

**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.

<p>1. Eligibility</p>	<ul style="list-style-type: none"> <li>• Any UP Provident Fund member in good standing (i.e., no loan default), except for employees of Philippine General Hospital</li> <li>• 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"> <li>• (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</li> <li>• (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).</li> </ul> </li> <li>• 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)</li> </ul> <p>Additional eligibility rules:</p> <ul style="list-style-type: none"> <li>• Faculty members applying for RLS loan must have a teaching load at the time of application.</li> <li>• Lecturers, affiliate faculty, adjunct faculty, visiting faculty, and Professors Emeritus are excluded from availing the loan.</li> <li>• Employees of UP PGH are not eligible to avail the loan.</li> </ul>								
<p>2. Loanable Amount</p>	<p>The maximum loanable amount is as follows:</p> <table border="1" data-bbox="589 1310 1360 1478"> <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
UP Employee	Maximum RLS Loanable Amount								
Faculty	P50,000								
REPS	P20,000								
Admin Staff	P20,000								

<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="589 310 1357 604"> <thead> <tr> <th data-bbox="589 310 974 373">Minimum Net Take-Home Pay of Borrower</th> <th data-bbox="974 310 1357 373">Loanable Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="589 373 974 474">P5,333.00</td> <td data-bbox="974 373 1357 474">P20,000 (maximum for REPS and Admin Staff)</td> </tr> <tr> <td data-bbox="589 474 974 506">P5,500.00</td> <td data-bbox="974 474 1357 506">P30,000</td> </tr> <tr> <td data-bbox="589 506 974 537">P5,667.00</td> <td data-bbox="974 506 1357 537">P40,000</td> </tr> <tr> <td data-bbox="589 537 974 604">P5,833.00</td> <td data-bbox="974 537 1357 604">P50,000 (maximum for faculty)</td> </tr> </tbody> </table> <ul data-bbox="589 642 1364 800" style="list-style-type: none"> <li>• 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.</li> </ul>	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)
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)										
<p>4. Interest Rate</p>	<ul data-bbox="589 800 1364 835" style="list-style-type: none"> <li>• Zero percent (0%) interest</li> </ul>										
<p>5. Payment Terms</p>	<ul data-bbox="589 835 1364 936" style="list-style-type: none"> <li>• By default, five (5) years maximum</li> <li>• Borrower may choose his/her preferred loan duration: 1 year; 2 years; 3 years; 4 years; 5 years</li> </ul>										
<p>6. Mode of Payment</p>	<ul data-bbox="589 936 1364 1163" style="list-style-type: none"> <li>• 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)</li> <li>• 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)</li> </ul>										
<p>7. Release of Loan Proceeds</p>	<ul data-bbox="589 1163 1364 1230" style="list-style-type: none"> <li>• To be credited to the bank account of the borrower in our partner banks (Land Bank, DBP, PNB, Veterans Bank)</li> </ul>										
<p>8. Application Requirements</p>	<ul data-bbox="589 1230 1364 1499" style="list-style-type: none"> <li>• Signed Loan Application Form</li> <li>• Signed Agreement and Authorization to Deduct</li> <li>• Two (2) months most recent UP payslip</li> <li>• Copy (picture or photocopy) of ATM, passbook, any bank document or proof showing bank account number where loan proceeds will be deposited</li> <li>• Valid Proof of Purchase (to be submitted during application or within 2 weeks after crediting of proceeds)</li> </ul>										
<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="589 1598 1364 1793" style="list-style-type: none"> <li>• - Copy of Official Receipt (OR), whether printed or soft copy, issued by a credible supplier or company</li> <li>• - Any other proof of valid payment for the purchase of the computer, gadget, etc.</li> <li>• - Unofficial invoice, handwritten receipt, and other similar documents are NOT allowed.</li> </ul>										

	<p>Additional Requirements:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The document shall be under the name of the borrower or his/her spouse or immediate family.</li> <li>• Only transactions made on or after January 1, 2020 are eligible.</li> <li>• UPPFI reserves the right to determine which documents may be accepted as valid proof of purchase.</li> </ul> <p>Purchase Price in the Proof of Purchase:</p> <ul style="list-style-type: none"> <li>• The price/amount indicated in the proof of purchase must at least be 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.)</li> </ul> <table border="1" data-bbox="591 701 1357 905"> <thead> <tr> <th>Loan Amount</th> <th>Minimum Price Indicated in Proof of Purchase (at least 90% of Loan Amount)</th> </tr> </thead> <tbody> <tr> <td>P20,000</td> <td>P18,000</td> </tr> <tr> <td>P30,000</td> <td>P27,000</td> </tr> <tr> <td>P40,000</td> <td>P36,000</td> </tr> <tr> <td>P50,000</td> <td>P45,000</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>	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
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										
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:										

	<p>e. 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, 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 -----