's policy. All transactions are subject to each branch's banking hours.
  - c. The types of branch transactions that can be scheduled by the Client is displayed on the System. The Bank, at its sole discretion and without prior notice, has the right to add or remove types of branch transactions from the list.
- E. **Mobile Check Deposit**– this service allows the Client to deposit checks wherein the Client is the payee. To use this feature, the Client shall submit eligible check images and provide check details through the Mobile App.
  - a. All users enrolled in Business Banking will be given access to Mobile Check Deposit.
  - b. Eligible checks for the Mobile Check Deposit feature are those which are in the current format design, peso-denominated, current dated, payable to the order of the deposit account name, presented for deposit and/or clearing for the first time, contains no erasures or alterations, has all fields duly accomplished, are signed by the drawer, and which conform to all Philippine Clearing House Corporation (PCHC) standards, rules, and regulations. The determination of the eligibility of a check based on the images submitted by the Client shall be at the Bank's discretion, the PCHC, and the appropriate regulatory bodies. The Client understands and agrees that the Bank and/or the PCHC may reject the clearing of eligible checks deposited through the Mobile Check Deposit, and the Bank shall not be liable for any loss, liability, claim, damage, and expense the Client may sustain by such rejection. Reasons for the Bank and/or PCHC's rejection of checks submitted include but are not limited to unreadable details in check images captured, check

image quality is not compatible with PCHC standards, or non-compliance with any of the eligibility criteria enumerated in this section.

- c. The Bank, at its sole discretion and without prior notice, may set a maximum check amount allowed for deposit and/or limit the number of allowed check deposit transactions via the Mobile Check Deposit. The Bank shall not be liable for any loss, liability, claim, damage, and expense the Client may sustain by the Bank's exercise of such discretion.
- d. The Client shall safekeep for a period of not less than one hundred eighty days (180 days) hard copies of all checks that have been deposited via the Mobile Check Deposit. The Client shall submit the actual checks to the Bank and/or the to the appropriate regulatory authority whenever required by either or both. The Bank shall not be held liable for any loss or damage incurred by reason of or in connection with the Client's failure to safekeep these checks.
- e. In addition, the Client warrants and represents that:
  - 1. The Client shall not deposit or endorse to a third party the original check, and no person shall receive a presentment or return of, or otherwise be charged for the original check or electronic representation of the original check that has already been used in any transaction.
  - 2. There are no other duplicate images of the original check.
  - 3. The Client shall not redeposit or present any original eligible check which has been returned or dishonored for whatever reason.

**F. Foreign Exchange**— this service allows the Client to perform seamless on-line foreign exchange transactions based on real-time and competitive rates.

- a. The Client agrees that the number or volume of and the allowable purposes for a foreign exchange transaction are subject to limitations set by the Bank. The Bank reserves the right to change or modify these limitations from time to time. These limitations are made known to the Client in the course of an application for a foreign exchange transaction. The Bank reserves the right to change or modify these limitations from time to time. UnionBank will exercise reasonable efforts to notify the Client ahead on any modification on limitations, considering that the Foreign Exchange service is provided "as is" and "as available" basis. The Client shall not hold UnionBank or any of its directors, officers, employees, agents, subsidiaries, or affiliates liable for changing the limitations without prior notice due to time constraints unless there is gross negligence or bad faith and/or misconduct on the part of the Bank as determined with finality by a court of competent jurisdiction.
- b. The Client shall comply with the applicable regulations on foreign exchange transactions under the Manual of Regulations for Foreign Exchange Transactions of the Bangko Sentral ng Pilipinas ("BSP") and all relevant laws, rules and regulations, as may be amended from time to time.

The Client's application for a foreign exchange transaction using the Foreign Exchange service shall serve as its electronic application to purchase or sell foreign exchange. The Client understands that UnionBank shall only proceed with its application for a foreign exchange transaction upon completion of all the requirements of Foreign Exchange service, including among others, the Client's execution of the BSP-required certification for applications to purchase foreign exchange.

- c. Except as may otherwise be required by law, an application for a foreign exchange transaction using the Foreign Exchange service does not require written signature of the Client's Users. The Client's act of opting in, through its Users, of clicking the "agree and accept buttons" in the course of any foreign exchange transaction serves as the Client's valid electronic signature in accordance with all applicable laws and constitutes its instruction to enter into such foreign exchange transaction. The Client undertakes not to repudiate, in whole or in part, the enforceability and validity of the foreign exchange

transactions done via the Foreign Exchange service. The electronic recording and storing of foreign exchange transactions are binding and enforceable as manually executed and paper-based recording and storing system to the extent permitted by law.

- d. The Bank shall rely and act on an application for a foreign exchange transaction upon approval by the User authorized to approve such transaction in accordance with the Client's approval policy. Once approved, the application for a foreign exchange transaction is final and may not be subject to any amendment or cancellation. By approving the foreign exchange transaction, the Client authorizes the Bank to act on and complete such approved foreign exchange transaction.
- e. The Client agrees that the Bank does not provide tax, legal, or investment or trading advice with respect to the nature, potential value, or suitability of any foreign exchange transaction. The Client has sufficient knowledge, market sophistication, professional advice, and experience to make its own independent evaluation of the merits and risks of any foreign exchange transaction.
- f. The Bank shall not be liable for any losses that the Client or a third party may incur arising from the Client's use of Foreign Exchange including any trading losses that the Client may have incurred or may incur, directly or indirectly, from any foreign exchange transaction, it being understood that any and all risks and costs arising from the use of this service shall be for the Client's sole and exclusive account.

V. **APPROVAL POLICY** - This defines the levels of approval a transaction must go through before it is processed by the System. The approval policy consists of the following:

- A. **Approver** – Users with "Approve Transactions" access rights.
- B. **Approval Group** – approvers may be grouped together based on the Client's requirement. The Client must define the minimum number of approvals required for each group (i.e. minimum of two approvals out of eight approvers is required for the System to recognize the transaction as approved by the group).
- C. **Approval Hierarchy** – if the Client has more than one group, they may set-up the authorizations in sequence (Group A, then Group B) or in parallel (Group A and B).
- D. **Approval Rule** - defines the transaction limit of approvers. The Client may assign different sets of approvers per transaction limit.

The approval policy of the Client in the System must be in accordance with the notarized secretary's or partner's certificate submitted during account opening. The authorized signatories approved by the Client's Board of Directors may add or delegate additional approvers to review the transaction, provided delegation of approvers is allowed in the Client's secretary's or partner's certificate. For sole proprietorships, the proprietor may add or delegate additional approvers in addition to their own approval. The Client warrants that all authorizations necessary for the execution and delivery of these Terms and Conditions and all attachments hereto have been obtained.

For approval policies that require transaction approval limits or have more than one (1) approval group, the corresponding Multiple Level Approval Forms must be filled out. All accounts indicated in the accompanying Business Banking Enrollment Form and any Multiple Account Enrollment forms shall follow the approval policy indicated in the Multiple Level Approval Form.

Any special approval requirements that cannot be documented in the enrollment form but is duly supported by a secretary's or partner's certificate, must be provided in writing in the special requests and other instructions section on the form. This is subject to interpretation of the designated bank personnel. The Client is responsible for immediately reviewing that the approval setup was made in accordance with their requirements.

Transactions that are not required to go through an approval policy are required to go through OTP verification prior to submission of the transaction. This cannot be toggled off in Settings as part of the security measures to prevent fraudulent transactions.

Transactions that have been fully approved shall be considered final and irrevocable.

The approval policy shall only be applicable for disbursements or transactional services that require debiting from the Source Account. For collection services or products that shall credit the Source Account, the Client understands that these transactions are not subject to approval and will be processed immediately.

#### **VI. SPECIAL REQUESTS AND OTHER INSTRUCTIONS**

The Client may also request for a customized set-up per Account by filling out a separate Business Banking Enrollment Form with the list of authorized Users, their corresponding access rights, products and services, and the approval policy for the said Account.

The Client may also request for customized access on a per User basis by indicating instructions in the change details and other instructions section of the form. This is subject to interpretation of the designated bank personnel. The Client is responsible for immediately reviewing that the approval setup was made in accordance with their requirements.

For collection and disbursement products that shall credit/debit the Source Account, the Client understands that all Users in the form, regardless of their Access Right, shall be given access to these products. To disenroll from the System, the Client must indicate the request in the Change Details and Special Instructions.

In case of system unavailability, the Client may provide written instructions to process transactions in the System through alternative channels, subject to Client's execution of additional required documentation, if any, and compliance with the alternative process as instructed by the Bank.

#### **VII. CHANGE REQUESTS**

It is the Client's responsibility to update their Business Banking set-up for any changes in Users, access rights, allowed transactions, approval policies, and business information succeeding the initial enrollment. Any addition or modification to the current set-up must be communicated by the Client using the Business Banking Enrollment Form and other applicable form/s of the Bank.

For removal of Users, the Client must fill out the Business Banking Enrollment Form, list the Users for dis-enrollment, and the Accounts which said Users' access rights shall be revoked. For removal of Accounts, the client must fill out the Business Banking Enrollment Form and list the Account/s for removal.

Unless authorized by the Client through its duly authorized signatories, any changes, or requests to be made to the System, including but not limited to removal of Accounts or Users shall not be honored by the Bank.

The updated information / removal from the System shall take effect within three (3) to seven (7) banking days from the Bank's receipt of the required forms. All obligations of the Client incurred prior to the effectivity of the dis-enrolment shall remain valid and binding on the Client. The Client shall be notified by a Bank personnel, or through email or through the System, whichever is applicable, regarding the status of the implementation of the change request.

#### **VIII. FEES AND OTHER CHARGES**

The Bank is authorized to automatically deduct the amount and corresponding fees and charges for the use of the services, which shall be made available at the dashboard in the System, from the Client's specified Source Account as soon as the transaction obtains full approval, as defined by the Client's approval policy, on the set date of transaction. For scheduled transactions that do not obtain full approval at the scheduled date and time, the account shall not be debited and the transaction shall be cancelled by the System.

If applicable, any withholding tax deducted by the Client from the payment due to the Bank shall be evidenced by a Certificate of Tax Withheld (BIR Form No. 2307) submitted by the Client to the Bank not later than thirty (30) calendar days from the end of the month when the deduction was made by the Bank. Failure of the Client to submit the required document shall entitle the Bank to deduct the full amount of fees and charges from the Client's account and to refuse any

request of the Client for the reimbursement of the withholding tax. The Bank will not be liable for any damages that the Client may incur, including those by reason of insufficiency of the Client's deposit account resulting from the Bank's deduction of aforementioned charges.

The Bank reserves the right at its sole discretion and as the need arises, to change the said charges or fees for the use of the System. Changes on the fees will take effect and are deemed binding on the Client after sixty (60) days upon notice to the Client, whether in writing, by display or posting in the Bank's premises, website, and other channels, or by electronic means such as electronic mail and short messaging services, or such other methods of communication which the bank may deem suitable. Unless disagreement to such changes is communicated by the Client in writing using the required form/s of the Bank, the continued use of the System after effectivity date shall signify Client's consent to such fees.

### **3. TRANSACTION PROCESSING**

The Bank complies with the requirements of the corresponding biller and clearing system (i.e., BancNet for InstaPay, Philippine Clearing House Corporation for PesoNet and PDDTS, etc.) such as but not limited to the required fields, beneficiary character limits, amount limits, and transaction cut-offs. These details are displayed in the System and the Bank reserves the right to modify and update these at any time to comply with the biller or clearing house requirements. It is the Client's responsibility to know what these cut-offs are and provide sufficient lead time from the time of transaction creation until full approval and actual crediting to ensure that funds are received by the beneficiary or biller on time.

Crediting of payments to the biller and transfers to beneficiary account/s of other local and foreign banks shall be subject to the turn-around time of the receiving biller or bank. The status of the Client's transaction shall be displayed in the System's dashboard. For interbank transfers, the status shall be updated to "Transaction Successful" as soon as UnionBank receives confirmation from the receiving bank via the clearing house that the transaction has been credited to the bank beneficiary. The displayed transaction details in the System with the final status shall serve as the confirmation of fund transfer or biller payment.

For interbank transfers that have been released to the clearing house which have not yet been credited to the other bank beneficiary, the Client may check the latest status of the transaction with the receiving bank.

In no case shall the Bank or any of its correspondents/agents be liable for interruptions, omissions, errors, non-transmission, or delays occurring on the part of any of the relevant clearing house, correspondent banks, the Bank's sub-agent, and cable or wireless company beyond the control of the Bank or its correspondents / agents. For interbank fund transfers, the Bank shall not be liable for any delay or errors in the crediting of funds that are caused by the beneficiary bank. The Bank may, at its discretion, extend reasonable assistance to the Client by helping coordinate with the correspondent/beneficiary bank and/or Clearing House, as needed and provide any other necessary details needed by the Client for further coordination with the correspondent/beneficiary bank and/or Clearing House.

For services that require batch processing through file upload, the Client must comply with the File Upload requirements of the Bank. The Bank shall not be liable for errors, delays, or any failure to credit a beneficiary account due to: (a) Client's errors or omissions in the contents of the files such as but not limited to the indication of incorrect or inexistent account details or incorrect amounts; or (b) Client's non-compliance with the Bank's File Upload requirements.

In case of erroneous details in the payment or transfer, UnionBank shall bear no liability for the Bank can only confirm up to the point of successfully sending the file to the biller or receiving bank. However, once details on the erroneous transactions are received by UnionBank from the receiving bank or biller, UnionBank shall credit back the corresponding amount to the Client's Source Account after proper verification has been made.

The System shall only be used for the Client's own transactions wherein the Client is the ultimate sender. The Client attests that Business Banking shall not be used to process its customer's transactions.

If Client is engaged in Money Service Businesses (MSB), it may use the System provided the Client undertakes and ensures that the transactions processed through the System are solely for their own business transactions and that it shall not process transactions in the System on behalf of its customers. The Bank has the right to hold the transfer and/or revoke the Client's access to the System in the event that Client is determined by the Bank to have violated this provision.

All transactions made in Business Banking by the Client's Users shall be valid and binding on the Client, The Client warrants that all information supplied by the Users in effecting a transaction are reviewed as true, accurate, correct and free from any error and inaccuracies.

#### **4. OTHER RESPONSIBILITIES OF THE CLIENT**

- I. The Client shall provide any and all computer and telecommunications hardware and peripherals necessary to enable the Client to use the System and shall be solely responsible for their maintenance and repair. The Bank shall not be liable for any loss or damage that may arise from the malfunction of such equipment.
- II. The Client understands that the System is accessed through the internet of which the Bank has no control over. Hence, it is the Client's duty to ensure that any computer, mobile phone, or other electronic device used to access the System is free from and adequately protected against acquiring viruses and other destructive components. The Client is solely responsible for the performance and security of any internet browser, mobile device, and operating system used in connection with the System, including the prompt adoption by the Client of all security patches and other security measures issued or recommended from time to time by the suppliers of such internet browsers, mobile devices, and operating systems.
- III. Unless otherwise permitted by the Bank in writing, the Client shall use the System provided by the Bank exclusively for Cash Management Services and other services offered by the Bank and not for any other purposes. The Bank shall retain full ownership of the System. The Client shall not sell, copy, or make available the System or any modification thereof to any third party without the prior written consent of the Bank.

#### **5. LIMITATION OF LIABILITY**

- I. The Bank shall not be liable for any loss, damage, injury, or claims of whatever nature that the Client may suffer in connection with the implementation of this Agreement due to any fortuitous event, force majeure, pandemics, typhoons, floods, public disturbances and calamities, or other similar acts or circumstance beyond the control of the Bank, or for which the Bank is not responsible for or not otherwise attributable to the fault or gross negligence of the Bank, such as, but not limited to, prolonged (a) power outages, breakdown in computers and communication facilities, and similar cases; or (b) inaccurate, incomplete or delayed information received by the Client due to disruption or failure of any communication facilities used for the System.
- II. The Bank shall not be liable for any indirect, incidental, special, or consequential loss or damage to the Client, including lost revenue, lost profit, trading losses, replacement of goods, loss of technology, rights, or services, loss of data, interruption or loss of use or service or system arising out of or in connection with its use or failure to use the System, including use of Foreign Exchange, even if advised or informed of the possibility of said damages.
- III. In the absence of delays, gross negligence, and bad faith solely and exclusively attributable to the Bank, the Client shall defend, indemnify, and hold the Bank free and harmless from any and all costs, damages, or liabilities which the Client, the Bank, or any third party may suffer arising out of or resulting from:
  - A. Any fraud, bad faith, or negligent act or omission of the Client in using Business Banking or the System, such as but not limited to:
    1. Client's use or misuse of Business Banking or the System;
    2. Failure by the Client to abide by these Terms and Conditions;
    3. Fraud or misrepresentation on the part of the Client or any of its officers, employees, and/or representatives;
    4. Incomplete, inaccurate, or incorrect information provided by the Client;

- B. Any unauthorized or fraudulent transaction in Business Banking, such as but not limited to unauthorized, fraudulent, or negligent disclosure of Business Banking access or log in credentials and security breaches or vulnerabilities in the Client's systems, platforms, or devices used in accessing Business Banking;

The Client understands that access to Business Banking may be compromised through phishing, vishing, smishing or other social engineering tactics that will enable unauthorized persons to effect transactions therein. The Client shall ensure that the log-in credentials and OTP of its Users shall not, under any circumstance, be disclosed, given, or made available to any person other than the User. In the event that the information falls in the hands of unauthorized persons for any reason whatsoever, including but not limited to wiretapping of communication lines or erroneous connection by telecommunication switches, or errors in transmitted information due to faulty lines, any and all forms of technology relating to electronic surveillance or fraud, the Client unconditionally and irrevocably agrees and undertakes to keep the Bank free and harmless at all times from any and all liability, costs, damages, losses and causes of action arising from or in any way connected with, due to such unauthorized disclosure, including, but not limited to, the effect of the provisions of Republic Act 1405 (Law of Secrecy of Bank Deposits), as amended, provisions of the General Banking Act and pertinent laws prohibiting disclosure of information concerning the Client's transactions or deposits with banks, any and all pertinent laws or regulations related thereto or the subject matter herein.

- C. Fraudulent or fictitious accounts;  
 D. Incomplete, inaccurate, or incorrect information provided by the receiving bank;  
 E. The effect of the provisions of Republic Act No. 1405 as amended; applicable provisions of the General Banking Act and pertinent laws or regulations related thereto or the subject matter herein;  
 F. Receiving bank's failure to credit the recipient account.  
 G. Errors, breakdown, or failure of third-party systems which the Bank is connected to or used by the Bank to electronically transfer funds. In such cases, the Bank shall comply with the Client's fund transfer instruction as soon as the third-party system has been restored;  
 H. Incomplete transfers to or from the Client's accounts in the following instances:
1. The source account has insufficient cleared and withdrawable funds;
  2. If the transfer involves unenrolled, dormant, closed, fraudulent or fictitious account/s;
  3. Errors, breakdown, or failure of any third-party system which the Bank is connected to or used by the Bank to electronically transfer funds whether or not the Client knew about the breakdown. In such cases, the Bank shall comply with the Client's fund transfer instruction(s) as soon as the third-party system has been restored;
  4. If circumstances beyond the Bank's control prevent the transfer, despite reasonable precautions taken by the Bank; and
  5. Such other instances as indicated in these Terms and Conditions.
- In these cases, the System shall automatically update the transaction to Failed. UnionBank shall credit back the corresponding amount to the Client's Source Account once details on the erroneous transactions based on the aforementioned are received by UnionBank from the receiving bank.

Such indemnity shall extend to any damages caused by the Client's breach to any other bank or financial institution, as well as to any penalties incurred according to the rules and regulations of PCHC. Such costs to be incurred by the Bank shall be debited by the Bank as fees or charges from the Client's Source Account indicated in the Business Banking Enrollment Form.

- IV. The Bank will in no case be involved with any claim or dispute between the Client and its customers, beneficiaries, or billers, as the case may be, involving the underlying transaction. The Client holds the Bank free and harmless from any and all liability, cost, or damage, which may arise in connection with any claim or dispute between the Client and its customers, or the Client and its billers, in connection with the implementation of these Terms and Conditions or use of the System.
- V. Should the Bank become involved in any litigation due to the Client's fault or negligence on any matter arising from or related to these Terms and Conditions, all fees and expenses incurred by the Bank in such litigation, including a reasonable amount for attorney's fees which amount is

hereby agreed to be at the rate of 10% of the sum sought to be recovered or Ten Thousand Pesos (P10,000.00) whichever is greater, shall be paid by the Client.

- VI. The provision of the Services through the System has qualification requirements, and the Bank reserves the right to change the qualifications at any time, which changes will be communicated to the Client in advance. As far as practicable, the Bank shall endeavor to inform the Clients in advance of any changes, suspension, discontinuation, or unavailability of the Services in the System.

## 6. DATA PRIVACY

- I. For these purposes, these Terms and Conditions shall constitute the Client's written permission and consent to disclose such data and Information for purposes of RA (Republic Act) 1405 (Law on Secrecy of Bank Deposits), pertinent provisions of RA 7653 (the Bangko Sentral Act), RA 6426 (the Foreign Currency Deposit Act) and rules and regulations of the Bangko Sentral ng Pilipinas and other related laws and decrees.
- II. The Bank warrants and agrees that it shall ensure the protection of the data privacy rights of the Client Data Subjects, or individuals whose personal, sensitive personal, or privileged information is controlled by or processed by the Client on its own or through its representatives, in the implementation of this Agreement. Pursuant thereto, both Parties agree to comply with the Data Privacy Act of 2012 and all applicable and relevant laws, their respective implementing rules and regulations and data privacy protection rules and policies being implemented or to be implemented by the National Privacy Commission.
- III. The Client authorizes the Bank to collect, use, and share Personal Data (as defined under the Data Privacy Law of 2012 and its implementing rules and regulations), customer data, and account or transaction information or records (collectively, the "Information") provided, and where permitted by law, to share it with: (i) Aboitiz and Company, Inc.; and (ii) Aboitiz Equity Ventures, including their and the Bank's respective subsidiaries and affiliates (collectively, the "Aboitiz Group") for cross-selling and for the following purposes: (a) purposes as set out in the Bank's Data Privacy Statement (DPS) ; (b) to identify and inform the Client of products and services provided by the Aboitiz Group that may be of interest to the Client; (c) for compliance with any law, regulations, government requirement, treaty, agreement, policy or as required by or for the purpose of any court legal process, examination, inquiry, audit, or investigation of any authority. This applies notwithstanding any non-disclosure agreement.
- IV. The Client agrees that by signing this Terms and Conditions or Business Banking Enrollment Form, their application, maintenance, or continued use of any of the Bank's products and services shall be their acceptance and agreement to be bound by the provisions of the Bank's DPS found at <https://www.unionbankph.com/privacy-security>. By granting the aforementioned authorities and agreeing to these Terms and Conditions, the Client knowingly, voluntarily, and expressly waive their rights to the secrecy of bank deposits and confidentiality of account information under relevant bank secrecy laws such as but not limited to RA 1405, as amended, RA 6426, as amended, RA 8791, and any and all other pertinent laws prohibiting disclosure of information concerning the Client's transactions or deposits as well as any applicable confidentiality provisions in any and all of its existing agreements with the Bank.
- V. Each Party shall defend, indemnify, and hold the other Party, its affiliates, and their respective officers, directors, stockholders, employees, and agents harmless from and against any and all claims, suits, causes of action, liability, loss, costs, and damages, including attorney's fees and costs of litigation, in connection with or as a result of any third party claim arising from the personal data breach of any Party directly attributable from acts or omissions resulting in the violation of the Data Privacy Act.
- VI. In case a Party receives any judicial order, governmental action, or legal obligation requiring it to disclose Personal Information and/or Sensitive Personal Information of Data Subject, such Party shall immediately inform the other of such fact to allow such party to seek the necessary protective order to protect its interest. Each Party shall support and cooperate in the intervention of the Party in addressing the judicial order, governmental action, or legal obligation, or minimizing the scope of the disclosure.

## 7. ANTI-GRAFT AND SANCTIONS

- I. Client certifies that it has not, directly, or indirectly, given or promised to give, and will not give, any gift or favour to any director, officer, employee, or any authorized representative of the Bank or any of its subsidiaries or affiliates in connection with the preparation, execution, and implementation of these Terms and Conditions, except for ceremonial or token gifts of nominal value that are appropriate to the occasion on which they are given. Client acknowledges that any violation of this clause is a material breach of these Terms and Conditions that will result in the immediate termination hereof and entitle the Bank to all rights and effects of termination.
- II. Neither the Client nor, to the best of knowledge of the Client, after due and reasonable inquiry, any director, officer, agent, employee or other person associated with or acting on behalf of the Client and its Users have: (1) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (2) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (3) violated or is in violation of any provision of the US Foreign Corrupt Practices Act of 1977 ("FCPA"); or (4) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment prohibited under any applicable law or regulation equivalent or similar to the FCPA.
- III. The operations of the Client and its Users are and have been conducted at all times in compliance with applicable financial recordkeeping, reporting requirements, and money laundering statutes in the Philippines and of all jurisdictions in which the Client and its Users conduct business, the rules and regulations thereunder and any applicable related or similar rules, regulations or guidelines, issued and administered or enforced by any governmental agency (collectively, "Money Laundering Laws") and no action, suit or proceeding by or before any court, governmental agency, authority, body, or any arbitrator involving the Client or any of its Users, subsidiaries or affiliates with respect to Money Laundering Laws is pending and, to the best of the knowledge of the Client upon due inquiry, no such actions, suits or proceedings are threatened.

## 8. DISPUTE RESOLUTION

Any dispute between the parties relating to these Terms and Conditions shall first be submitted in writing to a panel of four (4) consisting of two (2) senior executives each from either party, who shall promptly meet and confer to resolve such dispute. Each party shall designate such executives within five (5) business days after receipt of an appropriate notice in writing from the other party. Each party's executives shall be identified by notice to the other party and may be changed at any time thereafter also by notice to the other. The panel shall resolve the dispute not later than thirty (30) days from date of submission. If the matter is not resolved through negotiation within the specified period, the dispute, including any question relating to its existence, validity, or termination thereof, shall be resolved with finality through arbitration in accordance with the rules of the Philippine Dispute Resolution Center, Inc., which rules are deemed to be incorporated by reference in this clause and which decision shall be final and binding to the Parties. The language of the arbitration shall be English, and the place of arbitration shall be Pasig City.

## 9. TERMINATION

The Client may terminate, cancel, revoke, or rescind these Terms and Conditions, with or without cause, by discontinuing the use of the System. It is the Client's responsibility to disenroll any of its Users or their business from the System through written notice via the Business Banking Enrollment Form.

The Bank may terminate these Terms and Conditions effective immediately by written notice to the Client in the following instances:

- I. Closure of the account enrolled in the System as the Source Account;
- II. Material breach of the Client of any of its obligations set forth in these Terms and Conditions;
- III. If the Client is unable to pay its debts to the Bank, enters into compulsory or voluntary liquidation or if a trustee, receiver, administrative receiver or similar officer is appointed in respect of all or any part of its undertaking, property or assets or if a proposal or any composition scheme is made or arranged with (or assigned) for the benefit of its creditors, or the Client ceases to carry

on the business as carried on as of the date of these Terms and Conditions (save as a result of a merger, amalgamation or other kind of restructuring).

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, nor shall it be construed as a waiver of any subsequent breach or default of the terms, conditions and covenants herein contained, which shall be in full force and effect.

## 10. ISSUES AND CONCERNS

- I. For complaints or concerns on errors encountered for a particular transaction, including suspicious or unauthorized transactions, the Client must notify the Bank in writing of any complaints not later than thirty (30) days from transaction date. Should the Bank receive verbal notification from the Client, the Client may be required by the Bank to send its complaints or questions in writing within twenty-four (24) hours and indicating therein the Client's name, access ID, and the error encountered through any of the following channels:
  - A. By sending an e-mail to UnionBank Business Support (UBS) at [business@unionbankph.com](mailto:business@unionbankph.com)
  - B. By calling UnionBank Business Support through the numbers below. The Bank's UBS Officers are available from Monday to Friday during office hours.
    1. Metro Manila/Luzon: (02) 8667-2668
    2. Visayas/ Mindanao: (032) 256-9300
  - C. By writing to UnionBank Business Support, UnionBank of the Philippines, 31st Floor UnionBank Plaza, Meralco Ave. Cor Onyx and Sapphire Roads, Ortigas Center, Pasig City.
- II. If the Client becomes aware that an ID or password has been disclosed to an unauthorized person, or a person ceases to be an authorized User, the Client must communicate it immediately through UnionBank Business Support (UBS) using [business@unionbankph.com](mailto:business@unionbankph.com) within twenty-four (24) hours from the time of happening of the event. The Client shall only be exempt from liability for unauthorized or fraudulent transactions made in Business Banking due to compromised System access or log in credentials of its System Administrators or Users if such incident is immediately reported to the Bank and prior to any such unauthorized or fraudulent transaction is made. The Client shall be bound by any act or transaction made prior to the official receipt by the Bank of any report under this clause.
- III. For concerns on the organization set-up such as if the Client does not agree with any of its information as reflected in Business Banking, or if any information reflected in the Enrollment Form has changed or is no longer accurate, the Client must communicate it to the Bank through UnionBank Business Support at [business@unionbankph.com](mailto:business@unionbankph.com), supplemented by the necessary enrollment forms. This includes, but is not limited to, change, addition, or removal of Accounts, Users and their access rights, product availments, and changes to the Approval Policy. The Client shall immediately advise the Bank within twenty-four (24) hours from the receipt of such information. Otherwise, the Bank shall have the right to assume that such information relayed to the Client is correct and in order.
- IV. For privacy-related concerns, the Client may contact the Data Privacy Office at [dpo@unionbankph.com](mailto:dpo@unionbankph.com).
- V. The Bank reserves the right to impose an investigation charge should the claim/complaint be proven malicious and untrue. Complaints on transactions as well as the transaction details must be raised by the Client within thirty (30) days from transaction date; otherwise, the transaction shall be considered correct and accurate and any claim against the Bank concerning such transaction shall be deemed waived.
- VI. In the event that queries or concerns require an investigation, the Client agrees to provide the Bank with all information needed and required by the Bank and consents to the use and processing of the information provided to enable the Bank to expediently address the query. The Client also allows the Bank to disclose information provided to third parties, if necessary, to address the concern. For complaints resolution, please be guided by the turnaround time to be set by the Bank.

**11. UPDATES TO THE SYSTEM AND AMENDMENTS TO THE TERMS AND CONDITIONS**

- I. The Bank may, at its sole discretion and without prior notice, introduce additional products, services, or enhancements to the System. Any additional services added to the System such as Checkwriter, Remote Check Deposit, Card Management, the Business Check Software, and other cash management solutions that the Bank may develop shall be communicated to the Client. The Client may avail of these additional services by filling out the Terms and Conditions and enrollment forms for the particular service to be availed. Enrollment to Business Banking is required to avail of these added services.
- II. Revisions, modifications, amendments, and supplements to these Terms and Conditions, which shall form an integral part hereof are deemed binding on the client after sixty (60) days upon notice to the Client, whether in writing, by display or posting in the Bank's premises, website, and other channels, or by electronic means such as electronic mail and short messaging services, or such other methods of communication which the Bank may deem suitable, and will take effect in accordance with these Terms and Conditions and applicable rules and regulations.

**12. OTHER TERMS**

- I. All terms and conditions governing the Bank's Current/Savings Accounts and other Bank products available in the System shall still be enforced in all cases not specifically provided herein or otherwise provided in a written agreement between the Bank and the Client and these accounts shall be governed by and subject to the rules and regulations as imposed or will be imposed by the Bangko Sentral ng Pilipinas (BSP) relative to the establishment and operation of deposit account and other banking transactions.
- II. In the event any one or more of the provisions contained in these Terms and Conditions shall be declared invalid, illegal, or unenforceable, in any respect of the law, the validity, legality and the enforceability of the other provisions hereof or thereof shall not be affected thereby.
- III. This Agreement, and all matters relating to it, shall be governed by, and construed in accordance with the laws of the Republic of the Philippines.
- IV. The existing rules and regulations of the Philippine Clearing House Corporation (PCHC), the Bureau of Internal Revenue (BIR) and the BSP, the General Banking Law, the Electronic Commerce Act, and all pertinent laws are deemed incorporated herein and in the attached Addendum, if any, hereof by reference.

**13. ENTIRE AGREEMENT**

These Terms and Conditions, along with the Addendum, if any, constitutes the entire understanding and agreement of the parties with regard to the subject matter hereof. It may be varied, modified, altered, or amended after the date of execution hereof. All previous negotiations, undertakings, contracts, or agreements between the parties on the subject matter hereof are deemed superseded, cancelled, or revoked as of the date of execution hereof.

Union Bank of the Philippines is regulated by the Bangko Sentral ng Pilipinas <https://www.bsp.gov.ph>.