

## Post-dated Check Warehousing Service Product Terms and Conditions (PTC)

### A. SCOPE OF SERVICES – RCBC shall provide the following Service to the CLIENT:

**PDC WAREHOUSING** – RCBC shall provide **Warehousing Services for Post Dated Checks (PDCs)**, which shall include the safekeeping and clearing management. This Service can be accessed by the CLIENT through RCBC Online Corporate (ROC), which the CLIENT may use to generate reports, monitor status, initiate instructions, and conduct balance inquiries on the PDCs (the “**ROC-PDC Warehousing System**” or “**System**”). The ROC-PDC Warehousing System shall allow the CLIENT to encode and upload details of their postdated checks for warehousing via data entry or bulk upload using the template provided by RCBC, view, monitor status of warehoused postdated checks, send requests for pull-out and re-schedule, and view and download reports on status of the warehoused PDCs and transactions made during the day.

### B. SERVICE GUIDELINES – In performing their respective obligations hereunder, the parties shall abide by the service guidelines provided and set forth by RCBC during the implementation stage of the Service, which shall form an integral portion of the CCM Master Terms and Conditions (“MTC”) and this Product Terms and Conditions (“PTC”).

### C. TERMS AND CONDITIONS FOR PDC WAREHOUSING

#### 1. Availment of the Postdated Check (PDC) Warehousing Service

- a. This PTC shall take effect upon execution of the CMS Enrolment Form (“CEF”) and shall remain in force and in effect until terminated by either party pursuant to Section F (Term and Termination) of the MTC.
- b. For its availment of the Service(s) the CLIENT shall open/nominate its RCBC CASA account (the “ACCOUNT/S”) indicated in the CEF, which shall be used as settlement account where the collection amount is credited within the agreed settlement period.

#### 2. Acceptance of Postdated Checks

- a. All checks drawn against banks or bank branches in the Philippines that are payable to the CLIENT are acceptable for the Service(s) under this PTC, provided they do not have any of the deficiencies or characteristics identified in the service guidelines provided by RCBC that will warrant the non-acceptance of the check for warehousing.
- b. The CLIENT shall upload the details of checks through ROC using the ROC-PDC Warehousing System.
- c. All PDCs to be warehoused in RCBC shall be accompanied by a duly filled-out PDC Transmittal List containing the details of the PDCs.
- d. The CLIENT shall turnover the PDCs for warehousing to RCBC through the options listed below:
  - **CLIENT MESSENGER** – The CLIENT shall deliver the PDCs to RCBC through its Authorized Representatives;
  - **RCBC MOTORIZED MESSENGER** – The CLIENT through its Authorized Representatives shall surrender the PDCs for warehousing to RCBC’s motorized messenger on the scheduled day of pick up.

The CLIENT warrants and guarantees to RCBC that the transmittal of its physical and actual checks to RCBC under this PTC was duly authorized by their respective Issuers. The CLIENT shall identify its Authorized Representatives, in writing, to surrender the physical and actual checks to RCBC. RCBC shall have the right to establish the identity of the person delivering the checks following the existing RCBC procedures of identity verification.

- e. RCBC shall then verify the checks received from the CLIENT against the uploaded check details through ROC. Only the physical count of the PDCs received will be verified against the uploaded file. All PDCs received from the CLIENT shall further be examined for any deficiencies or irregularities identified in the service guidelines provided by RCBC (the “Initial Examination”). Further examinations may be done on the technicalities of the check, as identified by RCBC, at least two (2) days before the maturity date of the PDCs being warehoused.
- f. RCBC shall acknowledge receipt of the PDCs through ROC.

- g. RCBC shall have the right to reject any check which has any of the deficiencies or characteristics identified by RCBC that will warrant the non-acceptance of the check (“**Rejected Checks**”), and shall return the same to the CLIENT after checks has been examined. Only checks that have not been rejected by RCBC shall be deemed accepted for warehousing and shall be tagged as “**In-Vault**” (“**In-Vault PDCs**”).

- h. RCBC shall have no liability whatsoever on the Rejected Checks.

- i. The CLIENT shall instruct its Authorized Representatives to pick-up rejected, returned, and pulled-out PDCs from RCBC. RCBC shall have the right to establish the identity of the person picking up the checks following the existing RCBC procedures of identity verification.

- j. In case the CLIENT has chosen the RCBC Motorized Messenger option, the CLIENT shall include in their instruction the list of Rejected PDCs to be picked up from RCBC on the next scheduled pick-up date.

- k. In-Vault PDCs with maturity dates falling on a weekend or holiday shall be posted by the Accepting Branch/Unit to the CLIENT’s Account/s on the next banking day.

- l. The status of In-Vault PDCs shall be categorized as follows:

- In-Vault
- Deposited
- Pulled-Out
- Re-Schedule
- Returned

#### 3. Crediting of Account/s

- a. On the maturity/issue date of the PDCs, the CLIENT’s Account/s shall be credited the corresponding amount of the matured PDCs.

- b. The CLIENT may generate a report through ROC for Deposited PDCs which serve as copy of the validated deposit slip/s to evidence the corresponding deposits.

#### 4. Instruction to Pull-Out Postdated Checks

The CLIENT may request to pull-out any In-Vault PDC by requesting a **Pull-Out Instruction** via ROC, at **least three (3) days prior to the subject check’s maturity date**. RCBC reserves the right to refuse any Pull-Out Instruction that is belatedly submitted by CLIENT. RCBC shall pull-out the In-Vault PDC (“**Pulled-out PDC**”) covered by the Pull-out Instruction through the ROC platform.

#### 5. Reports

- a. Reports on the status of In-Vault Checks can be generated by the CLIENT through ROC’s Post Dated Check Warehousing module. Reports are available for viewing through the said module. This report contains an itemized listing of all In-Vault PDCs, categorized per status as indicated in item C.2.1. of this PTC.

- b. If the CLIENT does not dispute in writing the contents of the above mentioned report within 12NN of maturity day from the time such report/s was made available to the CLIENT via ROC, the information indicated therein shall be deemed final and indisputable.

#### 6. Consideration

- a. The CLIENT agrees to comply with the commercial and payment terms stated in the CEF, or its equivalent Enrollment/Maintenance Form.

- b. Within the first (1<sup>st</sup>) week of every month, RCBC shall send to the CLIENT a Billing Statement indicating the transactions processed by RCBC in the preceding month and corresponding Service Fees as agreed upon by the parties. If a CLIENT is assessed any penalty fee-based or ADB-based computation, the CLIENT shall be notified and billed based on the terms indicated in the MTC.

#### 7. Indemnification

- a. The CLIENT shall indemnify RCBC for and hold it free and harmless against any and all liabilities, claims, suits, actions, losses, damages, costs and expenses which RCBC may

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incur, suffer or be put to in connection with, as a result or by reason of:

- i. Acceptance/rejection/return/reporting/loss by RCBC and/or any of its third party agents, service providers or subcontractors of any PDC received from the CLIENT for any reason whatsoever, including, but not limited to, deposit of bad or unscrupulous checks, duplicate check presentment, and the publication of lost checks, except for causes due to RCBC's and/or any of its third party agents, service providers or subcontractors' gross negligence or willful misconduct;
  - ii. Failure or delay on the part of the CLIENT to submit the PDC Transmittal List as provided in this PTC;
  - iii. Any error written in the PDC received from the CLIENT;
  - iv. Failure of RCBC to perform or delay in the performance of its obligations hereunder for causes beyond its control, including but not limited to, force majeure, riots, strikes, war, civil disturbance, computer breakdown, disruption of communications or electrical facilities, equipment shutdown for repair and maintenance, and the occurrence of off-line conditions, or otherwise for causes not due to RCBC's gross negligence or willful misconduct;
  - v. RCBC's compliance with an order, judgment or decree of a competent court, even if such order, judgment or decree is later reversed, modified, annulled, set aside or vacated;
  - vi. The CLIENT's violation of any provision hereof or of any of its warranties under this PTC; or
  - vii. Any act or omission, fraudulent or otherwise, committed by the CLIENT, the issuers of the PDCs, and/or any third person in relation to the PDCs, including, but not limited to, duplicate presentment of checks, and deposit of bad or unscrupulous checks.
- b. RCBC's liability over any PDC shall cease upon receipt of the Pull-out Instruction. RCBC shall deliver Pulled-out PDCs to the CLIENT's Authorized Representative/s who shall acknowledge receipt of the same on the Pulled-out PDCs Acknowledgment Receipt in such form as may be agreed upon with RCBC.
- c. RCBC shall not in any way be responsible or held liable for releasing to the CLIENT's Authorized Representative/s any Pulled-out PDC notwithstanding that such Authorized Representative turns out to be not who he/she purports to be, provided RCBC shall have in good faith determined his/her identity based on the valid and acceptable identification card/s presented to RCBC.