

## TERMS AND CONDITIONS OF CORPORATE SALARY LOAN

1. **Purpose.** The LOAN shall be used only for the purpose approved by the BANK as stated herein above.
2. **Change/s on the Interest Rate.** Notice of any change in the agreed rate of imposable interest shall be sent to the undersigned BORROWER/s' mailing address given below. Within five (5) days, the undersigned BORROWER/s must settle his/her obligation in full if he/she does not agree with the new rate. Non-settlement of the obligation would be deemed as full and freely given consent to the new rate, period, or duration, if any.
3. **Payment Due Date.** In the event that the due date of the LOAN or any installment or interest thereon falls on a weekend or a holiday (whether legal holiday or special non-working holiday) at the principal place of business of the BANK, it's hereby understood that payment shall be made by the BORROWER/s on the last working day prior to the due date. On the other hand, interest not paid when due shall be compounded monthly from due date. Demand, presentment for payment and notice of dishonor are waived. The BANK may accept partial or delayed payment and such acceptance shall not operate as a waiver of rights and remedies to which the BANK is entitled by virtue of the undersigned BORROWER/s' failure to fully pay this NOTE on the due date.
4. **Extensions/Renewals of the Note.** No extension or renewal of this NOTE shall be valid and binding unless approved in writing by the authorized officer/s of the BANK and as agreed to by the undersigned BORROWER/s in accordance with the policies of the BANK. Should this NOTE be signed by more than one BORROWER, the BORROWER or any one of the co-maker/s may, with the consent of the BANK thereof, renew or extend the original or subsequent maturity date/s hereof for a portion or for the whole amount of the principal without notice to the other/s, and in such case, the liability of the other co-maker/s to the BANK shall remain joint and several. Any such renewals or extensions shall in no case be understood as a novation of this NOTE or any provision hereof, and the undersigned BORROWER/s shall continue to be liable for the payment of the NOTE.

Upon such extension, renewal, rescheduling, or restructuring, the Borrower/s agree to pay the applicable processing fees, additional interest, surcharges, taxes, and other costs and expenses in accordance with the BANK's prevailing policies and the Disclosure Statement issued for such purpose.

5. **Top Up.** During the existence of any outstanding LOAN under this NOTE, an increase in the loan amount, renewal or re-availment thereof may be requested by the BORROWER/s or offered by the Bank, and be allowed on terms approved by the authorized officer/s of the BANK. Any excess payment made on the increased or new LOAN shall be applied to its last amortization, without need of any further notice to the BORROWER/s. Any amount thereafter remaining may be claimed from the BANK, upon proof, within the same period as in closed accounts.
6. **Prepayment/Pretermination Fee.** The period of time given forms part of the consideration of this LOAN and should the BORROWER/s prepay the LOAN prior to maturity date, the BORROWER/s agree to pay the outstanding balance plus any unpaid interest, an early settlement fee which is 5.00% of the outstanding balance or FIVE HUNDRED PESOS (PHP500.00), whichever is higher, and other costs which may be incurred in connection thereof.

7. **Closed Account.** Any LOAN paid in full, on or before its maturity date, shall be considered a closed account. Any payment made thereafter shall be claimed by the BORROWER/s from the Bank as excess payment within a period of sixty (60) calendar days from the date the LOAN is considered a closed account. Otherwise, upon the expiration of such period, the LOAN account shall be deemed finally closed and settled.

8. **Assignment.** In the event of resignations or the occurrence of any incident that would result in the termination of employment, the BORROWER is deemed to have automatically assigned, transferred, conveyed, and set over unto the BANK, its successors and/or assigns, his/her salaries and wages, and all benefits arising from or accruing to the BORROWER's Employment at: \_\_\_\_\_ with office address at: \_\_\_\_\_ including the BORROWER's separation pay, retirement benefit, convertible vacation leaves, and other benefits that may be collected from the BORROWER's employer (hereafter "salaries and employment benefits"), or any amount of his/her salaries and employment benefits which may be deducted/collected by my employer and

remitted to the BANK as payment of the LOAN. The entire proceeds of the salaries and employment benefits are transferred to the BANK or so much thereof as will be sufficient to pay any and all obligations in connection with said LOAN, it being understood that the BANK acquires full and absolute ownership over said benefits and total control thereof immediately upon non-payment Of the LOAN or any obligation arising from it and in accordance with the terms of this NOTE, and may at any time in its discretion collect and hold the same and/or immediately charge the sum aforesaid against the benefit herein assigned, without the necessity of any further notice, making the corresponding entry or entries in its books. It is further understood that this assignment shall be continuing and shall stand as security of the LOAN. Its renewals or extensions, the interests, penalties, and fees due thereon and expenses incurred, as well as any and all other obligations to the BANK, of whatever kind and nature, whether absolute or contingent, direct, or indirect, principal, or secondary, as appear in the accounts, books, and records of the BANK now or at any time after date of this instrument. The BORROWER hereby certifies and guarantee that he/she has the legal right and authority to make this agreement; that he/she has not heretofore assigned or otherwise disposed of the aforesaid salaries and employment benefits and that there are no order, garnishment, attachments, or liens outstanding affecting the same in any way.

For this purpose, the BORROWER hereby authorizes his/her employer and/or Human Resources/Accounting/Finance Department of his/her employer to deduct/collect his/her salaries and employment benefits, as defined below, and remit the same to the BANK as payment of the LOAN.

In case the assigned amount is insufficient to satisfy the remaining unpaid obligation, the BORROWER undertakes to coordinate with the purpose of obtaining a Salary LOAN to cover the said amount.

**9. Events Of Default.** Upon the happening of any of the following events, the BANK may at its option, accelerate maturity of this NOTE and the entire outstanding amount of this NOTE shall automatically become due and payable without demand or notice, or if the NOTE is denominated in a foreign currency, automatically redenominate the currency of the NOTE into Philippine currency, likewise without further notice: (1) any interest or installment is not paid on due date; (2) the BORROWER's dies or becomes insolvent (i.e., could no longer pay the undersigned BORROWER/s' obligations as they fall due) or any proceeding for insolvency, suspension of payment, receivership, voting trust, foreclosure, attachment, garnishment, execution or similar act, is filed or commenced against the undersigned BORROWER/s; (3) in case of conviction for a criminal offense with final judgment carrying with it the penalty of civil interdiction affecting any of the undersigned BORROWER/s; (4) in case of resignation, termination or severance from employment of the BORROWER's from his/her employer; (5) any collateral promised/given as security for this NOTE is not delivered in full or is lost, destroyed or depreciates in value or cannot be immediately enforced; (6) there is breach of Sections 39 and 40 of the General Banking Law of 2000; (7) any provision of the agreement covering the collateral promised/given as security for the payment of this NOTE is violated or not complied with; (8) upon the occurrence of any act or event which in the BANK's results in the impairment of the financial capacity of the BORROWER/s; (9) any representation or warranty, covenant or undertaking embodied in this NOTE, in the Corporate Salary LOAN Application Form, or in other documents turns out to be untrue or ceases to be true in any material respect, or is violated or not complied with. That in the event of delinquency or default, the BANK may endorse the delinquent account to its accredited collection agency/agent, or from one accredited agency/agent to another subject to written notice of at least seven (7) days prior to the actual endorsement.

**10. Warranties.** The BORROWER/s represents and warrants the following: (i) the BORROWER's has/have full legal right, power and authority to execute, sign and deliver this NOTE and to perform its obligations hereunder, the execution, signing, delivery and performance by the BORROWER/s of this NOTE do not and will not contravene any law, regulation or other directive of any governmental authority and do not and will not result in a breach of, or constitute a default or require any consent under, any contractual obligation binding on the BORROWER/s or any of its assets, and (W) this NOTE has been duly executed and constitutes the legal, valid and binding obligation of the BORROWER's enforceable in accordance with the terms hereof.

**11. Undertaking.** It is hereby understood that the BORROWER/s shall, without a need of demand or notice from the BANK, report to the BANK if he/she/they goes on an extended vacation leave without pay or resigns, is terminated, or separated from his/her employment, within fifteen (15) days from the date of such extended vacation leave, resignation, termination, or separation from employment. Failure to comply with the reportorial requirements within the period above cited shall be an event of default and shall I render the remaining obligation of the BORROWER due and demandable. The BORROWER/s is/are likewise obligated to report any changes in his/her home, office phone numbers and mobile numbers within fifteen (15) days from the date of such change/s.

**12. Release of the Proceeds of the Loan.** The LOAN is deemed perfected when the BANK either releases the proceeds thereof in the form of a Manager's Check to the Client's authorized representative or credits the proceeds of the LOAN to BORROWER/s' account with the BANK, or when the BANK deposits the proceeds thereof to an account with another financial institution, as instructed by the BORROWER/s.

In case of release of the LOAN proceeds by a Manager's Check, the BORROWER/s hereby expressly authorizes the Client's authorized representative to receive the LOAN proceeds or the corresponding Manager's Check for and on his/her behalf.

In requesting for the release of the LOAN proceeds through bank deposit, the BORROWER/s hereby expressly authorizes the BANK to deduct from the proceeds of the LOAN all bank charges, incidental cost and expenses to be incurred by the BANK in the implementation of BORROWER/s' instruction/s as well as to rely and act, without liability on the part of the BANK, upon a l instructions received by the BANK relative to such mode of release of LOAN proceeds, including any and all changes to such instruction/s as may be communicated by the BORROWER/s to the BANK, in writing or by electronic means. The BORROWER/s holds the BANK free and harmless from any and all claims and liabilities, damages and suits of whatever nature arising out of or in connection with the implementation of the BORROWER/s' instruction/s and shall furthermore indemnify the BANK for any and all damages, losses, liabilities, costs, and expenses the BANK may incur by reason of the BORROWER/s' instruction/s.

Unless the BORROWER/s complies with all the requirements of the BANK to effect crediting of the proceeds of the LOAN to a specified account, the BANK shall release the proceeds of the LOAN to the BORROWER/s in the form of a Manager's Check. Following said release, the BORROWER/s shall not hold the BANK liable for any loss or misuse of the amount that may occur.

**13. Effects of Default.** If the BORROWER/s is/are in default such default shall have the following effects, alternative, concurrent and cumulative with each other:

a) All outstanding LOAN obligations of the BORROWER/s with the BANK shall automatically become due and payable. The BORROWER/s may opt to continue their monthly amortization without changing the terms and conditions of payment by issuing Post-Dated Checks subject, however, to the approval of the BANK which decision shall be final and unappealable.

b) the undersigned BORROWER/s shall pay, in addition to the stipulated interest, a penalty fee equivalent to 3.00% of the past due amount or PHP 500.00, whichever is higher, per month on all past due amounts until fully paid.

c) The undersigned BORROWER/s shall also pay, as and for attorney's fees and/or collection fees, a sum equivalent to twenty percent (20%) of the total amount due under this NOTE but in no case less than TEN THOUSAND PESOS (PHP 10,000.00), plus expenses and costs of collection, in case this NOTE is placed in the hands of an attorney and/or collection agency for collection.

d) The BANK shall be entitled to apply in payment of the outstanding obligations any and all moneys/properties of the BORROWER/s, which for any reason, are presently or may hereafter come into the possession of the BANK. For this purpose, the BANK is hereby authorized and empowered, at any time and at its option, without notice, to set-off or apply to the payment of any amount due under this NOTE and/or any other obligation of all or any one of the undersigned, whether as principal or secondary obligor, irrespective of the date of maturity, whether or not the obligation is then due, any or all monies, securities and things of value which are now or which may hereafter be in the credit of or belonging to any or all of the undersigned BORROWER/s, and the BANK is hereby further authorized and empowered to sell at public or private sale such securities or things of value and to apply the proceeds thereof to such payment.

e) The BANK shall have the right to exercise, alternatively, concurrently, and cumulatively, all other rights and remedies now or hereafter available to it under the applicable laws.

f) Should the BORROWER/s default in his/her obligations with the BANK, the BANK is authorized to report, which report shall be based on factual details and information within the possession of the BANK, such default and the reason(s) therefore to the Bankers Association of the Philippines - Credit Bureau (BAP-CB) or to any central monitoring entity or body established by the BAP or any private entity to record and monitor the mishandled loans of its member banks. The BANK, its officers and

employees will be free and harmless from any and all liabilities, claims and demands of whatever kind or nature in connection with or arising from reporting of the default and the reason(s) therefore.

14. **Waivers.** In the case of judicial execution of the BORROWER/s' obligation hereunder, the rights of the undersigned under Rule 39, Section 12 of the Rules of Court are hereby waived. The BORROWER/s hereby waives his/her right under Art. 1252 of the Civil Code of the Philippines (RA No. 386) to designate the application of his/her payments and hereby irrevocably authorize the BANK to apply any of the BORROWER/s' accounts that have been or may hereafter be granted any payment to be made by the BORROWER/s for and in his/her behalf, regardless of the BORROWER/s' instructions to the contrary and regardless of whether one account is more onerous than the others or one or all accounts are due or not. The BORROWER/s likewise waives his/her right under Republic Act 1405 or the Law on Secrecy of Bank Deposits and allows the BANK to provide the BORROWER/s' employer with a consolidated billing statement upon request, which shall contain the BORROWER/s' loan account numbers, names, next due date, maturity dates, outstanding balances, remaining terms, installment amounts, past due amounts, penalties, interests, and total amount due.

15. **No Implied Waivers.** No failure, omission, or delay on the part of the BANK in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder. No modification or waiver of any provision of this NOTE and no consent to any departure by the BORROWER/s there from, shall in any event be effective unless the same be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the BORROWER/s in any case shall entitle it to any other or further notice or demand in similar or other circumstances.

16. **Taxes, etc.** Any and all taxes, charges, or assessments of whatever kind or nature to which this NOTE, at any time or in the future may be subject, shall be for the sole and exclusive account of the BORROWER/s.

17. **Right to Assign.** The BANK may assign, transfer, and convey any or all of its rights and interests over this NOTE and the Collateral if any, without the consent of the BORROWER/s.

18. **Bank Records as Evidence.** The books of the BANK shall be final and conclusive evidence concerning the amount due and owing to it from the BORROWER/s under this NOTE, in the absence of manifest.

19. **Venue.** Any court action arising under or by virtue of this NOTE shall be instituted in the proper court of Makati City, to the exclusion of all other courts. By its signature hereunder the BORROWER/s irrevocably submits to such a venue.

20. **Separability Clause.** If any provision of this NOTE is deemed to be invalid or unenforceable or is prohibited by the laws of the Philippines, this NOTE shall be considered divisible as to such provisions and such provision shall be inoperative and shall not be part of the consideration moving from either party to the other. The remaining provisions of this NOTE, however, shall be valid and binding and of like effect as though such provisions were not included herein.

21. **Common Provision.** This NOTE forms an integral part of the Salary LOAN via PDC Application Form and the Disclosure Statements. In the event of any inconsistency between the Salary LOAN via PDC Application Form, the terms and conditions of this NOTE and the Disclosure Statements, the terms and conditions set forth in this NOTE shall prevail.

22. **Cooperation.** The BORROWER/s undertakes to duly execute and deliver to the BANK such further documents, instruments and take such further actions as the BANK may from time request in order to effectively carry out the intent and purpose of this NOTE.

23. **Waiver and Quitclaim.** The BORROWER/s accordingly releases and frees the BANK against any losses or liabilities that may arise from any acts, fraudulent or otherwise, committed by his and/or Client's authorized representative in relation to the release and receipt of the LOAN proceeds or the corresponding Manager's Check.

24. **Complaint/Request Handling.** The BORROWER/s may at his/her option, lodge his/her complaint/request via phone through the Equicom 24/7 Customer Service Number at (632) 8241-5952, or

email at [customerservice@equicomsavings.com.ph](mailto:customerservice@equicomsavings.com.ph), or through walk-in or personal visit in any of the BANK's branches. In receiving complaints, the BORROWER/s shall allow the BANK to secure and record relevant customer information, including but not limited to: (1) full name C contact details (2) nature and details of the complaint, and (3) resolution/actions expected to be taken by the BANK. The complaint/request shall be duly acknowledged by the BANK personnel directly handling or in-charge of the same. The BORROWER shall provide additional documents or information necessary to address his/her concerns as may be required by the BANK. The BANK shall update the BORROWER/s of the progress of the investigation/measures taken to resolve the complaint. The BANK shall provide the BORROWER/s with specific timelines in assessing, investigating, and resolving the complaint depending on its nature and complexity. If assessment and investigation on complex complaints/requests cannot be concluded within the time frame given, the BANK shall inform the BORROWER/s of the reason thereof, the additional time needed and the date on which he may expect the result of the assessment and/or investigation. The BANK shall inform the BORROWER/s in writing of the outcome of the assessment, investigation, and its final response to his complaint/request. The BANK shall not disclose to any third party any information obtained from the BORROWER/s in all stages of the complaint, except as may be required in the conduct of the investigation. No complaint/request shall be investigated by a Consumer Assistance Officer of the BANK who is directly or indirectly involved in the matter which is the subject of the complaint.

**25. Disclosure Statement.** In compliance with R.A. 3765, otherwise known as the "Truth In Lending Act", the undersigned BORROWER/S were made fully aware of the true and effective cost of borrowing through this disclosure stated herein below (flip side).