



General Policies Regarding Accreditation of Brokers

1. Prerequisite for Accreditation

Brokers who wish to be accredited by our company, **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** (hereinafter referred to as the “Company”), for the purpose of marketing and selling units and/or lots in our projects must submit to our office the following requirements for accreditation:

- a. Photocopy of license as a real estate broker issued by the Housing and Land Regulatory Board (HLURB) and the Certificates of Registration issued by the Professional Regulations Commission (PRC) and HLURB.
- b. Photocopy of Value Added Tax (VAT) Registration Certificate and Tax Identification Number (TIN) Card issued by the Bureau of Internal Revenue (BIR).
- c. An application letter, signifying therein the broker’s undertaking to comply with these General Policies and the guidelines governing the sale of units or lots for each project of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** which may be issued by them from time to time, as well as such other policies, rules and regulations, which may be prescribed by the Company; and together with said application letter, an original copy of this document duly concurred and signed by the broker. Notwithstanding complete submission of the foregoing requirements, a broker shall not be deemed authorized, as its not allowed to market and sell lots or units in any project without the express written approval by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** of the broker’s application for accreditation.

2. Properties Offered

Brokers shall be advised of such projects/properties, which they may offer for sale on a first-come-first served basis in accordance with the relevant guidelines governing sale of lots or units or lots in all **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** projects. **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** reserves the right to restrict or limit the sale of selling activities to be conducted by a broker to selected projects of which the broker shall be advised form time to time.

3. Client Registration

Brokers shall be required to submit copies of Client Registration Form or CRF (hereby attached) duly signed by them and their prospective buyers. The duly accomplished CRF by the broker shall mean that a prospective buyer is a registered buyer of the broker and that he/she will be the one entitled for any commissions, incentives or bonuses, if any, arising from any transaction with the said client.



The effectivity of the CRF is for a period of thirty (30) days from the date of signing of the client of the CRF. The said form must be forwarded to **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** within five (5) days from the date of signing of the client. CRF's submitted beyond the 5-day period, or those with incomplete signatures, shall not be honored.

Once the 30-day registration period has lapsed and the broker has not renewed such registration, any other broker can transact with the prospective buyer to close a sale and, thus, earn commission, incentives or bonuses, if any, arising from the sale with the said buyer.

4. Price and Terms of Payment

Prices and terms of payments applicable to the sale of units and/or lots in all **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** projects shall be advised to accredited brokers from time to time. Prices and terms of payment are subject to change without prior notice. Brokers should contact **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** from time to time to be updated of any new developments on the project and the units or lots therein, particularly changes in available inventory and prices, if any.

5. Remittance of Payment

Brokers are not allowed to receive payments from their clients in behalf of our Company, **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**. In this regard, brokers are hereby advised to encourage their clients to transmit any payment, in relation to their purchase of units/lots to the Company's office during business hours for proper crediting and accounting of their payments. Payments made to brokers for safekeeping or transmittal shall not be honored.

6. Basis of Allocation of Units/Lots

- a. Prior reservation of units or lots in **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** projects or registration of buyers will not be honored unless the reservation fee / deposit is paid by the buyer. For this purpose, if payment were to be made in the form of a check, only cleared check(s) issued by the buyer shall be honored. Brokers' check shall not be honored.
- b. Allocation of units or lots will be made on a first-come-first served basis to be determined based on the time at which the buyer remits the reservation fee/deposit. Where two or more buyers/brokers are physically present at the office / premises of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** for the purpose of remitting a payment for the same unit or lot, priority will be determined by lots wherein the name of the buyer who shall be entitled to purchase the unit or lot will be drawn by the authorized representative of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**. The time of actual arrival of a buyer or broker at the **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** office before the start of business hours shall not indicate priority.



7. Commission

7.1. Conditions for Release

- **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** shall recognize the broker who delivers the buyer's check and has prior registration of the buyer, through the duly-accomplished CRF submitted to the office of the Company, together with a duly accomplished reservation agreement signed by both buyer and the broker in order to recognize the broker as entitled to the commission pertaining to the sale. A broker cannot claim credit for the sale of a unit or lot once buyer's cash/check has been accepted directly by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**.
- The broker shall only be entitled to payment of commission based on commission structure applicable for each project. In case of payment of checks, it will only be considered as payment once the checks are cleared by the bank. Mere acceptance and deposit of checks by **HG-3 GOLDEN REALTY, INC.** shall not be construed as payment.
- Brokers are hereby encouraged to obtain updated information from time to time for project updates, particularly with regards to commission payment structure for every project.

7.2. In the event that a sale is claimed by two or more accredited brokers, the broker who delivers the buyer's check to **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** and has prior registration of the buyer, through the duly-accomplished CRF submitted to the office of the Company, shall be recognized as the broker entitled to the commission pertaining to the sale. If both or all brokers claiming representation of a buyer each delivers to **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** a cash/check payment of one particular buyer, the following procedure shall be followed in determining who among said brokers is entitled to a commission:

- The broker who was the first to deliver a buyer's cash or check payment to **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** shall be deemed to be the broker entitled to the commission, PROVIDED, however, that he has already forwarded a duly-accomplished CRF. For purposes of delivering a buyer's cash or check payment to **HG-III CONSTRUCTION AND DEVELOPMENT**, personal appearance of the broker shall be required at the office of the Company.
- Where two or more accredited brokers are physically present at the aforesaid office premises at the start of business hours., i.e. 8:00a.m., for the purpose of delivering payment of the same buyer, and the said buyer has never been registered by any broker at the time of his/her reservation, the determination of who among such brokers shall be entitled to a commission shall be done through drawing of lots wherein the broker's name will be drawn by the authorized representative of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**. The time of actual arrival by a broker at the office of **HG-III CONSTRUCTION**



AND DEVELOPMENT CORPORATION before the start of business hours shall not be used as basis in determining who among the brokers shall be entitled to a commission.

- Should disputes occur arising from claims of two or more brokers to earn credit and commissions from the sale of units/lots from a particular buyer, the buyer shall choose who among the brokers he prefers to service him. The one preferred by the buyer shall be the recognized broker for the transaction.
- Should the buyer opted not to choose which among the brokers he wishes to serve him, or if he is having a hard time choosing among the brokers he prefers to recognize, **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** shall be the one who will resolved the dispute among the brokers. Any decision rendered by the Company with regards to this matter shall be considered final and irrevocable.

8. Broker's Duties and Responsibilities

8.1. Sales Related

Brokers should duly inform their prospective buyers of the terms and conditions of the sale, as contained in the relevant sales agreements for a particular project, the covering deed of restrictions, or master deed for a particular project and other policies that may be relevant to the purchase of the units and lots in **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** projects. In this connection, the broker shall be responsible for obtaining updates and other information form **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** as well as new developments on the projects and the units, or lot therein, particularly changes in available inventory and prices, if any.

Submission to **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** of all pertinent information on the buyer and documents required to effect the sale and registration thereof shall be the responsibility of the broker. The broker shall render full assistance and service in concluding sales to the point where reservation and full down payments are collected, reservation document and contract to sell duly signed, post-dated checks delivered, and full submission of other requirements necessary for **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** to be able to legitimately book the transaction as a sale.

It shall be the duty and responsibility of a broker to ensure that payment on the sale of the units or lots facilitated by said broker are made to **HG-3 GOLDEN REALTY, INC.** On the scheduled payment dates, including payment of VAT (if any), transfer tax, registration expenses, documentary stamp tax and other fees and expenses on the sale and registration thereof, as well as other amounts which may be advanced by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**.

8.2. All taxes accruing on the receipt by an accredited broker of the commission which may be due to said broker's account shall be subject to payment of creditable withholding tax (CWT). The broker shall authorized **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** to withhold the corresponding creditable withholding tax due on the commission and to remit the same to the Bureau of Internal Revenue or its successor agency.



8.3. Upon release of the commission, accredited brokers shall be required to issue in favour of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** a receipt or invoice duly registered with the Bureau of Internal Revenue indicating therein the Taxpayer's Identification Number and VAT-registration number of said accredited broker.

8.4. The Broker shall provide **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** list of its agents who will assigned and service the projects of the Company.

9. Advertisements

A broker may not advertise or publish in magazines, newspaper, radio, television or any form of media any information regarding the Company's projects or the sale of units or lots therein without the prior written approval of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**. All expense for advertisement, when approved by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**, shall be for the sole account of the Broker.

10. Brokers' Behavior and Prohibited Acts

Accreditation with and by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** is a privilege granted by the latter, which can be withdrawn at any time at the discretion of the Company. Accredited brokers are therefore expected to act with utmost integrity and professionalism, always upholding the interest of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** above their own.

In this regard, accredited brokers are strictly prohibited from soliciting business from direct clients of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** (a client is considered a direct client / buyer upon submission of the reservation agreement that states they do not have a broker). A broker may, however, be recognized as the official representative of an existing **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** buyer for any succeeding purchases (whether in the same project or a direct one) provided that he/she is given due recognition by the buyer as indicated in the reservation agreement. In the same light, a broker's recognized client for one sale may become a direct buyer of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** for any succeeding sales should the client feel it to be in his/ her best interest to do so. Any violation of this prohibition shall be a ground for the automatic cancellation of the erring broker's accreditation including forfeiture of any unreleased commissions.

11. General Provisions

- a. Any violation of the above terms will be a ground for **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** to automatically cancel the accreditation of the broker.
- b. **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** reserves the right to cancel at any time the accreditation of a broker or any other authorization granted thereto by giving prior written notice of such withdrawal.



- c. Pursuant to item 6.a above, **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** reserves the right to refuse to sell units or lots to a buyer who is referred by a broker for any reason whatsoever.
- d. Each broker shall hold **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** free and harmless from any action or claim, which may be brought by any person or entity against said broker. If such action or claim is due to, caused by or arises out of an act, the misinterpretation, fault or negligence of the broker, the accreditation shall automatically be cancelled and all his commissions, incentives or bonuses, if any, shall automatically be forfeited in favor of **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION**, without prejudice on the part of the Company to pursue all legal action against the broker to protect its rights and interest.
- e. Any of the foregoing terms and conditions may be subject to change by **HG-III CONSTRUCTION AND DEVELOPMENT CORPORATION** of which changes the broker shall be notified, and shall be deemed to be bound thereby.

Conforme:

Signature over Printer Name

(Please sign each and every page)

