



LAKAN MUTUAL BENEFIT ASSOCIATION, INC

Unit 704, 7/F Tower C, Regalia Park Towers, 150-P. Tuazon Avenue Cubao, Q.C.,
Tel. No. (02) 8643-5066 / Cell No: 09171025221 / Email: pnpalakanmbai@gmail.com

APPLICATION FOR LOAN

(Accomplish ONE (1) copy)

The Board of Trustees
LAKAN MBAI

Application No. _____
Date Received _____

Gentlemen:

The undersigned, member of this Association, respectfully requests a Loan in the amount of _____ PESOS (₱ _____) under the terms and conditions in the Promissory Note at the back hereof. It is understood that there are no front-end charges from the principal of this loan.

The following information is submitted for your consideration:

| | | | |
|--|--|--------------------------------------|---|
| PURPOSE | <input type="checkbox"/> New | <input type="checkbox"/> Renewal | <input type="checkbox"/> Additional |
| LOAN TYPE | <input type="checkbox"/> Equity Loan <input type="checkbox"/> Car/Motorcycle Loan | <input type="checkbox"/> Salary Loan | <input type="checkbox"/> Emergency Loan <input type="checkbox"/> Housing/Repair Loan |
| <input type="checkbox"/> Calamity Loan <input type="checkbox"/> IT Equipment | | | |

RANK/NAME (Last, First, MI) _____
CITY ADDRESS _____
PROVINCIAL ADDRESS _____
PNP/BJMP/BFP ACCOUNT NO. _____
CONTACT NO. _____ E-MAIL ADD: _____
NAME OF SPOUSE _____
EMPLOYER'S NAME/ADDRESS _____

Signature of Applicant

(TO BE FILLED UP BY AUTHORIZED LAKAN MBAI REPRESENTATIVE)

STATUS OF EXISTING LOAN

| | | | | |
|-------------------------|----------------------------|--------------------------|----------------------------|--------------------|
| _____ (Date Granted) | _____ (Original Amount) | _____ (Maturity Date) | _____ (Present Balance) | _____ (Remarks) |
|-------------------------|----------------------------|--------------------------|----------------------------|--------------------|

BORROWING CAPACITY

☐ Sufficient ☐ Insufficient
Take Home page Take Home page

Compute loan amount based on capacity to pay or Net Take Home Pay

| | | | |
|-------------------------|---------------------------------|----------------|--------------|
| | | Cashier | |
| Has existing Loan with: | MAXIMUM AMOUNT | P | _____ |
| _____ P | Recommended Loan Amount | P | _____ |
| _____ P | Monthly Amortization | P | _____ |
| _____ P | Number of Remaining Installment | | _____ months |
| _____ P | Check Voucher Date | | _____ |
| _____ P | Check Voucher Number | | _____ |
| | Bank _____ | Check No. | _____ |
| | Other Comments _____ | | |

REQUIREMENTS (PLEASE ATTACH)

- ☐ Photocopy of two (2) Valid IDs (back-to-back) with three (3) Specimen Signature
- ☐ Two months latest Pay-slip
- ☐ Signed Amortization Schedule
- ☐ Official Receipt and Certificate of Registration (OR/CR), if applicable
- ☐ Chattel Mortgage, if applicable
- ☐ Transfer Certificate of Title (TCT), if applicable

Processed by: _____
Loan Processor

RECOMMEND APPROVAL:

APPROVED:

General Manager

President / Loan Committee Chair / Chairman BOT

PROMISSORY NOTE

LOAN AMOUNT Php_____ 20_____

FOR VALUE RECEIVED, WE JOINTLY AND SEVERALLY PROMISE TO PAY TO THE ORDER OF LAKAN MUTUAL BENEFIT ASSOCIATION, INC (LAKAN MBAI) AT ITS OFFICE IN QUEZON CITY, PHILIPPINES, THE SUM OF _____ (PHP _____) PHILIPPINE CURRENCY WITH INTEREST RATE OF _____ PER ANNUM, PAYABLE (MONTHLY, QUARTERLY, SEMI-ANNUALLY, ANNUALLY) ON OR BEFORE _____.

In case the monthly deduction is not effected in my monthly salary, I agree to pay personally to LAKAN MBAI the amount due including additional interest and charges on all monthly amortizations that are defaulted or delayed, be it on our oversight or not.

In case I defaulted to pay any to the amortizations on the indebtedness or the interest when due, then the entire principal plus the interest that has so far accrued shall immediately become due and payable and I agree to pay any outstanding amount due, compounded monthly until fully paid. In this case, I hereby authorize and empower LAKAN MBAI even without prior notice, to collect any money, securities, or things of value for the purpose of applying their proceeds as payment of this loan.

In case we fail to pay the principal amount of this note maturity or on demand as the case may then the entire principal shall, at the option of LAKAN MBAI and without the necessity of notice to us, be immediately become due and payable, we jointly and severally agree to pay the interest rate of _____ per annum on the amount due compounded monthly until fully paid.

In case of non-payment and this note is referred to a lawyer for collection, we jointly and severally agree to pay a reasonable amount for attorney's fees and in the case of a judicial suit for collection, to pay all the outstanding amount, in addition to the cost of the suit or other incidental expenses.

We hereby authorize and empower LAKAN MBAI at its option at any time, without notice to pay, to apply to the payment of this loan any or all money, securities, and things of value which may hereafter be in its hands or deposit or otherwise to the credit of or belonging to all or anyone of us and LAKAN MBAI is hereby authorized to sell at public or private sale such securities or things of value for the purpose of applying the proceeds thereof to such payments.

We further agree in case of separation from the service of whatever cause, that the unpaid balance, with its accumulated interest and surcharges stipulated above, be deducted from the benefits that we are entitled to receive, and whatever funds and benefits due in our favor - such as, but not limited to our retirement pay/gratuity pay, pension, last payment, commutation of leave credits, equity/savings, life insurance benefits, and other benefits from the government or private institutions - and remit the accounts outstanding with the LAKAN MBAI.

Signature over Printed Name of Borrower

Office/Unit Assignment & Station

AUTHORITY TO DEDUCT (ATD)

TO WHOM IT MAY CONCERN:

I hereby authorized the deduction from the payroll and remittance of the amount _____ PESOS (Php _____) every month from authorization and shall not be rescinded without the conformity in writing of LAKAN MBAI. If failure of payroll deduction was made on my account, I shall personally pay the delinquent accounts and/or penalty/es thereof. I also authorize the Finance Officer to accelerate my payments and to update my accounts anytime while my obligation is still subsisting.

IN CASE I AM SEPARATED FROM THE SERVICE AND OR DIE BEFORE THE FULL PAYMENT OF MY LOAN, THE AMOUNT (BALANCE, INTERESTS, FEES AND OTHER COSTS) SHALL BE DEDUCTED FROM THE SEPARATION BENEFITS THAT I WILL RECEIVE OR FROM MY LAKAN MBAI EQUITY. I AUTHORIZE THE FINANCE OFFICER TO DEDUCT FROM MY PENSION/ALLOWANCES/BENEFITS AND I WAIVE MY RIGHTS UNDER CRA 2310 AND RULE 39, RULES OF COURT. IF MY RETIREMENT PAY COMES FROM THE GOVERNMENT OR PRIVATE OFFICE, I, LIKEWISE AUTHORIZE THE FINANCE OFFICER TO DEDUCT AND REMIT THE ACCOUNTS OUTSTANDING TO LAKAN MBAI.

I hereby authorize the Finance Officer to deduct the amount indicated in the above authorization and remit the same to LAKAN MBAI. I further authorize him to report any change in my pay status and shall not issue any clearance until the obligation is fully paid and with written conformity of LAKAN MBAI.

Signature over Printed Name of Borrower

SUBSCRIBED AND SWORN to before this _____ day of _____ at Quezon City, Metro Manila. Affiant exhibited to me his _____ issued on _____ at _____.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20. _____

TERMS AND CONDITIONS

1. Eligibility Requirements

A member who has good standing may qualify for a loan by submitting a properly accomplished application form at the appropriate LAKAN MBAI Office.

2. Amount of Loan

The amount of the loan shall be the total as approved by the LAKAN MBAI and as reflected in its disbursement voucher which is not necessarily the amount applied for. For this purpose, the monthly take-home shall be considered in determining the amount of loan to be granted on the date of receipt of the loan application by the LAKAN MBAI.

3. Terms of Payment

The loan principal, interest, and service fee due shall be payable in monthly amortization within the term selected by the Borrower which may either be six to sixty (6 - 60) months.

The monthly amortization shall be deducted from the Borrower's monthly pay by PNP Finance Service Unit. It is understood that the Borrower cannot authorize the stoppage of such deduction until full payment of the loan and other charges that may have accrued thereon.

4. Due Date of First Monthly Installment

The first monthly amortization shall be due on the first day of the second month following the granting of the loan and every month thereafter until the loan is paid.

5. Interest Rate

The interest rate of the loan shall be computed using the diminishing balance method.

6. Service Fee

A service fee of 3.0% of the loan amount shall be charged and deducted from to the loan proceeds.

7. Loan Surcharges

A surcharge of one percent (1%) per month shall be imposed and collected from the unpaid amortization installment payment due.

8. Maturity of the Loan

This loan automatically matures upon the death of the Borrower notwithstanding that a longer term was chosen by the Borrower.

Upon the maturity of the loan, the entire principal amount of this loan including all interest and other charges payable, shall be due and payable without need of demand or further notice, all of which are hereby expressly waived by the Borrower.

9. Renewal of Loan

Renewal of loan will be allowed subject to the capacity of the Borrower. Application for succeeding loan shall be processed starting on the month following the month of the last payment.

10. Loan Pre-termination

The Borrower may pre-terminate the loan during its term subject to the full payment of the outstanding balance of the principal amount, including interest and other charges payable.

11. Loan Cancellation

Once the loan is approved and the loan proceeds have been released through check or any other modes of disbursements, the Borrower has no more option to cancel the loan but only to pre-terminate it by paying the full amount of the outstanding balance including accrued interest if any, without any right to demand reimbursement of processing/service fee and such other fees that might have been collected under such loan.

12. Authority to Apply for Payment

Outstanding loan balances at the time of death of the member shall be deducted in full from the member's life insurance proceeds, Basic Life Insurance plan. Any remaining amount shall be paid to the member's declared surviving beneficiary/ies.

In case of maturity of this loan due to the death of the Borrower and it remains outstanding either in whole or in part, both for principal and interest, LAKAN MBAI is authorized to apply for survivor's benefit due to his/her beneficiaries, the amount equivalent to the outstanding balance of this loan, inclusive of interest, penalties, and surcharges which in case of member who died before one year from the date of the loan be deducted from his Equity Value. The residual amount shall be paid to the member's declared surviving beneficiary/ies.

Further, if the survivor's benefit is insufficient to fully settle the outstanding obligation, LAKAN MBAI is authorized to apply the monthly survivorship pension (basic survivorship pension and dependent' pension) due to the qualified survivorship/s to the remaining outstanding obligations until the loan is fully paid. Such authorization shall remain effective until full payment of the loan or any other outstanding obligations of the Borrower to LAKAN MBAI, under this loan, and/or other obligations shall constitute a lien over any benefits/claims that may be due the Borrower.

Should such benefits/claims from LAKAN MBAI be insufficient to cover the remaining balance, LAKAN MBAI shall not be prevented from filing the necessary civil administrative action(s) for recovery either against the Borrower or his estate.

13. Loan Payment Default

A payment is considered in default when the borrower failed to pay the required installment schedule. A member who has two past due installments shall be considered not in good standing. The loan account shall be referred to the Investment Committee of the Board of Trustees for legal action.

The reinstatement of the member to good standing shall take effect upon full payment of all due accounts.

14. Attorney's Fees

Should LAKAN MBAI be compelled to refer the loan or any position thereof to an Attorney-at-Law for collection or to enforce any right hereunder against the Borrower or avail of any remedy under the law of this Agreement, the Borrower shall pay an amount equivalent to twenty-five (25%) percent of all amounts outstanding and unpaid as and for attorney's fees and litigation.

15. Venue

Any legal action, suit, or proceeding arising out or relating to this Agreement, shall be brought or instituted in the appropriate courts in Quezon City or such other venue at the exclusive option of LAKAN MBAI. In the event, the Borrower initiates any legal action arising from or under the agreement, for whatever cause, the Borrower agrees to initiate such action only in the City where the principal office of LAKAN MBAI is located.

16. Notices

All notices required under this Agreement or for its enforcement shall be sent to the office address or at the Mailing/Residential Address indicated in the loan application or as such other address as may be indicated hereafter by the Borrower to LAKAN MBAI. The notices sent to any such addresses shall be valid and sufficient notice to the Borrower for all legal intents and purposes.

Conforme:

Member's Signature Over Printed Name