

**HUMAN RESOURCES, PAYROLL SERVICES AND WORKSTATION RENTAL
AGREEMENT**

This AGREEMENT is made and entered into in the City of Makati this _____ (“effective date”) by and between:

ECAPRO OUTSOURCING CORP. “SERVICE PROVIDER”, a Philippine Corporation registered with the Philippine Securities and Exchange Commission, located at 4TH Floor Centrum II Building, 150 Valero Street, Makati City represented herein by its CEO, Noel Tapiru Allag

-AND-

< Insert Client > “CLIENT”, a corporation duly incorporated and licensed under the laws of <country> with principal < address > , is represented hereby its Chief Executive Officer, < Name of the CEO >.

CLIENT and SERVICE PROVIDER shall be collectively referred to as the “Parties.”

WHEREAS, SERVICE PROVIDER is engaged in the business of providing entities with the requisite human resources, for them to be able to conduct their own business in the Philippines;

WHEREAS, the CLIENT needs a group of people who will perform such services as may be necessary for it to conduct its business in the Philippines;

WHEREAS, SERVICE PROVIDER represented that it is able to provide the CLIENT with the necessary staff for it to be able to conduct its business in the Philippines and the CLIENT has accepted such offer of the CLIENT subject to such terms and conditions as agreed hereunder;

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties herein agree as follows:

DEFINITIONS

When used in this Agreement, the following words shall have the meanings assigned herein:

“Employer-employee relationship” shall refer to a relationship between employer and employee where the former shall have the following powers: (a) the selection and engagement of the employee; (b) the payment of wages; (c) the power of dismissal; and (d) the employer’s power to control the employee with respect to the means and method by which the work is to be accomplished.

“ECAPRO” shall refer to as the SERVICE PROVIDER

“Leased Staff” shall refer to the employees recruited and employed by ECAPRO for and on behalf of the CLIENT.

“Services” shall refer to Staff leasing services performed by the Company for the CLIENT which shall include the services enumerated in Annex A of this Agreement.

“Service Period” shall refer to the period within which the Leased Staff performed services for the CLIENT.

“Solidary Liability” A solidary or joint and several obligations are one in which each debtor is liable for the entire obligation, and each creditor is entitled to demand the whole obligation. “Solidary obligation or solidary obligations” may be used interchangeably with “joint and several”.

1. SERVICES

1.1 The CLIENT hereby engages SERVICE PROVIDER to provide staff leasing, HR, and payroll services (“Services”) to the CLIENT as described in Annex A, which is attached hereto and made an integral part hereof.

2. BUSINESS CONDUCT

2.1 Each party to this Agreement shall conduct its business and regulate its operations in a way that will maintain and enhance the goodwill and reputation of the other party. Any violation in this regard, however subjective, may constitute a ground for termination of this Agreement.

3. PERSONNEL

3.1 Initially the Company shall provide the following Leased Staff to the CLIENT:

- < insert no. of projected employees and positions needed >

Additional positions as needed will be included as Addendum to this agreement.

4. TERM

4.1 This Agreement shall be for a term of twelve (12) months commencing on the effective date. The agreement shall be renewed for another twelve (12) months and subject to 5% escalation on service fees, unless the Party gives notice to the other of its intention to terminate the Agreement, either through personal delivery or by registered mail, at least thirty (30) days prior to the expiration of the Term.

5. ADMINISTRATION AND MANAGEMENT

5.1 Management directives will come from the CLIENT.

5.2 The CLIENT's management of the Leased Staff will be based strictly on the written policies, guidelines and advices provided by the ECAPRO' Human Resource Department (HR). Any deviation from the policies and guidelines done unilaterally by the CLIENT that may give rise to any liability or labor dispute shall be borne

solely by the CLIENT. ECAPRO HR and Legal Department will assist in dealing with these for a fee. In cases where liability arose even after complying strictly with the policies, guidelines and advices from ECAPRO HR, liability shall be shared by both the CLIENT and SERVICE PROVIDER.

6. EMPLOYMENT AGREEMENT AND SECONDMENT

6.1 During the term of the Agreement, the Leased Staff shall enter into an employment agreement with SERVICE PROVIDER. The Leased Staff shall be subject to the SERVICE PROVIDER's employment manual as well as any policies or procedures that the SERVICE PROVIDER may, within its management discretion, disseminate to its employees. The Leased Staff will receive management directives from the CLIENT in relation to the work to be performed. Overall administration and management of the employee shall be the responsibility of SERVICE PROVIDER. CLIENT shall first seek advice from SERVICE PROVIDER before making any act/move to address any employee-related matter involving SERVICE PROVIDER's Leased Staff assigned to it. Otherwise, any liability from violation of Philippine labor laws arising from the action employed by CLIENT against the Leased Staff without the consent or directly against the advisement of SERVICE PROVIDER, shall be borne solely by the CLIENT and shall hold SERVICE PROVIDER free and harmless from any such liability.

6.2 Where the Leased Staff has been in the employ of SERVICE PROVIDER for a period of six (6) months or more, the CLIENT hereby agrees to execute a second agreement with the employee for regularization of employment which shall guarantee security of tenure and wherein there shall be no loss of seniority rights for the employee. CLIENT shall be liable to SERVICE PROVIDER for any claims made by the Leased Staff against SERVICE PROVIDER in case of termination of the Leased Staff in violation of the Labor Code or against the advice of Service provider.

6.3 Should a CLIENT wish to release any Leased Staff, it shall be liable to pay the processing fee to answer for legal documentation and other processes associated with the proper handling of employee dismissals. Any Leased Staff with a service term of less than (6) months is considered as a probationary employee.

6.3.1 Should the CLIENT release any probationary employee, it shall be billed per probationary employee terminated in the amount of **Two Hundred US Dollars (US\$200.00)** as processing fee.

6.3.2 Should Client wish to release any regularized employee by reason of just causes of termination under Article 282 of the Labor Code¹, Client shall be billed per employee termination at **Four Hundred US Dollars**

¹ (a) Serious misconduct or willful disobedience by the employee of the lawful orders of his employer or representative in connection with his work;

(b) Gross and habitual neglect by the employee of his duties;

(c) Fraud or willful breach by the employee of the trust reposed in him by his employer or duly authorized representative;

(d) Commission of a crime or offense by the employee against the person of his employer or any immediate member of his family or his duly authorized representatives; and

(e) Other causes analogous to the foregoing.

(**US\$400.00**) for legal documentations and paperwork associated under Philippine Labor Law.

6.3.3 If, CLIENT releases any regularized employee based on authorized causes for termination under Article 283 of the Labor Code², CLIENT shall be liable to pay, in addition to processing fee in the amount of **Four Hundred US Dollars (\$400.00)** the Labor Code-mandated separation pay equivalent to half month or one (1) month salary, as the case may be.

6.4 Should Client eventually register its business in the Philippines and request that the Leased Staff be transferred to its newly incorporated Philippine entity, a processing fee of **Four Hundred US Dollars (\$400.00) per employee** shall be charged against the Client to answer for legal documentation and other processes associated with the proper handling of employee transfers **plus monetary amount equivalent to 3-months of their monthly wages per employee.**

7. CAPITAL

7.1 By way of guarantee to CLIENT and pursuant to Sec 3(g) of Department Order No. 18-A Series of 2011 by the Department of Labor, SERVICE PROVIDER shall ensure that it has sufficient capital to perform the services in this Agreement.

8. FEES

8.1. For services rendered, the CLIENT shall pay the following amounts as indicated in ANNEX A of this Agreement.

8.2. The aforesaid fees shall be subject to withholding taxes and 12% VAT as may be required under Philippine law. All other taxes in connection with this Service Agreement, if any, shall be borne by the Client.

9. EMPLOYEE SECURITY DEPOSIT

9.1 In addition to the consideration paid, the CLIENT shall remit to SERVICE PROVIDER, an amount representing one (1) month of the full compensations due to the CLIENT'S agents/staff as advance payroll and one (1) month's full compensation

² ART. 283. Closure of establishment and reduction of personnel.- The employer may also terminate the employment of any employee due to the installation of labor-saving devices, redundancy, retrenchment to prevent losses or the closing or cessation of operation of the establishment or undertaking unless the closing is for the purpose of circumventing the provisions of this Title, by serving a written notice on the workers and the Ministry of Labor and Employment at least one (1) month before the intended date thereof. In case of termination due to the installation of labor-saving devices or redundancy, the worker affected thereby shall be entitled to a separation pay equivalent to at least his one (1) month pay or to at least one (1) month pay for every year of service, whichever is higher. In case of retrenchment to prevent losses and in cases of closures or cessation of operations of establishment or undertaking not due to serious business losses or financial reverses, the separation pay shall be equivalent to one (1) month pay or at least one-half (1/2) month pay for every year of service, whichever is higher. A fraction of at least six (6) months shall be considered one (1) whole year.

as security deposit within 5 business days from effective date of employment. CLIENT shall additionally remit to SERVICE PROVIDER the monthly processing fee equivalent to **US\$500** per employee. It is understood that the one month's advance shall be applied to the first month of the Service Period of the Leased Staff, while the Security Deposits shall be subject to refund to the CLIENT within thirty (30) days after the end of Service Period, subject to any deductions owed to SERVICE PROVIDER. It is likewise understood that the Advance Payroll and Security Deposit shall not earn any interest, nor it is intended to be measure of damages that the SERVICE PROVIDER may collect from the CLIENT under the contract to answer for the latter's faithful compliance its obligations under this Agreement.

- a. SERVICE PROVIDER reserves the right to collect additional Security Deposit and Advanced Payroll to match the concomitant increase in the Leased Staff's salary by virtue of the latter's performance appraisal or any other Client-mandated increase in compensation.
- b. CLIENT shall be obligated to remit an additional Security Deposit for every year of service of its Leased Staff in the amount of the Leased Staff's latest 1 month salary.
- c. If the CLIENT pre-terminates the service within the Service Period, for whatever cause, the Security Deposit shall be automatically forfeited in favor of SERVICE PROVIDER, without prejudice to such other damages which SERVICE PROVIDER may be entitled to under the law.

10. LATE PAYMENT

10.1 The CLIENT shall pay a two percent (2%) surcharge by way of penalty for every week the fees in ANNEX A are not paid on time, computed from the time they are due.

11. INDEMNIFICATION

11.1 CLIENT agrees to indemnify and hold harmless SERVICE PROVIDER, its parent, subsidiaries, affiliates, directors, officers, employees, and agents against any and all liabilities to third parties arising from or in connection with the CLIENT'S business activities, the acts of the CLIENT'S employees, staff, officers, agents, and affiliates, as well as the acts and/or omission of the Leased Staff which were performed pursuant to the CLIENT'S directives. SERVICE PROVIDER shall not be required to indemnify any third party against any liabilities arising out of any act, omission, or negligence of the CLIENT.

11.2 Whereby CLIENT fails to seek or ignores SERVICE PROVIDER's advice, SERVICE PROVIDER shall have no liability arising from any and all labor related claims from its staff or staff assigned under SERVICE PROVIDER including claims for illegal dismissal, compensation, failure to comply with the minimum terms and conditions of employment, failure to pay any benefits due under the law, or for any damages that may be due to the staff assigned to the CLIENT. It is understood that the [1] the selection and engagement of the employee and/or staff assigned to the CLIENT; [2] the payment of wages; [3] the power of dismissal; and [4] the power to control the conduct of the employee or staff assigned to the CLIENT belongs to the latter. The CLIENT shall be required to indemnify SERVICE PROVIDER in case of any labor related claim filed by the CLIENT'S staff against SERVICE PROVIDER.

11.3 Client shall likewise hold SERVICE PROVIDER free and harmless from acts/omissions made by the Leased Staff to Client or third Parties, when Client or any of its officers, agents and employees, directs, instructs, or mandates any Leased Staff to do any and all of the following, to wit:

- a) Acts which are done during office hours but are beyond the scope of their job description;
- b) When the instruction to the Leased Staff is for the Client, or its officers, agents, or employee's personal transactions; and
- c) When the act/omission was done after the Leased Staff's regular work hours, except when done during authorized overtime work or in the event of authorized holiday/rest day work.

11.4 In case of the resignation or termination of the CLIENT's employees/Leased Staff any deposit covering their salaries and benefits shall be returned within thirty (30) days upon receipt of their written quitclaim and completion of human resources clearance. The Service Provider may retain the deposit for salaries until the requirements of this section are completed.

12. OBLIGATIONS OF THE PARTIES

The CLIENT shall:

12.1 Be solely liable to the Leased Staff in case of any violation of Philippine Labor Law for all acts done without the consent and or in derogation of the advice of the SERVICE PROVIDER;

12.2 Provide sufficient information to allow SERVICE PROVIDER to prepare and handle the payroll obligations of the CLIENT and shall provide SERVICE

PROVIDER with accurate payroll and tax information within two (2) business days after the signing of the relevant employment contract (if employees are already hired by CLIENT);

12.3 Reimburse SERVICE PROVIDER for all costs resulting from its submission of inaccurate information;

12.4 Review and confirm accuracy of all reports within three (3) business days of receipt thereof;

12.5 Provide recruitment feedback to SERVICE PROVIDER as requested within five (5) business days from date of request;

12.6 Execute any documents, and to provide any additional information, which may be required for SERVICE PROVIDER to perform its responsibilities under this Agreement.

12.7 Enter into a second agreement with the Leased Staff within six (6) months from the effective date of employment.

12.8 Be responsible for the payment of the labor law-mandated separation pay for the Leased Staff ~~under~~ its account in the event of closure of business or termination of employment.

12.9 Be responsible for the completion of the Client Information and Checklist as stated in Annex C herein.

12.10 To abide by the basic laws and principles of the Philippine Labor Code (Please see Annex D)

On the other hand, SERVICE PROVIDER shall:

12.11 Ensure compliance with Philippine labor laws;

12.12 Give adequate support to CLIENT for any employee-related concerns;

12.13 Ensure faithful compliance with any obligations arising from this Agreement;

12.14 Provide adequate assistance to CLIENT for any contingent/emergency situations;

13. COMPLIANCE WITH LAWS AND REGULATIONS

13.1 The Parties shall comply with any or any laws, ordinance rules regulations and orders which the national, provincial or local government, or any department, bureau, board, commission or other agency or instrumentality thereof might

promulgate as well as, all regulation that the same might, from time to time, adopt and enforce regarding the use, occupation, sanitation and safety of the premises, and with respect to the operation of its business.

14. LIMITED LIABILITY

The SERVICE PROVIDER shall not be liable or responsible for:

- a. Any damage or disturbance suffered whether directly or indirectly for any business losses, damages, injuries sustained by the lessee or any such person due to any failure, fluctuation, interruption, malfunction, explosion or suspension of the internet, electricity, water, telephone, telex, facsimile, emergency power or other public utility services supplied to the Service Provider;
- b. Force majeure; in no case shall the Service Provider be liable for beyond the amount that is due from the CLIENT on this agreement. In case of interruption of services, the liability above, if any, of the Service Provider shall be limited to the duration of the interruption.

15. TERMINATION OF AGREEMENT

- a. This Agreement shall become effective upon signing the SERVICE PROVIDER proposal/quotation to provide the leased dedicated employee to the CLIENT by the parties and shall remain in full force during the period specified above or until such time it is pre-terminated by either party.

16. TERMINATION OF BUSINESS

17.1 In the event that the CLIENT shall decide to dispose of, or cease or discontinue its business, SERVICE PROVIDER shall be given at least sixty (60) days prior written notice. Moreover, the security deposit shall be automatically forfeited in favor of SERVICE PROVIDER, without prejudice to such other damages which SERVICE PROVIDER may be entitled to under the law.

17.2 Should CLIENT retrench employees based on termination of business, CLIENT shall be responsible for payment of approximated fees for this service performed one (1) month in advance of employee terminations. CLIENT shall notify company within thirty (30) days in order for Company to properly assess the associated costs and bill accordingly as this is not a typical service under Staff Leasing and should require Legal Counsel.

17. NOTICES

18.1 All notices permitted or required by this Agreement will be sent by registered mail or delivered by courier or electronically [e-mail], if the latter is applicable; by either party to the other at their respective addresses indicated in this Agreement. Should there be change in the business address; both parties mutually agree to notify each other at the soonest possible time, to avoid unnecessarily delay in the conduct of business.

If to SERVICE PROVIDER:

Contact Person: Mr. NOEL T. ALLAG

Address: 4th Floor Centrum II Building, 150 Valero St., Salcedo Village, Makati City, Philippines 1227

Email: noel.allag@ecapro-outsource.com

Contact Number: 1300 ECAPRO (1300 322776) Mobile: + 61449 634 661

If to CLIENT

Contact Person:

Address:

Email:

Contact Number:

18. SEPARABILITY CLAUSE

19.1 If any one or more of the provisions contained in this Agreement or any document executed in connection herewith shall be invalid, illegal or unenforceable, the remaining provisions contained herein shall not in any way be affected or impaired.

19. DISPUTE SETTLEMENT

20.1 Any dispute among parties shall be settled amicably. The venue in case of suit shall exclusively be with the appropriate courts of Makati City, Philippines.

20. CONFIDENTIALITY CLAUSE

21.1 To the extent authorized by the law, the parties may wish, from time to time, in connection with work contemplated under this Agreement, to disclose confidential information to each other (“Confidential Information”). Each party will use reasonable efforts to prevent the disclosure of any of the other party’s Confidential Information to third parties for a period of three (3) years after the termination of this Agreement, provided that the recipient party’s obligation shall not apply to information that:

- a. is not disclosed in writing or reduced to writing and so marked with an appropriate confidentiality legend within thirty (30) days of disclosure;
- b. is already in the recipient party’s possession at the time of disclosure thereof;
- c. is or later becomes part of the public domain through no fault of the recipient party;
- d. is received from a third party having no obligations of confidentiality to the disclosing party;
- e. is independently developed by the recipient party; or
- f. is required by law or regulation to be disclosed.

21.2 In the event that information is required to be disclosed pursuant to subsection f. and to the extent authorized by the law, the party required to make disclosure shall notify the other to allow that party to assert whatever exclusions or exemptions may be available to it under such law or regulation.

21.3 Should CLIENT require additional confidentiality agreements for the Leased Staff, these should be provided prior to commencement of employment with SERVICE PROVIDER.

21. NON-COMPETITION CLAUSE

22.1 The CLIENT, throughout the duration of this Agreement, shall not engage in the business of operating its own staff leasing services entity or company within TWO (2) years and within the City of Makati after the expiration of this Agreement, without the written consent of SERVICE PROVIDER. It is also prohibited from engaging the services of the Leased Staff provided by SERVICE PROVIDER without the written consent of the latter after the termination of this Agreement.

22. NON-WAIVER OF RIGHT

23.1 The failure of either party to insist upon a strict performance of any terms or part of this Agreement, or waiver by either party of any breach or default under this Agreement shall not prevent the enforcement of such term or part, nor be deemed a

waiver of such breach or default or any subsequent failure or breach. No waiver by either party of any rights under this Agreement shall be deemed to have been made unless expressed in writing and signed by the parties herein.

23. AMENDMENTS

24.1 Any amendments of this contract shall, to be operative, be in writing and signed by the Parties.

24. ENTIRE AGREEMENT / BINDING EFFECT

25.1 This Agreement constitutes the complete and exclusive statement of the terms and conditions agreed between the parties with respect to the subject matter referred herein. No statement agreement, oral or written, made prior to the execution hereof and no prior conduct or practice of either party shall vary or modify the written terms and conditions of this contract shall be valid unless made in writing and signed by both parties hereto.

25. JUDICIAL SETTLEMENT

26.1 Should either party be compelled to seek judicial relief against the other party, the prevailing party shall pay any amount equivalent to 20 % of the amount claimed in the complaint, as attorney's fees and consists of litigation and other expenses which the law may entitle SERVICE PROVIDER recover from the CLIENT.

26. REPRESENTATIONS AND WARRANTIES OF BOTH PARTIES

The Parties mutually represent and warrant that:

27.1 The parties are duly organized and existing under and by virtue of the laws of the Republic of the Philippines (SERVICE PROVIDER) <client> ., <country> Company, (CLIENT) and have the legal capacity to enter into this Agreement;

27.2 It has the full legal right, power and authority to carry on its present business, incur the obligations provided for in this Agreement, to execute and deliver this Agreement, and to perform and observe the terms and conditions thereof;

27.3 It has taken all appropriate action and necessary corporate and legal actions to authorize the execution, delivery and performance of this Agreement;

27.4 The making, execution and delivery of this Agreement, as well as the performance and observance of the terms thereof, will not contravene or violate any provision of its articles of incorporation or by-laws, or any applicable

law, regulation, order or ruling, and of any contract, agreement or instrument binding on its properties; and

27.5 The officer executing this Agreement for and in its behalf, has been properly authorized to do so.

IN WITNESS WHEREOF, the parties hereto have set their hands on the dated at the place first above written.

Conformed:

Noel Tapiru Allag	<Client's name>
ECAPRO OUTSOURCING CORP.	<company>

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

Makati City)S.S.

BEFORE ME, this _____ in Makati City, personally appeared:

Name	Competent Evidence of Identity/Date & Place of Issue
NOEL TAPIRU ALLAG	

known to me to be the same persons who executed the foregoing instrument consisting two (2) pages including this Acknowledgment, and who acknowledged to me that the same is their voluntary and free act and deed and those of the parties represented.

IN WITNESS WHEREOF, I set my hand and affix my notarial sea on the date and place above written.

Notary Public

Doc. No. _____;

Page No. _____;

Book No. _____;

Series of 2017.

ANNEX A

HUMAN RESOURCES, PAYROLL SERVICES AND WORKSTATION RENTAL

SERVICE PROVIDER will perform the following services on behalf of “**CLIENT**”:

1. Recruitment, Hiring & Contract Signing

CLIENT's staff will be employed under SERVICE PROVIDER on a fixed term employment basis. CLIENT shall be liable for any claims made by the staff against SERVICE PROVIDER in case of termination regardless of cause.

2. Orientation

This shall include going over basic company rules such as:

How to file a Vacation Leave, notifications of Tardiness & Absences, how payroll works, filling out payroll forms, going over the company handbook, showing employee to assigned workstation

3. Management

Leased Staff shall be subject to the Employment Manual and Human Resource policies of SERVICE PROVIDER. SERVICE PROVIDER shall not be responsible for the day to day running of the CLIENT's operations. SERVICE PROVIDER will provide the necessary documentation support and “Employee discipline” records if drastic decisions would have to be made about the CLIENT's leased staff. This employee HR management task cannot be overstressed since Philippine law demands thorough documentation, due process and guidelines to be followed if an employee is to be terminated due to poor performances or unethical conduct. Regularized employees can only be terminated if they commit a series of documented infractions which needs to be supported by evidence that their continued employment would be of severe detriment to SERVICE PROVIDER and/or the CLIENT.

4. Employee Payroll Processing

4.1 Payroll Processing

4.1.1 Process bi-monthly employee payroll on the 15th & 30th of the month.

4.1.2 Register employees for Banco De Oro payroll ATM card for electronic salary withdrawals.

4.1.3 Calculate and remit the required BIR employee and employer withholding tax: Phil Health, SSS, HDMF contributions.

4.1.4 Calculate, retain, and disburse the prorated government mandated 13th month pay

5. Pay Cycle Procedure:

SERVICE PROVIDER will supply an attendance template to CLIENT's Operations Manager, which is to be submitted per schedule indicated in the table below. Within 5 business days, SERVICE PROVIDER will compute the payroll and all contributions as and shall pay the employees accordingly.

Payroll Period/Worked Days	January 1-15	January 16-31
Attendance Submission by Operations Manager/Employee	January 16	February 1
Payout Date	January 30	February 15

SERVICE PROVIDER will issue monthly invoices in advance to fund the payroll account. Monthly invoice is inclusive of:

- All salaries (gross, pro-rated 13th month pay, de minimis and allowances, if any);
- Employer share on government remittances;
- Adjustments to salaries related to attendance monitoring and holidays included in the two immediately preceding payout dates
- All fees related to services rendered by SERVICE PROVIDER as outlined in # 6 below.
- All taxes/required contributions are paid by SERVICE PROVIDER in a timely manner to the BIR and other government agencies.
- Any deposit paid for a separated employee will be returned to the CLIENT within 30 days after the employee's submission of clearance or 60 days after employee separation, whichever comes sooner. This will be inclusive of the remaining deposit related to such employee after deducting his/her final pay.

6. Fees

*Our pricing schedule below is **denominated in Philippine Peso (PHP) per employee.** However, **monthly invoices shall be denominated in USD** based on the current conversion rate for that particular billing period.*

One-off set-up fee	PHP 7,500
One off recruitment fee	PHP 17,500
Monthly payroll and HR support	PHP 8,500
Monthly direct salary (TBD)	TBD
Employee Salary & Employer's Share	TBD
Health Maintenance Organization	TBD
Employee retention program and other initiatives	TBD (optional per activity)
Reimbursements	Cost of item(s) plus 10%

*ECAPro will not assign a Recruitment Fee for replacement of employees that are let go within their first month for not meeting their KPIs or those that resign within their first two months of employment

The aforesaid fees shall be subject to withholding taxes and 12% VAT as may be required under Philippine law, if applicable.

A.) WORKSTATION FACILITY

The premises shall consist of a minimum of 120 seats workstations located in 4th Floor Centrum II Building, 150 Valero Street, Salcedo Village, Makati, Metro Manila, Philippines.

Data and Facility Services:

- Internet- enabled Workstation, Cubicle, and Chair
- Building offers 100% Backup Power
- Multiple Redundant Internet connections with multiple gateways
- 100 Mbps Leased Line from Eastern (Data / web browsing)
- I Gate Dedicated Line from PLDT
- VOIP PBX Available for local and international calls (additional charges would apply)

- Softphone software (no headsets provided)
- Cisco SPA 9xx series phones available at \$10 USD / month
- Cisco 2801 Router/Firewalls
- Centralized air-conditioning (during building business hours), capable of 24/7 additional charges may apply
- High security (biometrics scan access or proximity card) 24/7
- Technical support will be available 24/7
- Access to shared restrooms, pantry, and server room
- Complimentary purified water provided
- Inclusive Utilities (Power and Water)
- Cleaning (Monday to Friday)

B.) SERVICE FEE

- a) 12 hours/5 days shift (excluding VAT)
Monthly Fee: <\$350 USD> /workstation per month
- a) 25% premium on the per employee service fee for 24 hours operations
- a) **Add-on Service:** Upon request, Client may avail of our Add-on Services as provided in Annex B hereof.

7. Payment Terms:

Payment is to be received in full on or before due date indicated in the monthly invoice. CLIENT shall pay a two percent (2%) surcharge by way of penalty every week the invoice is not paid on time; to be computed from the time the rental is due until full payment. However, if the delay on payment will not exceed seven (7) days period, surcharge will not be applied.

The fee is invoiced together with the employee payroll and must be paid promptly to avoid a delay in payroll disbursement.

Fees payable upon employee contract signing are as follows:

- Set-up fee

- Recruitment fee
- One (1) month deposit of total monthly recurring fee and salary for each employee

8. Payment Methods and Fees:

SERVICE PROVIDER accepts the following modes of payment:

1. Please address all checks to: **TO BE ADVISED**
TIN:

2. **For Wiring Instructions:**

Wire Transfer to: **TO BE ADVISED**

Branch:

Swift Code:

PHP Savings Account Number:

USD Savings Account Number:

**Applicable Bank charges shall be for the account of the Client*

Conformed:

Noel Tapriru Allag	<Client>
ECAPRO OUTSOURCING CORP.	<Company Name>

ANNEX C

CLIENT REGISTRATION FORM & CHECKLIST OF DOCUMENTARY REQUIREMENTS

1	CATEGORY	- o Individual/Single Proprietor - o Company - o Trust/Foundation - o Partnership
2	Name of Business Owners	
3	Permanent or Registered Address of the individual/authorized signatory	
4	Telephone	
5	Email address	
6	Fax no.	
7	Principal Business Address	
8	Telephone	
9	Website	
10	Fax no.	

I/we, hereby declare that the particulars given herein above are true, correct and complete to the best of my/our knowledge and belief, the documents submitted in support of this Form are genuine and obtained legally from the respective issuing authority. In case of any change in any of the aforementioned particulars, I/we undertake to notify ECAPRO in writing within five (5) business days from occurrence of change. Any violation of the foregoing shall entitle ECAPRO to use the full force of the law to prosecute such misrepresentation/ violation of this Form.

Place_____Date_____Signature_____

Official Seal

Name:_____

Checklist

	Category	Documents Required
1	Individual/Sole Proprietor	- o Passport - o Driver's License - o Bank Statement
2	Company	- o Copy of Certificate of Incorporation - o Copy of Memorandum of Association - o Articles of Association - o Special Power of Attorney/Secretary's Certificate granting authority to authorized signatory to transact business on its behalf - o Proof of Billing in the name of the company - o Valid ID (government issued ID) of the Company's Authorized signatory - o Audited Financial Statements of the Company
3	Trust/Foundation	- o Certificate of Registration - o Special Power of Attorney authorizing authorized person to transact business with ECAPRO - o Board Resolution of the Foundation/Trust - o Proof of Billing in the name of Trust/Foundation - o Valid ID (government issued ID) of the authorized signatory - o Name of trustees, settlers, beneficiaries and signatories - o Name and address of the founders, managers, Directors and the Beneficiaries - o Audited Financial Statements of the Trust/Foundation
4	Partnership	- o Copy of Certificate of Partnership/ Registration Certificate - o Partnership Deed - o Articles of Association - o Name and address of the partners - o Special Power of Attorney/Secretary's Certificate granting authority to authorized signatory to transact business on its behalf - o Proof of Billing in the name of the Partnership - o Valid ID (government issued ID) of the Partnership's Authorized signatory - o Audited Financial Statements of the Partnership

I/we declare that the particulars and documents attached as per the checklist above are true, correct and complete to the best of my/our knowledge and belief, and the documents submitted in support of this Form are genuine and obtained legally from the respective issuing authority. In case of any change in any of the aforementioned particulars, I/we undertake to notify ECAPRO in writing within five (5) business days from occurrence of change. Any violation of the foregoing shall entitle ECAPRO to use the full force of the law to prosecute such misrepresentation/ violation of this Form.

Conforme: _____

ANNEX D

PHILIPPINE LABOR LAW BASIC FAQS

I. WORK HOURS

Q: What are the normal hours of work of an employee?

A: The normal hours work of an employee shall not exceed 8 hours a day. However, Health Personnel shall have a maximum of 40 hours a week. If made to work in excess of 40 hours, they are entitled to 25-30% additional pay for overtime.

Q: What hours are supposed to be paid?

A: So called Compensable Hours include all time during which an a) employee is required to be on duty, to be at employer's premises or prescribed place or b) all time during which an employee is suffered or permitted to work.

Q: Can the normal hours be less than 8?

A: Yes. The law sets a maximum number of hours but does not prohibit work done less than eight hours. Thus, part-time work is allowed and pay corresponding to the actual hours worked will be paid.

Q: What is overtime?

A: Overtime Work is work rendered beyond 8 hours. Every hour worked in excess of 8 hours earns an additional pay of P25%. The rate is 30% if done on a rest day or holiday.

Q: How much should a part-time worker earn?

A: The wage and benefits of a part-time worker are in proportion to the number of hours worked. Assuming that he should be earning P400.00 for an eight-hour work, he shall then get P200.00 for work done in four hours.

Q: Can overtime not be paid because of undertime on another day?

No, the law prohibits offsetting overtime with undertime on another day. The hourly rate of overtime is higher than the hours missed in case of undertime.

Q: Who are covered by the rules on overtime?

A: Generally, everyone is covered by the law on overtime. However, the following have been exempted by the law: managerial personnel, government employees, non-agricultural field personnel whose hours of work cannot be determined, family members dependent upon the employer for support, househelpers, those in the personal employ of another, and piece rate workers.

Q: Is work done between 10:00 p.m. and 6:00 am paid higher than normal?

A: Yes. Under the Labor Code, every employee shall be paid a **night shift differential** of not less than **10%** of his regular wage for each hour of work performed between 10:00 p.m. and 6:00 am the following day.

II. REST DAYS

Q: What is a weekly rest day?

A: It is the required rest period of not less than 24 consecutive hours after every six normal workdays.

Q: How much is the pay for work on a rest day?

A: The compensation is the regular wage plus 30% thereof.

Q: Who chooses the rest day?

A: The employer shall determine the weekly restday. However, the employer shall respect the preference of employees as to their weekly restday when such preference is based on religious grounds.

Q: How much is work on a Sunday paid?

A: The compensation is the regular wage unless Sunday happens to be the rest day of the employee. If Sunday is the rest day, the employee shall be entitled to the additional 30% pay.

III. HOLIDAY PAY

Q: What is Holiday Pay?

Holiday Pay refers to pay received by an employee on the occasion of a regular holiday or special day. In the case of **regular holiday**, the employee is paid even if he/she did not work. He/She receives **double** pay if he/she works on a regular holiday. In the case of a **special day** (see below), the employee is not paid if he/she does not report for work. But if the employee works on a special day, she is entitled to **130%** of her usual pay.

Note: Vacation Leave entitlement of the employee to cover the Special Holidays to be paid.

Q: What are the 2020 holidays in the Philippines?

A. Regular Holidays			
New Year's Day	-	1	January (Wednesday)
Maundy Thursday	-	9	April
Good Friday	-	10	April
Araw ng Kagitingan (Day of Valour)	-	9	April (Thursday)
Labor Day	-	1	May (Friday)

Independence Day	-	12	June (Friday)
Eid'l Fitr	-		To be announced
National Heroes Day	-	31	August (Last Monday of August)
Eidil Adha	-		To be announced
Bonifacio Day	-	30	November (Monday)
Christmas Day	-	25	December (Friday)
Rizal Day	-	30	December (Wednesday)
B. Special (Non-Working) Days			
Chinese New Year	-	25	January (Saturday)
Black Saturday	-	11	April
Ninoy Aquino Day	-	21	August (Friday)
All Saints Day	-	1	November (Sunday)
Additional special (non-working) days	-	2	November (Monday)
Christmas Eve	-	24	December (Thursday)
Last Day of the Year	-	31	December (Thursday)
C. Special Holiday (for all schools)			
EDSA Revolution Anniversary	-	25	February (Tuesday)

*source: Presidential Proclamation 831 series of 2014

IV. LEAVES

Q: What are leaves?

A: These are days when employees may still be paid despite their absence from work. The leaves allowed by law are discussed below, but the employer may add (not subtract) to these leaves out of the goodness of her heart or under a negotiated Collective Bargaining Agreement (CBA).

Q: What are leaves under the law?

A: Kinds of Leaves under the Philippine Labor Law

Service Incentive Leave	Solo Parents' Leave
Service Incentive Leave Pay is the benefit of employees to avail of leave with pay for 5 days provided she has rendered service for at least one year.	Persons who fall under the definition of solo parents and who have rendered service of at least one year are entitled to 7 working days of leave to attend to their parental duties.
Maternity Leave	Paternity Leave
A female member of the Social Security System (SSS) who has paid at least 3	The law provides for paternity leave of 7 days with full pay to all married male

monthly contributions in the twelve-month period immediately preceding the semester of her childbirth or miscarriage shall be paid a daily maternity benefit equivalent to 100% of her average daily salary. The benefit is for 60 days for normal delivery and 78 days for caesarian delivery for the first four deliveries and miscarriages.	employees in the private and public sectors. It is only available for the first four (4) deliveries of the legitimate spouse with whom the employee is cohabiting.
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Leaves under RA 9262	Leaves under RA 9710
Women victims of violence provided under R.A. 9262 of the Anti-Violence against Women and their Children Act are entitled to a paid leave of absence from work up to 10 days.	The Magna Carta of Women introduced a 2 month leave for women with full pay based on gross monthly compensation, for women employees who undergo surgery caused by gynecological disorders, provided that they have rendered continuous aggregate employment service of at least six (6) months for the last twelve (12) months.

V. WAGES

Q: Generally, what is the rule on wages?

A: Under Philippine law, wages are remunerations or earnings for services rendered. Employers and employees may agree on rate but should not fall below the minimum wages set by the Regional Tripartite Wages and Productivity Boards (RTWPB) which has jurisdiction over the place of work. You can find the rate of minimum wage by going to the website of the National Wages and Productivity Commission (NWPC) <http://www.nwpc.dole.gov.ph/rtwpb.html>.

The pay of employees is intended to be given whole to the employee in Philippine legal tender. So while payment by check and through automated teller machines (ATMs) are allowed, vouchers, promissory notes and gift certificates are not. Deductions from employee wages are generally frowned upon with only a few allowed by law including income tax, contributions to social welfare agencies such as SSS and Pag-Ibig, and union dues under appropriate agreements.

Minimum Wage Earners Exempt from Income Tax

A: A new law passed in 2008 exempts minimum wage earners from paying income taxes. Because of this, no deductions will be made from their pay on the basis of income tax.

Q: What is a Bonus?

A: Bonus is the amount granted for employee's industry and loyalty, which is generally discretionary. However, there have been times when the grant of bonuses have been considered as long standing practice and therefore cannot be simply withheld without cause.

Q: What is 13th month pay?

A: 13th month pay is the 1/12 of the basic salary earned by the employee during the year. It is compulsory and to be given not later than December 24 of the year.

I have read and understood the foregoing and undertake to abide by the Philippine Labor Laws at all times. Any derogation from the foregoing shall render me or my company completely liable for any civil, labor, criminal or administrative case arising from the foregoing. To the fullest extent permitted by law, then I hereby agree to defend (including attorney's fees), pay on behalf of, indemnify, and hold harmless ECAPRO, its elected and appointed officials, employees and volunteers and others working on behalf of the ECAPRO against any and all claims, demands, suits or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from ECAPRO, its elected and appointed officials, employees, volunteers or others working on behalf of ECAPRO, arising out of any violation connected or associated with this Agreement.

Conforme:

Client