

## **TERMS AND CONDITIONS OF THE NPF MULTI-PURPOSE LOAN**

1. The total maximum loanable amount of a member shall be the sum of eighty percent (80%) of the members' contribution and fifty percent (50%) of the monetary value of his/her leave credits but not more than Php300,000.00. The maximum amortization period shall be 36 months.
2. Borrower must have no pending application for retirement or not due for retirement within the terms of his/her loan.
3. Loan application shall submit to the Loan Committee the following documents:
  - a. Duly accomplished Application Form
  - b. Recent original pay slip
  - c. Leave credits certified by the Human Resource Management Section or its counterpart unit in the Hydrography Branch.
  - d. Loan remittances, if any.
4. One (1) co-maker is required. Co-maker must be NPF member who shall agree to pay all outstanding amounts due in case the borrower fails to pay his/her indebtedness. Co-maker should not have more than one (1) month outstanding NPF loan guaranteed and the net take home pay should be equal or more than the net pay of the borrower.
5. The net take-home pay of the borrower and his/her co-maker should not be less than Php5,000.00 in case the net take home pay is less than Php5,000.00 after deducting the monthly amortization of the loan applied for, the loanable amount should be reduced accordingly.
6. The loan shall be charged with an interest of 7% per annum until fully paid, computed on a diminishing principal balance, and shall be amortized equally over the term of the loan.
7. A service fee of 2% of the loan amount shall be charged and deducted from the proceeds of the loan.
8. In case of default of payments for two (2) consecutive months, the monthly amortization including penalty of 1% of the unpaid monthly amortizations shall be deducted from the salary of the co-maker. Such deduction shall continue until the borrower resumes his/her monthly amortizations or the loan including the penalties has been fully paid.
9. To further secure the payment of the loan, the borrower or his/her co-maker shall assign to and authorized the Provident Fund to set off, collect or withhold an amount corresponding to the outstanding obligation/s, inclusive of interest due, from any pecuniary benefits in the form of bonuses, allowances, gratuity pay, vacation leave credits and other benefits from the agency and the Provident Fund.
10. The grant of loans to the members of the Provident Fund shall follow an order of priority, based on a first-come-first-serve basis.
11. Should a member/borrower with an outstanding loan balance retire or resign without submitting the required clearance, the salaries, leave credits and other benefits or the co-makers total equity, shall be applied to the loan balance.
12. All approved and granted loans shall be subjected automatically to salary deduction on the following month.
13. Renewal of loan shall be allowed after payment of at least 50% of the original principal amount.
14. Loan application maybe disapproved due to default on monthly dues.
15. Any overpayment on a previous loan shall be applied to the current loan if any. If there is no current loan, the overpayment can also be refunded upon request of the member-borrower.

I hereby agree with the following TERMS AND CONDITIONS stated above by NAMRIA Provident Fund Multi-Purpose Loan.

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**BORROWER**  
(Signature Over Printed Name)



# NAMRIA PROVIDENT FUND MULTI-PURPOSE LOAN (MPL) APPLICATION FORM

New       Renew

Application No.: \_\_\_\_\_ Date of Previous Loan: \_\_\_\_\_  
Date Filed : \_\_\_\_\_ Status : \_\_\_\_\_

COMPUTATION: For New/Renewal of  
Loan: Amount Applied for: \_\_\_\_\_  
Payment Terms: \_\_\_\_\_  
Service Fee: \_\_\_\_\_  
Monthly Amortization: \_\_\_\_\_

ATTACHMENTS: Original copy of pay slips, accumulated leave credits, and (loan remittances, if any).

### BORROWER'S DATA:

Las Name	First Name	Extn. Name (Sr., Jr., III etc.)	Middle Name
Date of Birth	Position/Designation	Branch/Division	

### PROCESSED BY:

<u>KEITH C LAGUNDAY</u> Branch Representative	<u>ELENA A REYES</u> Chairman, Loan Committee	<u>MARIETA M PEREZ DE TAGLE</u> Treasurer or Authorized Representative
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### PROMISSORY NOTE

For value received, I hereby authorized NAMRIA PROVIDENT FUND to deduct from my salary, the amount of \_\_\_\_\_ (Php \_\_\_\_\_), payable for \_\_\_\_\_ month/s with a monthly amortization of Php \_\_\_\_\_, to mature on \_\_\_\_\_, 20\_\_.

In case the salary deduction is delayed, be it my oversight or not, I also agree to pay the amount due to the NPF treasurer the amount due or authorize NPF to deduct and amend the amount of amortization and the amount of payments without prior notice in case of non-payment and/or underpayment of this loan.

I further agree that in case of separation from the service for whatever cause, the unpaid balance shall be deducted from my contribution and/or any pecuniary benefits due to me and/or from all other separation benefits and thereby waive my rights under applicable rules.

\_\_\_\_\_  
**BORROWER**  
(Signature Over Printed Name)

**CO-MAKER:** All qualified borrowers must have one (1) co-maker with good standing and member of NPF.

In case the abovementioned borrower defaulted or fail to pay any of the monthly amortization on the indebtedness or the interest when due and this note is referred to collection. We, the co-makers of the above jointly and severally agree to pay all outstanding amounts due without further need of notice or demand.

\_\_\_\_\_  
**CO-MAKER**  
(Signature Over Printed Name)