

SYSTEM SOFTWARE DEVELOPMENT AGREEMENT

This System Software Development Agreement (the "Agreement") is made and effective April 16, 2024,

BETWEEN: **PHILIPPINE ASSOCIATION OF REAL ESTATE BOARD INC. (PAREB)**, an Organization duly registered and existing under the laws of Philippines, having its principal place of business at PAREB Center, P.E. Antonio Street, Ugong, Pasig City, hereinafter referred to as the "Customer".

THROUGH: **ENRIQUE G SANTOS** and **ABIGAIL JOAN O LIM**, acting on behalf of the organization, in their capacities as National President and Secretary General respectively, hereinafter jointly referred to as the "Customer Representative,"

AND: **EMMANUEL P. OLIVAS** of legal age, Filipino with address at 55 Justice R. Jabson St. Bambang Pasig City and hereinafter referred to as the "Developer".

RECITALS

WHEREAS Customer wishes to Develop a Web-based Real Estate Multi-Listing System, and wants to hire Developer to develop this Web-based system, and;

WHEREAS Developer desires to develop this Web-based system for Customer:

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto, intending, to be legally bound, agree as follows:

1. PURPOSE OF AGREEMENT

Customer desires to retain Developer as an independent contractor to develop the Web-based system (the "Software") described in the Functional Specifications contained in Exhibit A attached to and made part of this Agreement. Developer is ready, willing and able to undertake the development of the Software and agrees to do so under the terms and conditions set forth in this Agreement.

2. PREPARATION OF DEVELOPMENT PLAN

Developer shall prepare a development plan ("Development Plan") for the Software, satisfying the requirements set forth in the Functional Specifications. The Development Plan shall include:

- A. Detailed Specifications for the Software;

B. A payment schedule setting forth the amount and time of Developer's compensation.

3. ACCEPTANCE OF DEVELOPMENT PLAN

Developer shall deliver the Development Plan to Customer by 3 days after executing this Agreement. Customer shall have 5 days to review the Development Plan. Upon approval of the Development Plan by Customer, it will be marked as Exhibit B and will be deemed by both parties to have become a part of this Agreement and will be incorporated by reference. Developer shall then commence development of Software that will substantially conform to the requirements set forth in the Development Plan.

If the Development Plan is in Customer's reasonable judgment unsatisfactory in any material respect, Customer shall prepare a detailed written description of the objections. Customer shall deliver such objections to Developer within 5 days of receipt of the Development Plan. Developer shall then have 7 days to modify the Development Plan to respond to Customer's objections. Customer shall have 5 days to review the modified Development Plan. If Customer deems the modified Development Plan to be unacceptable, Customer has the option of terminating this Agreement upon written notice to Developer or permitting Developer to modify the Development Plan again under the procedure outlined in this paragraph. If this Agreement is terminated, the obligations of both parties under it shall end except for Customer's obligation to pay Developer all sums due for preparing the Development Plan and the ongoing obligations of confidentiality set forth in the provision of this Agreement entitled "Confidentiality."

4. PAYMENT FOR DEVELOPMENT PLAN

If the Development Plan is not accepted by Customer and Customer terminates this Agreement, Developer shall be entitled to compensation on a time and materials basis at an hourly rate of Php 250 plus expenses to the date of termination. Developer shall submit an invoice detailing its time and expenses preparing the Development Plan. If the invoice amount is less than the amounts paid to Developer prior to termination, Developer shall promptly return the excess to Customer. If the invoice amount exceeds the amounts paid to Developer prior to termination, Customer shall promptly pay Developer the difference. However, Developer's total compensation for preparing the Development Plan shall not exceed Php 30,000.

5. PAYMENT

The total contract price shall be set forth in the Development Plan. Customer shall pay the Developer the sum of **Php 330,000.00** upon execution of this Agreement. The remainder of the contract price shall be payable in installments according to the payment schedule to be included in the Development Plan.

Each installment shall be payable upon completion of each project phase by Developer and acceptance by Customer in accordance with the provision of this Agreement entitled "Acceptance Testing of Software."

6. CHANGES IN PROJECT SCOPE

If at any time following acceptance of the Development Plan by Customer, Customer should desire a change in Developer's performance under this Agreement that will alter or amend the Specifications or other elements of the Development Plan, Customer shall submit to Developer a written proposal specifying the desired changes.

Developer will evaluate each such proposal at its standard rates and charges. Developer shall submit to Customer a written response to each such proposal within 7 working days following receipt thereof. Developer's written response shall include a statement of the availability of Developer's personnel and resources, as well as any impact the proposed changes will have on the contract price, delivery dates or warranty provisions of this Agreement.

Changes to the Development Plan shall be evidenced by a "Development Plan Modification Agreement." The Development Plan Modification Agreement shall amend the Development Plan appropriately to incorporate the desired changes and acknowledge any effect of such changes on the provisions of this Agreement. The Development Plan Modification Agreement shall be signed by authorized representatives of Customer and Developer, whereupon Developer shall commence performance in accordance with it.

Should Developer not approve the Development Plan Modification Agreement as written, Developer will so notify Customer within 7 working days of Developer's receipt of the Development Plan Modification Agreement. Developer shall not be obligated to perform any services beyond those called for in the Development Plan prior to its approval of the Development Plan Modification Agreement.

For purposes of this Agreement, each Development Plan Modification Agreement duly authorized in writing by Customer and Developer shall be deemed incorporated into and made part of this Agreement. Each such Development Plan Modification Agreement shall constitute a formal change to this Agreement adjusting fees and completion dates as finally agreed upon.

7. DELAYS

Developer shall use all reasonable efforts to deliver the Software on schedule. However, at its option, Developer can extend the due date for any Deliverable by giving written notice to Customer. The total of all such extensions shall not exceed 60 of days.

Any delay or nonperformance of any provision of this Agreement caused by conditions beyond the reasonable control of the performing party shall not constitute a breach of this Agreement, provided that the delayed party has taken reasonable measures to notify the other of the delay in writing. The delayed party's time for performance shall be deemed to be extended for a period equal to the duration of the conditions beyond its control.

Conditions beyond a party's reasonable control include, but are not limited to, natural disasters, acts of government after the date of the Agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war and epidemics. Failure of subcontractors and inability to obtain materials shall not be considered a condition beyond a party's reasonable control.

8. ACCEPTANCE TESTING OF SOFTWARE

Immediately upon completion of each development phase set forth in the Development Plan's delivery schedule, Developer shall deliver and install the Software and shall deliver all

documentation and other materials required to be provided in accordance with the delivery schedule. Customer shall have 20 days from the delivery of the Software to inspect, test and evaluate it to determine whether the Software satisfies the acceptance criteria in accordance with procedures set forth in the Development Plan, or as established by Developer and approved by Customer prior to testing.

If the Software does not satisfy the acceptance criteria, Customer shall give Developer written notice stating why the Software is unacceptable. Developer shall have 7 days from the receipt of such notice to correct the deficiencies. Customer shall then have 5 days to inspect, test and reevaluate the Software. If the Software still does not satisfy the acceptance criteria, Customer shall have the option of either: (1) repeating the procedure set forth above, or (2) terminating this Agreement pursuant to the section of this Agreement entitled "Termination." If Customer does not give written notice to Developer within the initial 5-days inspection, testing and evaluation period or any extension of that period, that the Software does not satisfy the acceptance criteria, Customer shall be deemed to have accepted the Software upon expiration of such period.

Upon completion of the final development phase set out in the Development Plan, acceptance testing shall be performed on the Software in its entirety to determine whether the Software satisfies the acceptance criteria and operates with internal consistency. Customer shall have 5 days to perform such tests. If the completed Software does not satisfy the acceptance criteria, the parties shall follow the acceptance procedures described in the preceding paragraph

If and when the acceptance tests establish the Software delivered upon completion of any phase of development complies with the acceptance criteria, Customer shall promptly notify Developer that it accepts the delivered Software.

9. TRAINING

Developer shall provide half day of training in the use of the Software. The training will be conducted on such dates and the location is in Customer address set forth first above.

10. MAINTENANCE OF SOFTWARE

Beginning on the first day of the first month after the acceptance of the software and lasting for a duration of 6 months, Developer shall provide the following error-correction and support services:

- A. Mobile phone hot-line support during Developer's normal days and hours of business operation. Such support shall include consultation on the operation and utilization of the Software; and
- B. Error correction services, consisting of Developer using all reasonable efforts to design, code and implement programming changes to the Software, and modifications to the documentation, to correct reproducible errors therein so that the Software is brought into substantial conformance with the Specifications.
- C. Updates do not include:
 - i. Features that are not included in the Software Specifications
 - ii. Platform extensions including software extensions to
 - 1. different hardware platforms;

2. different windowing system platforms;
3. different operating system platforms

11. OWNERSHIP OF SOFTWARE

Developer assigns to Customer its entire right, title and interest in anything created or developed by Developer for Customer under this Agreement ("Work Product") including all patents, copyrights, trade secrets and other proprietary rights. This assignment is conditioned upon full payment of the compensation due Developer under this Agreement.

12. WARRANTIES

THE SOFTWARE FURNISHED UNDER THIS AGREEMENT IS PROVIDED ON AN AS "AS IS" BASIS, WITHOUT ANY WARRANTIES OR REPRESENTATIONS EXPRESS, IMPLIED OR STATUTORY; INCLUDING, WITHOUT LIMITATION, WARRANTIES OF QUALITY, PERFORMANCE, NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NOR ARE THERE ANY WARRANTIES CREATED BY A COURSE OF DEALING, COURSE OF PERFORMANCE OR TRADE USAGE. DEVELOPER DOES NOT WARRANT THAT THE SOFTWARE WILL MEET CUSTOMER'S NEEDS OR BE FREE FROM ERRORS, OR THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED. THE FOREGOING EXCLUSIONS AND DISCLAIMERS ARE AN ESSENTIAL PART OF THIS AGREEMENT AND FORMED THE BASIS FOR DETERMINING THE PRICE CHARGED FOR THE SOFTWARE.

13. INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS

Developer warrants that Developer will not knowingly infringe on the copyright or trade secrets of any third party in performing services under this Agreement. To the extent any material used by Developer contains matter proprietary to a third party, Developer shall obtain a license from the owner permitting the use of such matter and granting Developer the right to sub-license its use. Developer will not knowingly infringe upon any existing patents of third parties in the performance of services required by this Agreement, but Developer MAKES NO WARRANTY OF NON-INFRINGEMENT of any COUNTRY.

If any third party brings a lawsuit or proceeding against Customer based upon a claim that the Software breaches the third party's patent, copyright or trade secrets rights, and it is determined that such infringement has occurred, Developer shall hold Customer harmless against any loss, damage, expense or cost, including reasonable attorney fees, arising from the claim.

This indemnification obligation shall be effective only if:

- A. The third party intellectual property rights involved were known to Developer prior to delivery of the Software
- B. Customer has made all payments required by this Agreement
- C. Customer has given prompt notice of the claim and permitted Developer to defend, and
- D. The claim does not result from Customer's modification of the Software.

To reduce or mitigate damages, Developer may at its own expense replace the Software with a non-infringing product.

14. LIMITATION OF DEVELOPER'S LIABILITY TO CUSTOMER

- A. In no event shall Developer be liable to Customer for lost profits of Customer, or special or consequential damages, even if Developer has been advised of the possibility of such damages.
- B. Developer's total liability under this Agreement for damages, costs and expenses, regardless of cause, shall not exceed the total amount of fees paid to Developer by Customer under this Agreement or Php 20,000, whichever is greater.
- C. Developer shall not be liable for any claim or demand made against Customer by any third party except to the extent such claim or demand relates to copyright, trade secret or other proprietary rights, and then only as provided in the section of this Agreement entitled Intellectual Property Infringement Claims.
- D. Customer shall indemnify Developer against all claims, liabilities and costs, including reasonable attorney fees, of defending any third party claim or suit arising out of the use of the Software provided under this Agreement, other than for infringement of intellectual property rights. Developer shall promptly notify Customer in writing of any third party claim or suit and Customer shall have the right to fully control the defense and any settlement of such claim or suit.

15. CONFIDENTIALITY

During the term of this Agreement and for 2 years afterward, Developer will use reasonable care to prevent the unauthorized use or dissemination of Customer's confidential information. Reasonable care means at least the same degree of care Developer uses to protect its own confidential information from unauthorized disclosure.

Confidential information is limited to information clearly marked as confidential, or disclosed orally that is treated as confidential when disclosed and summarized and identified as confidential in a writing delivered to Developer within 30 days of disclosure. Confidential information does not include information that:

- A. The Developer knew before Customer disclosed it
- B. Is or becomes public knowledge through no fault of Developer
- C. Developer obtains from sources other than Customer who owe no duty of confidentiality to Customer, or
- D. Developer independently develops.

16. TERM OF AGREEMENT

This Agreement commences on the date it is executed and shall continue until full performance by both parties, or until earlier terminated by one party under the terms of this Agreement.

17. TERMINATION OF AGREEMENT

Each party shall have the right to terminate this Agreement by written notice to the other if a party has materially breached any obligation herein and such breach remains uncured for a period of 7 days after written notice of such breach is sent to the other party.

If Developer terminates this Agreement because of Customer's default, all of the following shall apply:

- A. Customer shall immediately cease use of the Software.
- B. Customer shall, within 7 days of such termination, deliver to Developer all copies and portions of the Software and related materials and documentation in its possession furnished by Developer under this Agreement.
- C. All amounts payable or accrued to Developer under this Agreement shall become immediately due and payable.
- D. All rights and licenses granted to Customer under this Agreement shall immediately terminate.

This Agreement may be terminated by Customer for its convenience upon 7 days' prior written notice to Developer. Upon such termination, all amounts owed to Developer under this Agreement for accepted work shall immediately become due and payable and all rights and licenses granted by Developer to Customer under this Agreement shall immediately terminate.

18. TAXES

The charges included here do not include taxes. If Developer is required to pay any federal, state or local sales, use, property or value added taxes based on the services provided under this Agreement, the taxes shall be separately billed to Customer. Developer shall not pay any interest or penalties incurred due to late payment or nonpayment of such taxes by Customer.

19. RELATIONSHIP OF THE PARTIES

Nothing contained herein will be construed as creating any agency, partnership, joint venture or other form of joint enterprise between the parties.

Developer is an independent contractor, and a project based on Customer's Company. In its capacity as an independent contractor, Developer agrees and represents, and Customer agrees, as follows:

- A. Developer has the sole right to control and direct the means, manner and method by which the services required by this Agreement will be performed.
- B. Developer has the right to perform the services required by this Agreement at any place or location and at such times as Developer may determine.
- C. Developer will furnish all equipment and materials used to provide the services required by this Agreement, except to the extent that Developer's work must be performed on or with Customer's computer or existing software.

- D. The services required by this Agreement shall be performed by Developer and Customer shall not be required to hire, supervise or pay any assistants to help Developer.
- E. This Agreement is apart and distinct from being a project base employee of the Developer from Customer's Company.

20. MEDIATION AND ARBITRATION

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator in the location PASIG CITY. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the parties.

If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in the location PASIG CITY under the rules of the [ASSOCIATION/ORGANIZATION].

21. ATTORNEY FEES

If any legal action is necessary to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees, costs and expenses.

22. COMPLETE AGREEMENT

This Agreement together with all exhibits, appendices or other attachments, which are incorporated herein by reference, is the sole and entire Agreement between the parties. This Agreement supersedes all prior understandings, agreements and documentation relating to such subject matter. In the event of a conflict between the provisions of the main body of the Agreement and any attached exhibits, appendices or other materials, the Agreement shall take precedence.

23. MODIFICATIONS TO AGREEMENT

Modifications and amendments to this Agreement, including any exhibit or appendix hereto, shall be enforceable only if they are in writing and are signed by authorized representatives of both parties.

24. GOVERNING LAW

This Agreement shall be interpreted under the laws of PHILIPPINES. Any and all legal actions relative hereto shall be in the courts of METRO MANILA.

25. NOTICES

All notices and other communications given in connection with this Agreement shall be in writing and shall be deemed given as follows:

- A. When delivered personally to the recipient's address as appearing in the introductory paragraph to this Agreement;

- B. Three days after being deposited in the PHILIPPINES mails, postage prepaid to the recipient's address as appearing in the introductory paragraph to this Agreement, or
- C. When sent by email of the recipient known to the party giving notice. Notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first-class or certified mail, or the recipient delivers a written confirmation of receipt.

Any party may change its address appearing in the introductory paragraph to this Agreement by giving notice of the change in accordance with this paragraph.

26. ASSIGNMENT

The rights and obligations under this Agreement are freely assignable by either party. Customer shall retain the obligation to pay if the assignee fails to pay as required by this Agreement.

27. SIGNATURES

Each party represents and warrants that on this date they are duly authorized to bind their respective principals by their signatures below.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth first above, with full knowledge of its content and significance and intending to be legally bound by the terms hereof.

CUSTOMER REPRESENTATIVES

DEVELOPER

Enrique G. Santos
National President

Emmanuel Olivas
System Engineer

Abigail Joan O. Lim
Secretary General

WITNESSESS

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Emanuel C. Florendo <i>National Director and MLS Director-in-Charge</i>	Arnel O. Cruzado <i>National Treasury</i>
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Arnel-Tito Malabayabas <i>IT Chairman</i>	Mary Gaw So <i>MLS Chairman</i>
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Daniel M. Mabutin <i>System Designer</i>	

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF PASIG) S.S.

BEFORE ME, this _____ day of _____ 2024 at _____ personally appeared _____ with ID No _____ issued on _____ at _____, known to me and to me made known to be the same persons who executed the foregoing instrument and acknowledge to me that the same is true act and voluntary deed.

This instrument refers to a System Software Development Agreement, consisting of FOURTEEN (14) pages including this page on which the acknowledgement is written and duly signed by the parties and their instrumental witnesses.

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

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

EXHIBIT A

FUNCTIONAL SPECIFICATIONS OF THE SOFTWARE

Account Administration

The management and maintenance of user accounts within MLS System. This involves tasks related to creating, modifying, and deleting user accounts, as well as configuring various settings associated with those accounts.

These privileges are granted to the Administrator:

- User Account Creation
- User Permissions
- Account Modification
- Account Deactivation or Deletion
- Account Auditing and Monitoring
 - Users, Subscriptions, Transactions, Property Listing Posting, Privileges

System Settings

The administrator possesses the authority to modify all system settings, encompassing a wide range of controls and configurations within the system:

- Default Account Privileges
- Enabling/Disabling KYC Verification
- Enabling/Disabling Premium
- Sets the email address to be used for email notifications

Account Premiums Administration

Premium offer additional features, services, or benefits beyond those available with standard accounts. The administration of premium accounts involves tasks such as:

- **Creation, Modifying and Deleting Premium**
- **Subscription Management** - Handling the registration, renewal, and cancellation of premium subscriptions
- **Feature Configuration** - Managing the activation or deactivation of premium features for individual accounts
- **Billing and Payments** - Handling payment processing, invoicing, and managing billing information for premium accounts

KYC Management

Collecting and verifying information about customers to establish their identity. This includes personal details such as name, address, date of birth, and government-issued identification documents.

- Verify/Deny submitted Identification documents

Chat Messaging

Exchange of text-based messages between two or more users in real-time or near real-time. This form of communication enables individuals to engage in conversations, share information, and communicate ideas asynchronously.

- Users may receive notifications when new messages are received.
- Can send a text, image and link based message

Property Listings Management

The MLS System provides the process of organizing, maintaining, and updating information about available properties. This includes residential, commercial, and industrial properties that are listed for sale, rent, or lease.

- Listing Creation
- Data Entry and Maintenance
- Categorization and Tagging
- Analytics and Reporting
- Strategically determine advertising placement
 - Local Board MLS, Regional MLS, National MLS, Public Website

Multiple Listing Service Platform

MLS (Multiple Listing Service) is a centralized private database that can be utilized by registered account, to efficiently share detailed information about properties for sale or rent. It serves as a collaborative platform, enabling industry members to list properties, access comprehensive data on market inventory, and facilitate transactions.

Comparative Analysis Table

The MLS System provides comparative analysis table, which offer a structured presentation of data, aiding Real Estate Brokers in assessing and comparing different properties they are considering offering to their clients. By presenting key information side by side, such as listing prices, square footage, number of bedrooms and bathrooms, neighborhood amenities, and other important factors, Real Estate Brokers can make informed decisions about which properties best meet their clients' needs and preferences. These tables enable the comparison of multiple properties or real estate listings across various attributes or factors, with columns representing different properties and rows representing criteria such as price, location, size, features, amenities, and other relevant details.

Handshake

A handshake is a process of requesting and accepting to share specific real estate property information between Real Estate Brokers, representing a mutual agreement between parties to exchange property details. It embodies a commitment to transparency and collaboration, enabling real estate brokers to access and share information about the specific property with ease.

- Accepting, Denying and Canceling Handshake Request
- The Commission Share and Authority to Sell type can be displayed once the handshake is accepted

Website Content Management

The management and maintenance of a website involve ensuring that the site is kept up-to-date. This includes tasks such as adding, editing, and updating website content, such as articles and other media.

- Page Ads Management (Create, update and delete)
- Articles Management (Create, Update and delete)
- Update About Content
- Update contents of Data Privacy Policy and Terms of Service

Leads Generation

Leads generated via the website are securely stored within the MLS System, where they undergo systematic handling and organization throughout their lifecycle, from initial contact to conversion and beyond. This entails capturing inquiries and leads generated from property listings and facilitating communication between potential buyers or tenants and property owners or agents. The principal aim is to proficiently nurture leads through the sales funnel, ultimately converting them into paying customers.

Message Encryption

The MLS system provides end-to-end encryption to ensure the privacy and confidentiality of conversations. This means that administrators do not have access to or the ability to read chats

and leads messages within the MLS system, further enhancing the security of communications.

End-to-end encryption (E2EE) is a method of secure communication that ensures only the sender and intended recipient of a message can read its contents. Messages within the MLS System are inaccessible for reading elsewhere.

Traffic Reporting

Monitoring the number of visits or pageviews that each property listing receives over a specific period of time. This helps gauge the overall popularity and visibility of listings on the website and MLS.

Account Premium Subscription

By subscribing to a premium, registered users can unlock these additional benefits, thereby enhancing their overall experience and satisfaction with MLS System.

Transactions Reporting

This encompasses the vigilant oversight of your transactions and the meticulous administration of your invoices and attention to detail.

MLS System API

The MLS System provides an API, a RESTful systems that use standard HTTP methods to perform operations on resources.

- The API solely provides data and does not accept any input for storage

Sample Default User Account Privileges

These user account privileges are provided as samples only and can be enhanced and utilized.

Max Property Listing	Max Users	MLS Access	Chat Access	API Access
15	2	Yes	No	No

Sample Premium

This premium offering is provided as a sample only and can be enhanced and utilized.

Packages	Bronze	Silver	Gold	Platinum
Max Property Listing	+15	+50	+80	+120
Max users	-	+2	+3	+5
MLS Access	Yes	Yes	Yes	Yes
Chat Access	No	Yes	Yes	Yes
API Access	No	No	No	Yes
Duration	30 days	30 days	30 days	30 days
Amount	₱ 499	₱ 1,499	₱ 2,499	₱ 3,499

EXHIBIT B
DEVELOPMENT PLAN