REPUBLIC OF THE PHILIPPINES )

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CITY ) S.S.

**DEED OF UNDERTAKING**

I/We (the Proprietor/Operator/Partners/Members of the Board of Directors) and key executive officers of **,** a legal entity duly authorized to operate under the laws of the Philippines, with principal place of business at , by these presents do hereby obligate ourselves, individually and collectively, undertake and ensure:

1. Strict compliance with all the requirements, rules and regulations of the Bangko Sentral regarding the licensing and operations of pawnshop business as provided under Presidential Decree (P.D.) No. 114, Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) – Pawnshop (P) Regulations and other applicable laws, rules and regulations;
2. Full compliance with the minimum capitalization and borrowing limits as prescribed under Section 121-P and 201-P of the MORNBFI;
3. Adequate compliance with the provisions of Republic Act (R.A.) No. 9160, as amended [The Anti-Money Laundering (AML) Act of 2001], R.A. 10168 (The Terrorism Financing Prevention and Suppression Act of 2012) and their implementing rules and regulations particularly in conducting customer due diligence procedures, covered and suspicious transaction reporting, and record keeping and retention;
4. Exclusive use of bank account/s in the name of the licensed entity/pawnshop in its official business transactions and to provide a certified list of all bank account/s supported by confirmation from depository bank/s which shall be subject to Bangko Sentral examination for AML/combating the financing of terrorism (CFT) purposes;
5. Compliance with the disclosure requirement on the entity/pawnshop beneficial owner/s;
6. Full responsibility over its offices’/branches’ compliance with all the requirements, rules and regulations of the Bangko Sentral on matters relating to license, registration and notification requirements;
7. Submission of all documentary requirements and securing approval from the appropriate supervising department the Bangko Sentral before effecting the following: (a) transfer of ownership; (b) change of registered business name; and (c) surrender of pawnshop operator license due to closure of business;
8. Notification to the appropriate supervising department of the Bangko Sentral within the prescribed deadline of the following events: (a) commencement of pawnshop operations; (b) newly-established pawnshop office; (c) transfer/relocation of business; and (d) voluntary closure of pawnshop office;

1. Strict compliance with the requirements of maintenance of records and submission of required reports;
2. Maintenance of an internal control system commensurate to the nature, size and complexity of the business, and development of sound risk management policies and practices to ensure that risks associated with the operations of a pawnshop business are identified, assessed, monitored, mitigated and controlled;
3. Adoption of minimum standards of consumer protection in the areas of disclosure and transparency, protection of client information, fair treatment, effective recourse and financial education pursuant to Section 601-P, Section 602-P and Section 144-P of the MORNBFI, as may be applicable;
4. Hiring, and/or engaging the services of external auditors/auditing firm, who will assist in the preparation, and/or rendering an opinion on the fairness of the pawnshop’s financial statements, and that the external auditors/audit firm contracted are included in the Bangko Sentral List of Selected External Auditors for Supervised and/or Regulated Institutions, as may be applicable based on the type of pawnshop license granted;
5. Attendance of the proprietor/operator, partners, directors, president or officer of equivalent rank and function and head of the pawnshop operation and the compliance unit to a seminar on AML/CFT laws, rules and regulations, before start of operations, conducted by the Bangko Sentral, AML Council Secretariat or any reputable training provider.

For this purpose, , shall be responsible in ascertaining whether the external training provider has an adequate track record of successfully conducting training programs preferably on financial institution-oriented courses including, but not limited to, AML/CFT training;

1. Timely renewal of the business permits of all of its offices, which indicate the line of business, from the city or municipality having territorial jurisdiction over the place of establishment and operation of the respective offices; and
2. Responsibility over violations of any of the aforementioned laws, rules and regulations, subject to the applicable sanctions prescribed under Sections 36 and 37 of R.A. No. 7653, as amended, in relation to Section 17 of P.D. No. 114.

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| Signature over Printed Name of (the Proprietor/Operator/All Partners/All Members of the Board of Directors) and Key Executive Officers[[1]](#footnote-1) | Designation |
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SUBSCRIBED AND SWORN to before me this \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_ , affiants exhibiting to me their government-issued identification cards, as follows:

| Name | Gov’t. ID No. | Valid Until |
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Notary Public

1. President (or Officer of Equivalent Rank and Function), Head of Pawnshop Operations and Head of Compliance Office/Unit [↑](#footnote-ref-1)