**ONLINE BUSINESS BANKING SERVICES AGREEMENT**

This Digital Banking Services Agreement (“Agreement”) is made effective this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Effective Date”) by and between:

SOUTHBANK INC., a corporation organized and existing by the laws of the Republic of the Philippines, with principal office address at the R.N. Pelaez Blvd, Kauswagan, Cagayan de Oro City, Philippines, represented in this act by its President and Chief Executive Officer, WILHELMINO R. MENDOZA, duly authorized for this purpose (hereinafter, “SOUTHBANK” or “BANK”);

-and-

COMPANY ABC, a corporation organized and existing by the laws of the Republic of the Philippines, with principal office address at ADDRESS HERE, represented in this act by its PRESIDENT & CEO, NAME HERE, duly authorized for this purpose (hereinafter, “CLIENT”);

(SOUTHBANK and the CLIENT shall hereinafter be individually referred to as a “Party”, and collectively as the “Parties”).

**BACKGROUND**

1. SOUTHBANK is a rural bank duly authorized by the Bankgo Sentral ng Pilipinas to provide a range of banking services, such as savings and checking accounts, time deposits, loans, and microfinance products;
2. SOUTHBANK also offers banking digital banking services, through which clients manage their accounts or avail of SOUTHBANK’s services through the Internet.
3. SOUTHBANK offers its online services to the CLIENT, and CLIENT accepts the provision of such services, subject to the terms and conditions herein set forth.

Now therefore, the PARTIES agree as follows:

1. **DEFINITIONS**. For the purposes of this Agreement, the following terms shall have the meanings as indicated below:
   1. Online Business Banking Services: An online business account is a digital banking solution designed specifically for businesses to manage their finances conveniently through an online platform. It allows businesses to conduct various transactions, such as sending and receiving payments, transferring funds, paying bills, and accessing account statements, all in real time. These accounts often come with features tailored for businesses, including multiple-user access with role-based permissions. Online business accounts streamline financial operations, providing greater flexibility and control over business finances.

This includes the following:

1. Bills Payment: Allows users to pay bills through the business account portal.
2. Interbank Transfer (Outbound): Facilitates fund transfers via PESONet or InstaPay.
3. Corporate/Business-to-Business Fund Transfers: Enables fund transfers to another business account within SouthBank.
4. Disbursement/Bulk Cash-in Facility: Allows cash deposits into individual accounts under SouthBank.
5. Cashout/Withdrawal Facility: Provides a service for processing withdrawals from individual accounts.
6. Report/Statement of Account (SOA): Generates various reports and statements of account.
   1. “Account”. Any account held by the CLIENT with the SOUTHBANK that is accessible through Digital Banking Services.
   2. User. The individual authorized to use Digital Banking Services under this Agreement. This includes a maker and an approver.
7. Maker – a user account that creates/initiates the transaction.
8. Approver – a user account that approves the transaction.
   1. Authentication. The process of verifying the identity of the User accessing the Digital Banking Services.
9. **SCOPE OF SERVICES**
   1. The SOUTHBANK agrees to provide the CLIENT with access to digital banking services, including but not limited to:
10. Online Business Banking Services
11. Digital Banking Services
12. Bills Payment
13. Interbank Transfer
14. E-load
15. Business-to-business Fund Transfer
16. Payroll Servicing / Disbursement Facility
17. Cash-out Service
    1. Services may be subject to limitations or exclusions as determined by the SOUTHBANK and applicable laws and regulations.
18. **CLIENT’S OBLIGATIONS**
    1. The CLIENT shall appoint authorized Users who are allowed to access and use the Services on its behalf. The CLIENT shall provide SOUTHBANK with the necessary information on the authorized USERS, including names, positions and access levels.
    2. The CLIENT shall ensure that its Users comply with the terms of this Agreement and any policies and procedures provided by SOUTHBANK or agreed by the Parties.
    3. The CLIENT shall promptly notify SOUTHBANK of any changes to its authorized users or their access levels.
    4. The CLIENT shall ensure that all information provided to the Bank is accurate, complete, and up to date.
    5. The CLIENT shall safeguard its online banking credentials and those of its authorized users, including usernames, passwords, and any other security measures provided by the Bank.
    6. The CLIENT shall promptly notify the Bank of any unauthorized access or use of its online banking account.
    7. The CLIENT shall use the Services in compliance with all applicable laws, regulations, and Bank policies, including those related to corporate governance and financial reporting.
    8. The CLIENT is responsible for any transactions made using the login credentials of its designated Users.
19. **SOUTHBANK OBLIGATIONS**
    1. SOUTHBANK agrees to:
20. Provide reliable and secure access to digital banking services.
21. Maintain systems and provide support to ensure service availability.
    1. SOUTHBANK shall implement reasonable security measures to protect the confidentiality and integrity of the CLIENT'S information and transactions conducted through the Services.
    2. The CLIENT acknowledges that while SOUTHBANK will take all necessary precautions, SOUTHBANK cannot guarantee absolute security due to the inherent risks associated with online transactions.
    3. SOUTHBANK shall comply with the Data Privacy Act of 2012 (Republic Act No. 10173) and other applicable data protection laws in processing the CLIENT’s data.
    4. The SOUTHBANK will notify the CLIENT of any scheduled maintenance or outages.
22. **SECURITY MEASURES**
    1. The SOUTHBANK will employ commercially reasonable measures to protect the security of Digital Banking Services.
    2. The CLIENT agrees to:

* Use unique and strong passwords.
* Change passwords periodically.

1. **FEES AND CHARGES**
   1. Any fees associated with digital banking services will be outlined in the SOUTHBANK's Fee Schedule. (See Annex A.)
   2. Fees will be applied as specified in the Fee Schedule and are subject to change with notice to the CLIENT.
2. **TRANSACTION LIMITS**
   1. The SOUTHBANK may set limits on the amount and frequency of transactions that can be conducted through Digital Banking Services.
   2. These limits will be communicated to the CLIENT and may be adjusted as necessary.
3. **CONFIDENTIALITY AND DATA PROTECTION**
   1. SOUTHBANK will handle and protect CLIENT data following applicable data protection laws and regulations.
   2. The CLIENT consents to SOUTHBANK's use of their data for providing Digital Banking Services and any related purposes.
4. **LIABILITY**
   1. SOUTHBANK will not be liable for any loss or damage arising from:
5. System failures or outages.
6. Unauthorized transactions due to the negligence of the CLIENT’s Users.
7. Data breaches not caused by SOUTHBANK's negligence.
   1. CLIENT is liable for any losses resulting from their failure to comply with this Agreement.
8. **DISPUTE RESOLUTION**
   1. Any disputes arising under this Agreement shall be resolved through:
   2. Negotiation between the parties. If the dispute remains unresolved, the parties shall be submitted to arbitration in an account.
9. Mediation, if necessary.
10. Arbitration or litigation, as a last resort.
11. **TERMINATION**
    1. Either party may terminate this Agreement by giving thirty (30) days' written notice to the other party.
    2. SOUTHBANK may terminate or suspend services immediately for breach of this Agreement by the CLIENT or if such suspension or termination is required by law or regulation.
    3. Upon termination, the CLIENT's access to Digital Banking Services will be revoked.
12. **AMENDMENTS**
    1. SOUTHBANK may amend this Agreement at any time with notice to the CLIENT.
    2. Continued use of Digital Banking Services constitutes acceptance of any amended terms.
13. **GOVERNING LAW**
    1. This Agreement shall be governed by and construed in accordance with Philippine laws.
14. **MISCELLANEOUS**
    1. Force Majeure: Neither party will be liable for delays or failures to perform due to causes beyond their reasonable control.
    2. Severability: If any provision of this Agreement is found to be unenforceable, the remaining provisions will continue in full force and effect.
    3. Entire Agreement: This Agreement constitutes the entire agreement between the parties regarding Digital Banking Services and supersedes all prior agreements and understandings.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

SOUTHBANK:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CLIENT:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_