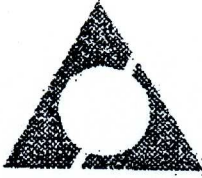


Att: Mr. Kwon



Memorandum of Understanding between the
Department of Labor and Employment, Republic of the Philippines
and the Ministry of Labor, Republic of Korea
on the Sending and Receiving of Workers under the
Employment Permit System of Korea

The Department of Labor and Employment of the Republic of the Philippines and the Ministry of Labor of the Republic of Korea (hereinafter referred to as the "Parties"),
Respecting the principles of equality and mutual benefit;
Desiring to enhance the existing friendly relations between the two countries through cooperation in the fields of labor affairs and human capacity building; and
Recognizing the benefits to be derived from such cooperation by both countries;
Have reached the following understanding:

Paragraph 1. Purpose

The purposes of this Memorandum of Understanding (hereinafter referred to as "MOU") are to develop a more viable framework for cooperation between the Parties and to enhance transparency and efficiency in the process of sending and receiving of Filipino workers under the Employment Permit System for Foreign Workers (hereinafter referred to as the "EPS") of the Republic of Korea (hereinafter referred to as "Korea").

Paragraph 2. Definitions

For the purposes of this MOU :

- (a) the term "employer" refers to a business owner who obtains permission from the Ministry of Labor of Korea (hereinafter referred to as the "MOL") to employ foreign workers pursuant to the Act on Foreign Workers' Employment of Korea (hereinafter referred to as the "Foreign Employment Act") or a person who carries out specific tasks as a proxy of the business owner;
- (b) the term "jobseeker" refers to a Filipino national who has passed the EPS Korean

Language Test (KLT) and the medical examination, pursuant to the Foreign Employment Act;

- (c) the term "worker" refers to a Filipino national who has accepted the employment offer or signed a labor contract with a Korean employer, pursuant to the Foreign Employment Act;
- (d) the term "sending agency" refers to a government agency authorized to recruit and send workers to Korea, including pre-screening and pre-qualifying of jobseekers and cooperating in all matters with the receiving agency, pursuant to the Korean Foreign Employment Act;
- (e) the term "receiving agency" refers to an agency which has the authority to manage the jobseekers' roster and to receive Filipino workers from the sending agency of the Republic of the Philippines (hereinafter referred to as "Philippines"), pursuant to the Foreign Employment Act;
- (f) the term "test agency" refers to an agency authorized and entrusted by the MOL with the overall management of the EPS-Korean Language Test (hereinafter referred to as the "EPS-KLT"), including making test announcements, receiving applications, preparing test questions and conducting the test, pursuant to the Foreign Employment Act; and
- (g) the term "resident officer" refers to a representative of the MOL or the receiving agency, who is dispatched to the Philippines, on behalf of the MOL and the receiving agency, pursuant to the Foreign Employment Act, to provide support for the process of sending, receiving and promoting the reintegration of Filipino workers.

Paragraph 3. Sending Agency and Receiving Agency

1. The Department of Labor and Employment of the Philippines (hereinafter referred to as the "DOLE") is the government agency primarily responsible for sending Filipino workers to Korea under the EPS.
2. The Ministry of Labor is the government agency primarily responsible for receiving Filipino workers who are sent to Korea under the EPS. The MOL will actively exclude employers not qualified under the Foreign Employment Act.

3. Upon agreement of the Parties, the DOLE designates the Philippine Overseas Employment Administration (hereinafter referred to as the "POEA"), an attached agency thereof, to exclusively serve as the sending agency.

4. The MOL designates the Human Resources Development Service of Korea (hereinafter referred to as the "HRD Korea"), an affiliated agency thereof, to exclusively serve as the receiving agency.

Paragraph 4. Sending and On-site Fees

1. The POEA, in consultation with the MOL, undertakes to publicly inform the workers of the legitimate fees to be paid on the following:

(a) Sending Fees

1) Application Fees

a) EPS-KLT Fee

b) Medical Examination Fee

2) Preliminary Training Fee

3) Re-Medical Examination Fee (only for those with lapsed medical certification)

4) Processing and other Fees

5) Visa Fee

6) Airfare

(b) On-site Fees

1) Return Cost Insurance Premium

2) Casualty Insurance Premium

2. The POEA will consult the MOL in advance when changes in fees, which have been previously agreed upon by the DOLE and the MOL, are inevitable due to inflation or other reasons, and the DOLE will inform the MOL of its decision on the matter.

Paragraph 5. Implementation of the EPS-KLT

1. The MOL designates the HRD Korea as the test agency to conduct the EPS-KLT for an

objective selection of jobseekers, pursuant to the Foreign Employment Act.

2. The DOLE and the POEA will provide assistance and support in the following areas for the smooth implementation of the EPS-KLT:

- (a) distributing and receiving the EPS-KLT application form;
- (b) providing the sites for receiving and conducting the tests and maintaining order at the sites;
- (c) requesting expeditious clearance by the Bureau of Customs of EPS-KLT materials and endorsing the request of HRD Korea for their exemption from duties, in accordance with applicable laws;
- (d) supporting request for visa issuance for personnel implementing EPS-KLT, as necessary;
- (e) supporting the request for tax exemption of EPS-KLT fee and facilitating remittance within the framework of existing laws and
- (f) other assistance as may be agreed upon by the Parties.

3. The HRD Korea will provide assistance and support, especially when requested by the POEA, for the fair and efficient conduct of the EPS-KLT.

4. The following are the qualification and disqualifications for those who may register with the POEA to be qualified to take the EPS-KLT:

Qualification:

- (a) Persons aged 18 to 38 (inclusive, based on reckoning of birthdates in the Philippines)

Disqualifications:

- (a) Persons who have been convicted of a crime punishable by imprisonment, or
- (b) Persons who have record of deportation or departure orders from the Republic of Korea, or
- (c) Persons who are restricted from departure from the Philippines, or
- (d) Persons with derogatory record as defined by the regulations of the POEA.

5. The EPS-KLT certificate will be valid for two years from the date when the test result is announced. The Parties will consult on possible measures to reduce unnecessary burden to workers related to the EPS-KLT, such as exemption from the EPS-KLT of workers who have satisfactorily worked for at least three (3) years under the EPS.

6. The HRD Korea and the POEA will hereinafter sign an EPS-KLT Service Commitment

Agreement which will regulate specific matters regarding the implementation of the EPS-KLT.

7. The HRD Korea, after prior consultation, may designate a public agency to carry out EPS-KLT related work decided upon by the HRD Korea and the POEA.

8. If there is any disruption in implementing the EPS-KLT, or if the EPS-KLT cannot be implemented for any reason, the MOL and the DOLE may, after thorough consultation, take necessary measures, including the suspension of the EPS-KLT.

Paragraph 6. Recruitment of Jobseekers

1. The POEA will prepare jobseekers' roster (hereinafter referred to as the "roster"), which will include jobseekers who have passed the EPS-KLT and the medical check-up determined by the MOL and send to the HRD Korea. If the number of qualified jobseekers exceeds the allocated number of the Filipino jobseekers in the roster, the selection will be made according to a methodology jointly decided upon by the Parties.

2. The roster prepared by the POEA will include the following information:

- (a) Jobseeker's personal information (including name, nationality, gender, date of birth, EPH identification number and physical condition)
- (b) Copy of the jobseeker's passport
- (c) Desired employment conditions (including wage and type of occupation)
- (d) Personal and career background (including education, work experience and certificates) and
- (e) Information on the EPS-KLT taken by the jobseeker (including test date and score)

3. The POEA will inform the jobseekers that their inclusion in the roster will not guarantee them any job in Korea.

4. The POEA will maintain the Information Technology (IT) infrastructure of Sending Public Agency System (SPAS) for sending the roster to the receiving agency.

Paragraph 7. Management of Jobseekers' Roster

1. The roster will be valid for one (1) year.
2. When changes are made in the information on the roster, including jobseekers' willingness to find jobs, their contact addresses, etc., the sending agency will inform the receiving agency of such changes and the reason for the changes.
3. The HRD Korea will return the roster to the POEA for correction if there is any error. The POEA will correct the error and send the corrected roster back to the HRD Korea.
4. The MOL will inform the POEA at the beginning of the year of the ceiling of the allocated number of Filipino jobseekers that can be included in the roster and the types of occupations that may be offered to foreign workers.

Paragraph 8. Labor Contract

1. There will be a Standard Labor Contract (SLC) to be used by employers and workers under the EPS, as provided for under the Foreign Employment Act. Each employer will draw up a labor contract after selecting a worker on the roster and the receiving agency will send the contract to the sending agency. The MOL and the DOLE will make efforts to ensure observance of foreign workers' legitimate rights.
2. The POEA will, upon receipt of the labor contract offered by the employer from the HRD Korea, review the terms and conditions, and if the same are compliant with the minimum standards, explain to the jobseeker so that he/she can fully understand it and decide whether or not to accept the offer based on his/her own free will.
3. The POEA will inform HRD Korea that the worker has accepted the job offer so the system could allow the POEA to print the contract for signature of the worker. After the worker has signed the contract, the POEA will prepare the worker for sending to Korea.

4. The POEA will, within 14 days from the date of receipt of the labor contract, inform the HRD Korea, whether the contract has been signed by the worker, or if not signed, the reason why it was not signed. The HRD Korea may declare the contract not concluded, after consultation with the employer.

5. The HRD Korea can exclude from the roster any jobseeker who cancels an accepted labor contract or does not accept a labor contract twice without any valid reason. The HRD Korea will notify the POEA of the list of jobseekers who have been excluded from the roster.

6. The POEA will provide the worker with the original copy of the labor contract, which he/she will bring to Korea.

7. The Parties will exert sustained efforts through close mutual cooperation to find workable solution(s) to minimize labor contract cancellations by either employers or foreign workers and inform each other of measures that they have taken.

Paragraph 9. Preliminary Education

1. The POEA will conduct a preliminary education promptly for the workers who have signed labor contracts so that they can enter Korea in a timely fashion.

2. The POEA will decide the content and length of education through prior consultation with the MOL.

3. The POEA will either conduct the preliminary education by itself or select a public agency to be entrusted with the preliminary education through prior consultation with the MOL.

4. The Philippine Overseas Labor Office (POLO-Korea) may conduct orientation activity for, or provide information materials, to Korean employers to help them understand and appreciate the Filipino culture and to promote friendship and cooperation between Korea and the Philippines.

Paragraph 10. Visa Issuance

1. Immediately after receiving the Certificate for Confirmation of Visa Issuance (hereinafter referred to as the "CCVI") from the HRD Korea, the POEA will inform the workers of its availability and will apply for their visas at the Korean Embassy in the Philippines after securing from the workers all the required documents;
2. The HRD Korea may cancel the labor contract of any worker who does not apply for a visa within three (3) months of the validity period of the CCVI.
3. If the worker issued with CCVI decides not to go to Korea, or unable to go to Korea due to reason such as the employer's cancellation of the labor contract, the POEA will cooperate in taking measures to cancel the CCVI as requested by the HRD Korea.
4. The POEA, under the EPS, is the only organization authorized to assist in visa applications.

Paragraph 11. Entry, Receiving and Re-entry of Workers

1. The POEA will input the required information in the EPS Network, as necessary, to keep employers informed on the progress of the workers' preparation for their entry to Korea.
2. The POEA and the HRD Korea will confirm the expected entry date for workers, who are issued the CCVI, at least one (1) week prior to their entry, taking into account the employment training schedule in Korea.
3. The POEA will take necessary measures, including flight reservations, to ensure that workers enter Korea on the scheduled date.
4. The POEA and the HRD Korea will continuously improve the process of sending and receiving of workers in an effort to shorten the period before workers may enter Korea.

5. The POEA and the HRD Korea will work closely together to facilitate the re-entry of Filipino workers who are being re-employed, pursuant to the Foreign Employment Act.

Paragraph 12. Placement and Repatriation of Workers

1. The MOL will conduct employment training and medical check-up for workers before they start work. The organization(s) in charge of the employment training and medical check-ups will be determined by the MOL.
2. The Parties will exert earnest efforts to promote good faith compliance with the contract and address problems at the worksite to prevent repatriation of workers before expiration of contract, as much as possible.
3. The HRD Korea will immediately inform the POEA and the POLO of the name of workers who must be repatriated due to medical problems discovered during the medical check-up in Korea.
4. The worker will bear the general expenses, including the airfare for his/her departure from Korea if he/she returns to the Philippines prior to the termination of the labor contract period for reasons such as problems in the medical check-up or unreasonable failure of adjusting to the workplace.
5. The HRD Korea or the MOL will actively cooperate with the Labor Attaché when workers report cases of illegal treatment by employer that makes repatriation inevitable, for the just resolution of the case.

Paragraph 13. Employment and Sojourn Management

1. The POEA will educate the workers on the proper observance of Korean Laws, including the Foreign Employment Act and the Immigration Control Act. The MOL and the HRD Korea will protect foreign workers' rights in accordance with the related labor laws of Korea.
2. The Parties will strongly cooperate to effectively manage the employment and sojourn of the Filipinos to prevent unnecessary absence without leave (AWOL) and absconding (running away) and to encourage their voluntary departure from Korea upon the expiry of their employment to reduce the number of irregular workers in Korea.

3. The Parties will cooperate to ensure the smooth implementation of the Returnee Support Program of Korea in the Philippines. The details of cooperation will be agreed upon by them.

4. The MOL may take necessary measures, such as reducing the allocated number of jobseekers in the roster or suspending participation in the EPS, if the number of Filipino workers absenting without leave or staying illegally in Korea exceeds the average for all sending countries.

Paragraph 14. Support in the Sending and Receiving Process

1. The MOL, in order to help improve the process of sending Filipino workers to Korea, may dispatch resident officers of the MOL or HRD Korea to the Philippines.

2. The POEA, in close coordination with HRD Korea, may dispatch representatives to Korea in order to help improve the process of employment and sojourn management. Specifics, such as the date and process concerning their dispatch, as well as their roles, will be determined through consultations between the Parties.

3. In order to facilitate the tasks of the dispatched representatives, the sending and receiving agencies will cooperate in areas such as securing visa, providing related materials and responding to interview requests.

Paragraph 15. Ensuring the Transparency, Efficiency and Integrity of the Sending and Receiving Process

1. The Parties will maintain and support their respective complaints and assistance centers, where concerns and irregularities can be reported and acted upon, as appropriate.

2. The POEA will advertise the key contents and employment procedures of the EPS and the sending fee. Specifics such as the advertising method and dates, will be decided through consultations with the MOL and the HRD Korea or resident officer.

3. The POEA will assist the HRD Korea resident officer in advertising the EPS through means such as holding presentations in the Philippines.

Paragraph 16. General Provisions

1. The status of Filipino workers who have entered Korea under the Industrial Trainee System of Korea will be decided by the Korean government in view of the abolition of the system as of January 1, 2007.

2. The Parties will make effort to promote availment of benefits by the workers under the Departure Guarantee Insurance and Return Cost Insurance, through the regular procedures, before they leave Korea.

3. The POEA and the HRD Korea may sign an implementing instrument regulating specific matters regarding the process of sending and receiving Filipino workers.

4. Upon prior agreement, the Parties may, with the participation of relevant organizations, visit each other's organization to assess the implementation of this MOU.

5. Any difference or dispute, which may arise from the interpretation or implementation of this MOU, will be resolved by good faith consultation between the Parties.

6. The Parties may amend or revise this MOU by mutual, written consent, as necessary.

Paragraph 17. Entry into Effect and Term of Validity

1. This MOU will come into effect on the date of signing by the Parties and supersedes all other agreements inconsistent therewith.

2. As soon as this MOU takes effect, the MOU signed on October 20, 2006, together with its extensions, and the Implementing Agreement on the EPS-KLT signed between the Parties in August 2005 are deemed terminated.

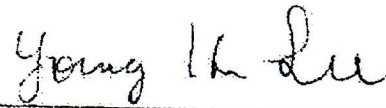
3. This MOU will remain in effect for two (2) years. However, this MOU may be suspended or terminated by either Party, if there is any justifiable reason, such as the violation of this MOU. The suspension or termination will be effective upon the mutual consent of the Parties.

4. The effectivity of this MOU may be extended upon the mutual written consent by the Parties.

Signed in duplicate at the Seoul, Korea on this 30th day of May, 2009, in the English Language.



For the Department of Labor
and Employment
of the Republic of the Philippines



For the Ministry of Labor
of the Republic of Korea