

MEMORANDUM OF UNDERSTANDING

KNOW ALL MEN BY THESE PRESENTS:

This **MEMORANDUM** made and entered into by and between:

The **OPTICAL MEDIA BOARD**, a government agency under the Office Of the President and created under Republic Act 9239, with office address at No. 35 Scout Limbaga St., Barangay Laging Handa, Quezon City, represented herein by its Chairman and Chief Executive Officer, the **HON. EDUARDO LUIS B. MANZANO**, herein referred to as **OMB**;

-and-

PHILIPPINE NATIONAL POLICE, an agency of the National Government created and existing by virtue of and pursuant to RA No. 6975, as amended by RA No. 8554, its National Headquarters located at Camp Crame, Quezon City, represented by **POLICE DIRECTOR GENERAL OSCAR C CALDERON**, Chief, PNP, herein referred to as **PNP**;

WITNESSETH That:

WHEREAS, the **OMB** is the agency of the government mandated by law to regulate the sale, lease, importation, exportation, production, reproduction, exhibition or other disposition of optical media products in the Philippines;

WHEREAS, the **PNP** is the premier law enforcement agency task to maintain peace and order, investigate and prevent crimes, effect the arrest of criminal offenders, bring offenders to justice and assist in their prosecution;

WHEREAS, Intellectual Property Creation (IPC) larceny and counterfeiting particularly in optical media products has brought about untold social ills to the country and has brought about the decline of the music, movie and software industries. Furthermore, the money generated by the said illegal trade has found its way in financing terrorists, illegal and prohibited drug traffickers and other illegal activities;

WHEREAS, through the efforts of the **OMB** with the invaluable assistance and support of the **PNP**, the Philippines has recently been removed from the priority watchlist of the United States Patents and Trade Office;

WHEREAS, Her Excellency, Gloria Macapagal-Arroyo, has indicated in no uncertain terms her mandate that intellectual property larceny and theft be eradicated at all cost.

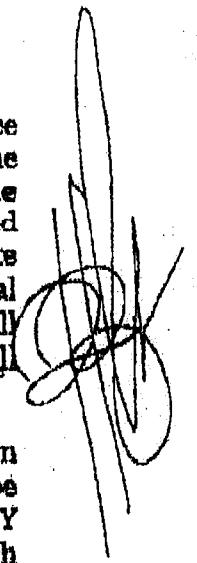
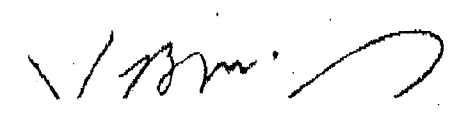
NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereto agree as follows:

I. OBLIGATIONS OF THE OMB

1. Undertake a **60-DAY NATIONWIDE CAMPAIGN** to eradicate counterfeiters and thieves of Intellectual Property Creation particularly in the optical media products;
2. For the above purpose and consistent with the powers vested with it under RA No. 9239 to call upon the country's law enforcement agencies for assistance in the implementation and enforcement of its mandate, **the OMB hereby deputizes and authorizes members of the PNP, under the control, supervision and responsibility of their immediate Chiefs of Police and Provincial Directors, to conduct unannounced inspections and all other necessary enforcement actions such as but no limited to the application and enforcement of search warrants over any and all optical and magnetic media establishments found and/or operating within their territorial jurisdiction within a period of SIXTY DAYS (60) from the signing of this Memorandum;**
3. The deputation and authorization herein made shall in no way **restrict the powers of the OMB to conduct inspections and other enforcement actions on individuals and establishments dealing with optical and magnetic media and to continually call upon for the PNP's assistance whenever necessary; and**
4. The OMB shall continue the conduct of its own regular inspection and other enforcement actions throughout the Philippines even beyond the sixty (60) days implementation period of this Understanding. It is understood by the Parties that the OMB maintains its primary jurisdiction within the territorial area of the Metropolitan Manila in that it still is the primary agency that would **exclusively** conduct inspection and enforcement actions with the said jurisdiction. In instances where the magnitude of enforcement actions to be conducted by the OMB within Metro Manila require, the assistance of the members of the PNP shall be requested and secured.

II. OBLIGATIONS OF THE PNP

1. PNP Members who are assigned in Provincial and/or City Police Offices, as well as those assigned in Municipal Police Stations, and the Criminal Investigation and Detection Group (CIDG), **acting upon the orders of their respective superior Officers, are considered deputized and authorized by the OMB to promote the latter's mandate of eradicating IPC counterfeiting and larceny particularly in optical media products. For this purpose, the offices herein mentioned shall form a team of enforcers and identify a Team Leader who shall undertake the implementation of this Memorandum.**
2. The named and designated Team Leader shall be given Inspection Orders and Authorization Certificates, and by virtue of which shall be responsible in undertaking a daily inspection within a period of **SIXTY (60) DAYS** inspections of all establishments/entities dealing with

optical media products located and/or operating within their territorial jurisdiction.


3. In the conduct of the inspections, Team Leaders shall be responsible in making sure that the offending individuals and/or establishments are duly served the necessary inspection orders and/or search warrants which must be duly received by owners and/or authorized representatives of the subject establishments. The enforcing officers are authorized to take into preventive custody all offending items that they find but they must prepare and accurate inventory of the items taken, which inventory must be duly signed by the owners and/or authorized representative of the establishments from which the listed items were taken.
4. After the end of each day within the SIXTY (60) DAYS implementation period, the Team Leaders concerned are required to prepare and submit the necessary Accomplishment Reports to their superiors and to turn over all seized items duly inventoried. Within FORTY EIGHT (48) HOURS from the conduct of inspection, a member of the inspecting team should file the necessary criminal complaints, as warranted, against those who were found to have violated Republic Act No. 9239.
5. It shall be the duty of the corresponding Chiefs of Police, Provincial Directors, and CIDG Regional Officers to turn over to the OMB all items seized during the implementation of this Memorandum.
6. PNP Disciplinary Authorities concerned shall take the appropriate disciplinary action against PNP members who may be found violating this Memorandum of Understanding and, as may be warranted by evidence, impose administrative sanctions accordingly.

IN WITNESS WHEREOF, the parties hereto have signed this Memorandum of Understanding this 27th day of November, 2006, in Quezon City, Philippines.

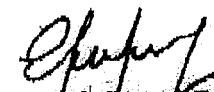
FOR THE PNP:


PDG OSCAR C CALDERON
 Chief, PNP

FOR THE OMB:


EDUARDO LUIS B. MANZANO
 Chairman & Chief Executive Officer

In the Presence of:


PCSUPT EDGARDO M DOROMAL
 Directorate for Investigation and
 Detection Management, PNP


ATTY. ROSENDO B. MENESES
 Executive Director, OMB

FROM : DIDM

FAX NO. :

Nov. 27 2006 05:06PM P1

4

ACKNOWLEDGEMENT

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

BEFORE ME. a notary public for and in Quezon City personally appeared this 27TH day of NOVEMBER 2006, the following and their respective Community Tax Certificates duly noted as follows:

NAME	CTC NUMBER	DATE/PLACE ISSUED
EDUARDO LUIS B MANZANO	<u>245 53878</u>	<u>March 23, 2006 - Makati City</u>
PDG OSCAR C CALDERON	<u>12722992</u>	<u>February 3, 2006 - Quezon City</u>

both known to me to be the same public officials who executed the foregoing Memorandum of Understanding (MOU), consisting of four (4) pages including this page where the acknowledgement is written, and they acknowledged to me that the same is their free and voluntary act and deed and for which they were duly authorized by their respective offices.

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

ATTY. RAMY G. TAGNONG
NOTARY PUBLIC
IBP NO. 03285
PTR NO. A-1170015
UNTIL LIFETIME

Roll of Atty's #03285, PC.

Doc. No. 3226
Page No. 393
Book No. IV
Series of 2006.