

AGREEMENT AND AUTHORIZATION TO DEDUCT

By signing this form, I confirm that I fully understand and agree to abide by the Terms and Conditions of the Remote Learning Support (RLS) loan of UP Provident Fund, Inc. (UPPFI).

I authorize UPPFI to obtain access of my payroll information from the UP Accounting Office to verify my creditworthiness upon application and to review my paying capacity in case of default or failure to pay the amortizations of this loan.

I also authorize UPPFI to credit the bank account number I provided for the net proceeds of this loan and that I will hold UPPFI free from any liability and/or damages that may happen arising from my or a third party's negligence or fault.

I agree to submit a copy of the valid proof of purchase within the allowed period. Failure to comply with the valid proof of purchase requirement shall result in my loan to be treated as and converted to a Personal Equity Loan (PEL) which shall be charged the corresponding interest rate (currently 12% interest rate per annum) to be paid by the borrower.

I authorize UP and UPPFI to deduct from my monthly salary the loan amortization payment for the RLS loan, before any and all deductions owing to third parties, except those deductions owing to government agencies and/or other deductions mandated by existing laws.

I understand that failure to pay the required monthly amortization after 3 months is considered default and is subject to surcharge of 1/2 of 1% per month, compounded monthly.

In case of default, I understand and agree that UP Provident Fund may initiate the following recourse, among others:

- a. If the borrower is a member of UP Provident Fund, the total unpaid principal and all associated surcharges shall be automatically offset against the entire Member's Equity (including earnings on the UP contribution and total UP contribution) on the date of default. In case the Member's Equity is insufficient to pay outstanding obligations, UPPFI shall serve a demand letter, requiring the borrower to pay the total unpaid principal and/or all associated surcharges within thirty (30) calendar days. Other additions to the Member's Equity in the future shall also be automatically used to offset the unpaid loan amount.
- b. In case of death of a borrower who is a member of UP Provident Fund, the life insurance benefit shall be automatically used to offset any unpaid loan obligations of the borrower with UP Provident Fund.
- c. If the borrower is not a member of UP Provident Fund, UPPFI shall serve a demand notice to the borrower, requiring the borrower to pay the total unpaid principal and/or all associated surcharges within thirty (30) calendar days.
- d. If the borrower (regardless if member or not a member of UP Provident Fund) still has not complied with the demand notice, UP shall then automatically facilitate loan deductions from the bonuses, allowances, or similar receivables to salary due to the employee in the future, in accordance with government rules.

In case of default, I hereby authorize UP and UPPFI to deduct from my salary, bonuses, allowances, or similar receivables due to me in the future the outstanding loan obligations, including all associated surcharges, if any, before any and all deductions owing to third parties, except those deductions owing to government agencies and/or other deductions mandated by existing laws.

Further, I hereby authorize UPPFI to automatically offset my equity with UP Provident Fund for the total unpaid loan obligations, including all associated surcharges, if any, in case of default. In case of death, I also authorize UPPFI to offset any unpaid loan obligations I have with UP Provident Fund from my life insurance benefit.

I hereby declare and certify that all information I provided is true and correct to the best of my knowledge.

Name of Borrower	
Signature	
Date	

**TERMS AND CONDITIONS OF UP PROVIDENT FUND'S
REMOTE LEARNING SUPPORT (RLS) LOAN**

UP Provident Fund Inc. (UPPFI)'s new loan product, called "**Remote Learning Support Loan**" or **RLS Loan**, is in partnership with the University of the Philippines (UP) Administration to assist eligible employees of UP with regard to their computer, gadget, and connectivity requirements in light of the COVID-19 pandemic.

1. Eligibility	<ul style="list-style-type: none"> • Any UP Provident Fund member in good standing (i.e., no loan default), except for employees of Philippine General Hospital • Any UP employee, except from Philippine General Hospital (PGH), who is currently NOT a member of UP Provident Fund, provided that: <ul style="list-style-type: none"> • (1) He/she shall submit the requirements to become a member of the Fund, together with the RLS loan application, and shall retain membership in the duration of the RLS loan; or • (2) If the UP employee does not wish to become a member, his/her loan application must be approved by the Board of Trustees (BOT). • Net take-home pay of the borrower must be greater than the mandated net take-home pay per month under the General Appropriations Act (Php5,000 as per latest rule) <p>Additional eligibility rules:</p> <ul style="list-style-type: none"> • Faculty members applying for RLS loan must have a teaching load at the time of application. • Lecturers, affiliate faculty, adjunct faculty, visiting faculty, and Professors Emeritus are excluded from availing the loan. • Employees of UP PGH are not eligible to avail the loan. 								
2. Loanable Amount	<p>The maximum loanable amount is as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">UP Employee</th> <th style="text-align: center;">Maximum RLS Loanable Amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Faculty</td> <td style="text-align: center;">P50,000</td> </tr> <tr> <td style="text-align: center;">REPS</td> <td style="text-align: center;">P20,000</td> </tr> <tr> <td style="text-align: center;">Admin Staff</td> <td style="text-align: center;">P20,000</td> </tr> </tbody> </table> <p>Unlike other existing loan products of UP Provident Fund, the RLS loan amount will NOT be charged against the Member's Equity. This means the RLS loan amount shall not be counted in the determination of the member's "total outstanding loans" with UPPFI which is used in computing the loanable amount for other loan products of UPPFI.</p> <p>Instead, the loanable amount shall be solely dependent on the net take-home pay of the borrower (after all salary deductions), as explained in the next item.</p>	UP Employee	Maximum RLS Loanable Amount	Faculty	P50,000	REPS	P20,000	Admin Staff	P20,000
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Faculty	P50,000								
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<p>3. Net Take-Home Pay Requirement</p>	<p>To avail the maximum RLS loanable amount (in the second column), the borrower must have the minimum net take-home pay (in the first column):</p> <table border="1" data-bbox="560 331 1385 647"> <thead> <tr> <th data-bbox="560 331 971 398">Minimum Net Take-Home Pay of Borrower</th> <th data-bbox="971 331 1385 398">Loanable Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 398 971 506">P5,333.00</td> <td data-bbox="971 398 1385 506">P20,000 (maximum for REPS and Admin Staff)</td> </tr> <tr> <td data-bbox="560 506 971 539">P5,500.00</td> <td data-bbox="971 506 1385 539">P30,000</td> </tr> <tr> <td data-bbox="560 539 971 573">P5,667.00</td> <td data-bbox="971 539 1385 573">P40,000</td> </tr> <tr> <td data-bbox="560 573 971 647">P5,833.00</td> <td data-bbox="971 573 1385 647">P50,000 (maximum for faculty)</td> </tr> </tbody> </table> <ul data-bbox="560 689 1385 853" style="list-style-type: none"> • The UP Accounting Office (or other appropriate offices) shall ensure that the loan amortization payment of the employee for UP Provident Fund's RLS loan shall not be affected in case the employee decides to borrow from GSIS, PAG-IBIG, or other lending institutions at a later date. 	Minimum Net Take-Home Pay of Borrower	Loanable Amount	P5,333.00	P20,000 (maximum for REPS and Admin Staff)	P5,500.00	P30,000	P5,667.00	P40,000	P5,833.00	P50,000 (maximum for faculty)
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<p>4. Interest Rate</p>	<ul data-bbox="560 853 1385 891" style="list-style-type: none"> • Zero percent (0%) interest 										
<p>5. Payment Terms</p>	<ul data-bbox="560 891 1385 999" style="list-style-type: none"> • By default, five (5) years maximum • Borrower may choose his/her preferred loan duration: 1 year; 2 years; 3 years; 4 years; 5 years 										
<p>6. Mode of Payment</p>	<ul data-bbox="560 999 1385 1245" style="list-style-type: none"> • Salary Deduction (prior to loan approval, the borrower shall sign an authorization allowing UP Provident Fund and UP to deduct loan payments from his/her UP salary) • Direct Deposit to UP Provident Fund's bank account only allowed if Salary Deduction is no longer possible (e.g., borrowers on LWOP or other instances where net pay is no longer sufficient to pay the loan amortization) 										
<p>7. Release of Loan Proceeds</p>	<ul data-bbox="560 1245 1385 1317" style="list-style-type: none"> • To be credited to the bank account of the borrower in our partner banks (Land Bank, DBP, PNB, Veterans Bank) 										
<p>8. Application Requirements</p>	<ul data-bbox="560 1317 1385 1599" style="list-style-type: none"> • Signed Loan Application Form • Signed Agreement and Authorization to Deduct • Two (2) months most recent UP payslip • Copy (picture or photocopy) of ATM, passbook, any bank document or proof showing bank account number where loan proceeds will be deposited • Valid Proof of Purchase (to be submitted during application or within 2 weeks after crediting of proceeds) 										
<p>9. Valid Proof of Purchase Requirement</p>	<p>During application or within two (2) weeks after the crediting of RLS loan proceeds, the member shall submit a valid proof of purchase, for example:</p> <ul data-bbox="560 1711 1385 1912" style="list-style-type: none"> • - Copy of Official Receipt (OR), whether printed or soft copy, issued by a credible supplier or company • - Any other proof of valid payment for the purchase of the computer, gadget, etc. • - Unofficial invoice, handwritten receipt, and other similar documents are NOT allowed. <p>Additional Requirements:</p>										

- The valid proof of purchase shall clearly indicate the name of the buyer, date of transaction, purchase price, and details or description of the item bought.
- The document shall be under the name of the borrower or his/her spouse or immediate family.
- Only transactions made on or after January 1, 2020 are eligible.
- UPPFI reserves the right to determine which documents may be accepted as valid proof of purchase.

Purchase Price in the Proof of Purchase:

- The price/amount indicated in the proof of purchase must be at least equal to 90% of the loan amount. (This is to prevent borrowers from getting a high loan amount but only using a fraction of it to purchase the gadget.)

Loan Amount	Minimum Price Indicated in Proof of Purchase (at least 90% of Loan Amount)
P20,000	P18,000
P30,000	P27,000
P40,000	P36,000
P50,000	P45,000

- If the submitted proof of purchase indicates an amount that does not meet the rules above, the differential amount shall be treated as and converted to a Personal Equity Loan (PEL) which shall be charged the corresponding interest rate (currently 12% interest rate per annum) to be paid by the borrower. Alternatively, the borrower may choose to return the differential amount via direct deposit to UP Provident Fund so that the amount will no longer be charged any interest.
- Failure to submit a copy of the valid proof of purchase within two (2) weeks from crediting of proceeds shall result in the entire loan amount to be treated as and converted to a Personal Equity Loan (PEL) which shall be charged the corresponding interest rate (currently 12% interest rate per annum) to be paid by the borrower.
- If the borrower is a UPPFI member and his/her PEL amount is already at maximum allowed limit, the differential amount can no longer be converted to PEL. Therefore, the amount must be returned to UPPFI within one (1) week or, if not returned, the amount shall be offset automatically from the Member's Equity.

10. Collection of Interest	The borrower shall not be charged any interest on the loan.
11. Loan Default	Borrowers who fail to pay three (3) months of the required monthly amortization are considered default and subject to surcharge
12. Surcharge	Same as current rules: ½ of 1% per month, compounded monthly, applied on the amount due (principal + interest)
13. UPPFI Recourse in case of Loan Default	In case of loan default, UP Provident Fund reserves the right to initiate, among others, the following recourse: <ul style="list-style-type: none"> e. If the borrower is a member of UP Provident Fund, the total unpaid principal and all associated surcharges shall

	<p>be automatically offset against the entire Member's Equity (including earnings on the UP contribution and total UP contribution) on the date of default. In case the Member's Equity is insufficient to pay outstanding obligations, the Fund shall serve a demand letter, requiring the borrower to pay the total unpaid principal and/or all associated surcharges within thirty (30) calendar days. Other additions to the Member's Equity in the future shall also be automatically used to offset the unpaid loan amount.</p> <p>f. In case of death of a borrower who is a member of UP Provident Fund, the life insurance benefit shall be automatically used to offset any unpaid loan obligations of the borrower with UP Provident Fund.</p> <p>g. If the borrower is not a member of UP Provident Fund, the Fund shall serve a demand notice to the borrower, requiring the borrower to pay the total unpaid principal and/or all associated surcharges within thirty (30) calendar days.</p> <p>h. Prior to loan approval, the borrower shall also sign an authorization allowing UP Provident Fund and UP to deduct loan payments from his/her UP salary in case of default. If the borrower (regardless if member or not a member of UP Provident Fund) still has not complied with the demand notice, UP shall then automatically facilitate loan deductions from the bonuses, allowances, or similar receivables to salary due to the employee in the future, in accordance with government rules.</p>
14. Service Fee	Php200 (same as other UPPFI loan products)
15. Co-Borrowers	None
16. Re-loan	None

----- NOTHING FOLLOWS -----