

COMPUTER LOAN TERMS AND CONDITIONS

PURPOSE: The full amount of the loan shall be used solely for the acquisition of a computer.

INTEREST AND PERIOD For loans whose maturity is 12 months, the interest shall be pegged at eight percent (8%) per annum. For loans whose maturity is more than 12 months, the interest shall be fixed at nine percent (9%) per annum. The loan herein is for the amount of PESOS: (state the amount in words) _____ and payable in (state number of months) _____ equal monthly installments of (state amount of amortization) _____ starting on (state month and date) _____ and every (state day of the month) _____ day of the month thereafter.

AUTHORITY TO DEDUCT: The debtor and the Guarantor are solidarily liable for the full amount of the loan. The debtor by affixing his signature hereto, authorizes the accounting Office the monthly amortization of the loan. The Guarantor, by affixing his signature hereto authorizes the Accounting office of the UP Mindanao to deduct upon default of the Borrower the outstanding obligation covered by this Agreement.

EFFECT OF SEPARATION FROM SERVICE: if before the loan is fully paid, the employer-employee relationship with the university is severed for whatever cause or reason, the Borrower is obligated to pay the full amount of the loan, together with the surcharge, if there is any. If the guarantor's employer-employee relationship with the UP Mindanao is severed for whatever cause or reason, his liability as guarantor shall not be extinguished.

ASSIGNMENT: To further guarantee the payment of the loan, the Borrower and the Guarantor hereby authorizes the UP Mindanao to withhold, at its option, any amount not to exceed the outstanding obligation from any money or property that may be due or will be due to the Borrower that is in possession or will be in the possession of the University of the Philippines. This assignment includes salary, allowances. Provident Fund and any and all the money that is due or will be to the Borrower that will be coming from or coursed through the University of the Philippines. This assignment will be immediately effective upon the default of the Borrower or upon the cessation of an employer-employee relationship of the borrower.

PENALTY OR SURCHARGE: Any installment, if not paid on the due date, shall bear a penalty of one half (1/2%) per installment.

DEFAULT: Should a subsequent installment be due without the previous installment having been paid in full, including the surcharge, then the whole obligation shall become due and demandable.

DAMAGES: In the event this obligation is not paid in accordance with the terms and conditions of this Agreement and the University is obligated to institute a course of action to enforce collection, the borrower agrees to pay attorney's fees equivalent to twenty percent (20%) of the amount due at the time of the institution of the action.

JOINT AND SOLIDARY GUARANTY: The Guarantor understands that his obligation is joint and solidary with the borrower and hereby relinquishes and waives any right of excussion due him.

Borrower:

Name over Signature

Guarantor with Solidary obligation with Borrower:

Signature over Name

TWO Witnesses:

Signature over Name

Signature Over Name

Notarial Acknowledgment

REPUBLIC OF THE PHILIPPINES
CITY OF DAVAO

In Davao City, Philippines on this _____ day of _____ 200__, personally appeared and _____ with TINs _____ and Residence Certificate Nos. _____ and respectively issued in _____ on _____ known to be the same persons who executed the foregoing instrument and acknowledge that the same is their free act and deed.

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

NOTARY PUBLIC

Doc No. _____
Page No. _____
Book No. _____
Series of _____

UP Mindanao
CHECKLIST: Application for Computer Loan

NAME: _____ **Office/Unit:** _____

1. Classification: Faculty _____ Permanent _____ Temporary
Non -Teaching _____ Permanent

a) Name of Guarantor _____ Unit _____ Appointment Status _____

b) Certification from the Dean that appointment will be renewed

2. Endorsement from the Unit Head of the need of the applicant for a loan.

3. Loan is for _____ computer unit and peripherals
_____ computer unit only
_____ computer parts and peripherals

Amount: _____

4. Previously availed of this benefit _____ Yes _____ No If yes, when? _____
mo/year

5. Clearances

_____ net pay is more than P3000/mo factoring the CLP loan
_____ no pending loan application ie. GSIS/HDMF/Provident/Coop etc.
_____ no pending administrative/criminal cases

Guidelines

Following are the implementing guidelines for the **Computer Loan Program** for the University of the Philippines Mindanao:

1. The Computer Loan shall be granted on priority basis to faculty of the University of the Philippines under the following conditions:
 - a. That the applicant is a permanent regular faculty or with temporary appointment, or permanent non teaching staff of the University;
 - 1) If faculty with temporary appointment, he/she must name as guarantor another permanent faculty member or permanent non-teaching staff of the university with the capacity to guarantee payment of loan.
 - b. That he/she has served the University for not less than one (1) year on regular status; or if temporary, for at least two (2) years;
 - c. That there is an established need of a computer for capability enhancement of the applicant as certified by the Head of the Unit;
 - d. That the proceeds of the loan shall be solely for the purpose of a computer unit and/or parts and peripherals thereof;
 - e. That the total amount of the loan inclusive of the prescribed interest shall be deducted on equal monthly installments from the pay of the applicant starting two months after the grant of the loan;
 - f. That no grantee shall avail of this benefit within four years after the grant of the loan; and,
 - g. That no grantee abides by the additional grantees contained in the memo/letter of undertaking.
2. The University of the Philippines shall initially set aside a self-sustaining fund of **P500, 000.00** known as the **Computer Loan Fund**, from available funds to finance the **Computer Loan Program** on a continuing basis.
3. Monthly collections from the beneficiaries of the **Computer Loan Program** shall be plowed back to the fund to finance the requirements of additional or new applicants.
4. The total amount of loan, inclusive of the prescribed interest shall be payable in 12 months or 24 months as may be agreed by the applicant and management.
5. The administration of the Computer Loan Program shall be the responsibility of the **Vice Chancellor for Administration**, specifically the **Human Resource Development Office**.
6. The Computer Loan Program takes effect upon approval of the Board of Regents.

Procedure

1. Applicant fills out CLP application form, to include endorsement and certification by Head of Unit of faculty's need for a computer unit.
2. Queues at HRDO for priority list – specifying amount of target loan.
3. Acquires certification/clearances of qualification for benefit:
 - a. Accounting – certification that net pay is more than P2,000 per month, factoring the amount of CLP loan monthly payments
 - b. GSIS, Provident Fund, Credit Union – certifications of no pending loan application/s
 - c. HRDO – certifications of no pending administrative case
 - d. Dean (for faculty with casual or temporary appointment) – certification that the appointment will be renewed the following year
4. Goes back to HRDO to fill up Letter of Undertaking, to be cleared by Head of HRDO, for notarization and submission.
5. HRDO to endorse application for Accounting for voucher preparation.
6. Voucher to be approved by HRDO Head and the Vice Chancellor for Administration.
7. Voucher goes back to Accounting for check preparation.
8. Vice Chancellor signs check, to be released by the Cash Office.
9. Beneficiary must purchase the computer unit not later than seven (7) calendar days after release of check. Beneficiary must fill up Report of Purchase within seven (7) calendar days after purchase of unit and/or parts, and submit original copy of Official Receipt and photocopy, the latter to be retained by HRDO for records purposes.
10. If the amount of the loan is greater than actual cost of computer unit, accessories or components, the balance should be paid back to the Cashier, who must issue a GRP Official Receipt.
11. The GRP Official Receipt must be presented to HRDO, who will retain a photocopy of such.