PROMISSORY NOTE WITH CHATTEL MORTGAGE

No. _____ Maturity Date _____

FOR VALUE RECEIVED. the Borrower/Mortgagor hereby unconditionally promises to pay to the order of _____ (the ""Mortgagee") at its office the sum of _____ (P_____)(the "Principal") Philippine Currency with interest at the rate of _____ and the charges due thereon (the "Obligation' C and in the manner indicated below:

_____ successive monthly installments of _____ (P_____), with the first installment to be paid on _____ and the succeeding installments on the _____ day of each and every month thereafter until the Obligations are fully paid. In this consideration of the credit facility covered by this agreement and to secure the payment of the aforesaid Obligations and the other amounts payable by the Borrower/Mortgagor under the Other Terms and Conditions, as well as the faithful performance of each and all of his/her/their/its undertakings therein, the Borrower Mortgagor hereby conveys by way of first mortgage to the Mortgagee, free from any and all liens, claims and encumbrances thereon whatsoever, all of the following personal property/ies situated in the Municipality/City of _____, Province of _____, Philippines, which property/ies is/are now in the possession of the Borrower/Mortgagor unpledged and unencumbered, to wit:

Year/Model _____
Motor No. _____
Serial No. _____

Together with the body built or that may be built thereon, all the equipment and the other accessories which may now or from time to time be used in connection with or attached to the t property/ies above set forth.

It is understood that this mortgage covers any total or partial renewal or extension of the credit facility covered by this agreement.

The conditions of this agreement are such that in the Borrower/Mortgagor or his/her/their/its heirs, executors, administrators or assigns shall fully pay the outstanding Obligations and shall well and truly perform the obligations under this instrument, then the Obligation shall thereupon become null and void; otherwise, the Obligation shall remain in full force and effect.

The rights and privileges of the Mortgagee shall inure to the benefit of its successors and assigns, and the duties and obligations of the Borrower/Mortgagor shall bind his/her/their/its heirs, executors, administrators, representatives, and assigns.

THE BORROWER/MORTGAGOR HEREBY AFFIRMS THAT HE/SHE/THEY/IT/WAS/WERE MADE AWARE OF THE TRUE COST OF CREDIT THROUGH THEIR RECEIPT AND REVIEW OF THE DISCLOSURE STATEMENT ON LOAN/CREDIT TRANSACTION PRIOR TO THEIR SIGNING OF THIS INSTRUMENT. THE BORROWER/MORTGAGOR FURTHER AFFIRMS THAT HE/SHE/THEY/IT/HAS/HAVE CAREFULLY READ, FULLY UNDERSTOOD AND VOLUNTARILY CONFORMED TO THE FOREGOING STIPULATIONS, AS WELL AS TO THE OTHER TERMS AND CONDITIONS CONTAINED ON THE REVERSE SIDE OF THIS DOCUMENT. AS PARAGRAPHS 1 TO 15, WHICH FORM AN INTEGRAL PART HEREOF. THE BORROWER/MORTGAGOR ACKNOWLEDGES RECEIPT OF AN EXACT COPY OR THIS DOCUMENT. THE BORROWER/MORTGAGOR FURTHER AFFIRMS THAT AT THE TIME HE/SHE/THEY AFFIXED HIS/HER/THEIR SIGNATURES HERETO, ALL THE BLANK SPACES HAVE BEEN CORRECTLY AND COMPLETELY FILLED UP. HOWEVER, SHOULD THERE BE TYPOGRAPHICAL ERRORS INADVERTENTLY MADE, SUCH AS BUT NOT LIMITED TO THE NAMES OF THE PARTIES, ADDRESSES, OR DESCRIPTION/S OF THE SUBJECT PROPERTY/IES. THE BORROWER/MORTGAGOR AUTHORIZES THE MORTGAGEE OR ITS SUCCCESORS/ASSIGNS TO MAKE THE NECESSARY CORRECTIONS,

Executed this _____ at _____. Philippines.

For Individuals:

_____
Name/s of Borrower/Mortgagor

With my marital consent:

_____
Name/s of Spouse of Borrower Mortgagor

For Corporations/Partnerships:

_____
Name/s of Borrower/Mortgagor

By:

_____
Name/s of Authorized Signatory/ies

AFFIDAVIT OF GOOD FAITH

I/WE _____, as the Borrower/Mortgagor, and _____, as the Mortgagee, do severally swear that the foregoing mortgage is made for the purpose of securing the obligations specified in the conditions thereof, and for no other purpose, and the same are just and valid obligations and note entered into for the purpose of fraud.

_____
Name/s of Borrower/Mortgagor

TIN: _____
Address: _____
_____

_____
Name of Mortgagee

TIN: _____
Address: _____
_____

_____
Name & Signature of Authorized Signatory
TIN: _____

Witnesses
(to the signing of the PNCM and the Affidavit of Good Faith)

_____
Signature over Printed Name of Witness

_____
Signature over Printed Name of Witness

DISCLOSURE STATEMENT ON LOAN/CREDIT TRANSACTION
(As required under R.A. 3765 Truth in Lending Act)

NAME OF BORROWER _____
ADDRESS _____

1. Purchase Price (SRP) _____
2. Less: Down Payment _____
3. Loan Amount (Item 1-Item 2) _____
   3.1 Residual Value (payable at the end of term) _____
4. Other Bank Charges/ Deductions Collected
   a. Registration Cost P_____
   b. Documentary Stamps P_____
   c. Processing Fee P_____
   d. Total on-Finance Charges (sum of A to C) _____
5. Net Proceeds of Loan
6. Schedule of Payments
   a. First Payment Due on _____ P_____
   b. Installment Payments (Please see attached amortization schedule)
7. Effective Interest Rate _____%
   Explanation: The effective interest rate is higher that the contractual interest rate of _____% because of Other Bank Charges (item 4)
8. Additional/Conditional charges in case stipulations in the contract are not met by the debtor:

a.	Late Payment Fee	3% of the monthly installment due, per instance of delay
b.	Penalty Interest	5% per month or a fraction thereof
c.	Service Fee	_____
d.	Interest for Advances	3% per month
e.	Collection Fees	P 5,000.00 or actual expense, whichever is higher
f.	Attorney's Fees	P 10,000.00 or 25% of the total sum due, whichever is higher
g.	Costs and Legal Expenses	Actual Expense
h.	Liquidated Damages	25% of the outstanding Obligations
i.	Late Submission Fees	P 1,500.00 per instance of delay
j.	Penalty for fraudulent sale	P 20,000.00 or 50% of the outstanding obligations, whichever is higher
k.	Storage Fee	
l.	Others: _____	

CERTIFIED CORRECT: _____
Signature of Creditor/Authorized Representative over Printed Name and Position

THE BORROWER/MORTGAGOR CONFIRMS RECEIPT OF A COPY OF THIS STATEMENT PRIOR TO THE CONSUMMATION OF THE CREDIT TRANSACTION AND HIS/HER/THEIR FULL UNDERSTANDING THEREOF.
DATE:

_____
Signature over Printed Name of Authorized Signatory

ASSIGNMENT

For valuable consideration,_____ (THE "Assignor") (the "Assignor") hereby absolutely assigns, conveys and transfers to Rizal Commercial Banking Corporation (the"` Assignee") all of its rights and interest in and arising out of the foregoing Promissory note with Chattel Mortgage ("PNCM"), and the property/ies described therein, including spare parts, replacements, substitutions, attachments and accessories. The Assignor hereby confirms its warranties under any and all agreements that it has executed with the Assignee.

The Assignee shall not be responsible for any act or omission of the Borrower/Mortgagor and the Assignor in connection with the executions and delivery of the PNCM or this Assignment. The Assignor shall continue to be bound to the Borrower/Mortgagor under the warranties that the former guaranteed to the latter as seller and under the (Auto/Truck) Sales Invoice, Delivery Noted, Vehicle Invoice or similar agreement. Should any of the representations or warranties of the Assignor be false or should any claim for breach of warranty be made by the Borrower/Mortgagor, the Assignee may recover from the Assignor, without need of prior recourse and/or demand to the Borrower/Mortgagor, the balance due on the PNCM and any loss, claim, or damage which the Assignee may incur including reasonable attorney's fees and cost of suit.

By:

_____
Signature over Printed Name of Authorized Signatory

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____)
BEFORE ME, personally appeared:

Name	Capacity	Competent Evidence of Identity	Place and Date of Issue
	Borrower/Mortgagor		
	Spouse of Borrower/Mortgagor		
	Authorized Signatory of Borrower/Mortgagor		
	Authorized Signatory of Mortgagee/Assignor		

known to me to be the same person who executed the foregoing **Promissory Note with Chattel Mortgage** and its **Other Terms and Conditions**, the **Disclosure Statement on Loan/Credit Transaction**, the **Affidavit of Good Faith** made under oath to the truth thereof, and the **Assignment**, who were identified by me through their competent evidence of identity, and who acknowledged before me that they voluntarily affixed their signature on the documents for the purposes stated therein, and that they executed the documents as their free and voluntary act and deed and that of the natural/juridical person/s that he/she/ /they has/have been duly authorized to represent.

WITNESS MY HAND AND SEAL this _____at _____, Philippines.

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

OTHER TERMS AND CONDITIONS

1. **SECURED OBLIGATIONS**. The chattel mortgage secures the following obligations of the Borrower/Mortgagor.
a) the payment of the Principal and the interests and charges due thereon; b) o faithful performance of each and all of the undertakings; c) the repayment of the advances made and expenses incurred by the Mortgagee in relation to or arising from this agreement, as well as the penalties and other amounts payable by Borrower/Mortgager hereunder; and d) any total or partial renewal or extension of the Promissory Note with Chattel Mortgage ("PNCM").
2. **ADDITIONAL SECURED OBLIGATIONS**. The chattel mortgage shall also secure other indebtedness, including personal loans of the Borrower/Mortgagor to the Mortgagee, its subsidiaries and affiliates, whether direct or indirect, principal secondary, and whether existing at the time of, before and after the constitution of the PNCM, including renewals and extensions thereof.
3. **THE BORROWER/MORTGAGOR**. In case there is more than one Borrower/Mortgagor, the term shall be understood to refer to each and all of them and they shall be jointly and severally liable under the PNCM. Each of them hereby consents any renewal or extension of the credit facility covered by this agreement in whole or in part and/or partial payment thereof which may be requested by and granted to any of them without notice to the rest of them, and in case of such a renewal or extension all of them shall continue to be jointly and severally liable thereon.
4. **THE MORTGAGEE**. In case the mortgagee under PNCM is other than the Rizal Commercial Banking Corporation ("RCBC") and the original mortgagee has assigned all of its rights and interest therein to RCBC, the term "Mortgagee' shall be construed refer RCBC.
5. **UNDERTAKINGS OF THE BORROWER/MORTGAGOR**. The Borrower/Mortgagor understands and accepts that the following obligations, which must be faithfully performed are also secured by the mortgage;
   a. **Execution and Registration**. The Borrower/ Mortgagor undertakes to pay for the expenses for the execution and registration of this instrument and the mortgaged property/ies with the relevant government offices, including the notarial fees and documentary stamps, 'and the registration and license fees, and/or penalties, if any. The Borrower/Mortgagor shall likewise be liable for any future tax, fees, levy or assessment or any increase in taxes, direct or indirect, that may be imposed on this transaction. The Borrower/Mortgagor shall do all necessary acts and deeds in relation to the execution and registration of this instrument to ensure that it shall be valid and enforceable under Republic Act No 11057, also known as the "Personal Property Security Act" (PPSA), and its Implementing Rules and Regulations.
      I. **In the event of free chattel mortgage program and/or similar promos, the Bank shall have the option of registering the instrument and/or mortgaged property/ies before the Registry of Deed and/or the Land Transportation Office at its own time. It is understood that the deferred registration shall not dispense the Borrower/Mortgagor of his/her obligations as enumerated in the PNCM. Furthermore, the unauthorized disposal of the mortgaged property/ies by the Borrower/Mortgagor, without consent of the Mortgagee, shall merit the latter to take legal actions, whether criminal and/or civil, against the former.**
      II. **The aforementioned program and/or promo shall only cover the registration fee of the instrument and mortgaged property/ies. Other expenses such as, but not limited to, notarial fees and documentary fees shall be at the expense of the Borrower/Mortgagor.**
   b. **Insurance**. The Borrower/Mortgagor undertakes to cause the property/ies mortgaged herein to be insured against loss or damage arising from: accident, theft, fire, flood and Acts of God until the Obligation is fully paid, in an amount not less that the outstanding balance of the Obligation, with an insurance company acceptable to the Mortgagee, the Borrower/Mortgagor shall make all loss payable to the Mortgagee and shall properly endorse the policy and its renewals to the latter.
   The Borrower/Mortgagor shall deliver to the Mortgagee the policy/ies duly endorse the Mortgagee and the receipt/s of premium payment/s before the signing of this instrument (for insurance for the first year) and at least thirty (30) days before the expiration of the previous insurance policy (for the insurance for the subsequent years)
   In the event that the Borrower/Mortgagor fails to effect/renew such insurance, the Mortgagee, at its sole discretion and without need of any notice or demand, may procure the insurance coverage for the account of the Borrower/Mortgagor for this purpose, The Borrower/Mortgagor irrevocably appoints the Mortgagee as his/her/their/its Attorney-In-Fact to procure and renew the insurance; and in the event of loss and damage, to claim, file, prosecute, compromise or settle with the insurance company and in relation thereto, sign, execute and deliver the required documents, and collect the insurance proceeds to the extent of its interest. Any money advanced by the Mortgagee shall be added to the Principal and shall become due and payable on the due date of the immediately following installment after the date of such insurance renewal and shall bear interest and/or finance charge at the same rate as the Principal.
   It is understood that the failure of the Mortgagor to deliver the policy/ies and receipt/s within the stipulated period shall constitute conclusive proof the Mortgagor's failure to effect/renew the insurance thereby allowing he Mortgagor exercise is option above discussed
   c. **Assessments**. The Borrower/Mortgagor undertakes to timely pay any and all taxes, fees and assessments hat may be levied on the mortgaged property/ies. The Borrower/Mortgagor will promptly notify the Mortgagee of any levy, assessment or imposition of any charge or the filing of any lien, or enforcement of any wit of attachment, garnishment, execution or similar writ on the mortgaged property/ies and shall take the necessary steps to prevent the loss, forfeiture, or sale of the property/ies or any part thereof.
   d. **Care and Restriction on Use**. The Borrower/Mortgagor undertakes to keep and maintain the mortgaged property/ies in good and running condition. The Borrower/Mortgagor shall not use the mortgaged property/ies for any unlawful purpose, neither shall it be used as a public utility vehicle ("PUV")(e.g. taxi, car for rent, FX, school bus) or a transport network vehicle service (TNVS) nor shall it be leased, sold pledged, further mortgaged or encumbered without the previous written consent of the Mortgagee. In case the mortgaged property/ies shall be used as a PUV or TNVS, the Borrower/Mortgagor undertakes to secure the approval of the Land Transportation Franchising and Regularity Board to this mortgages at his/her/their/its expense. The Mortgagee or its duly authorized representative shall, at all times, have the right to inspect the mortgaged property/ies.
   e. **Collateral Deterioration**. In case the Mortgagee determines that the mortgaged property/ies has deteriorated or its value has considerably diminished for any cause, even by force majeure, 'the Borrower/Mortgagor shall either immediately totally or partially pay of his/her obligation or immediately give additional securities acceptable to the Mortgagee.
   f. **Expropriation**. If the mortgaged property/ies is/are expropriated, the compensation thereof shall be paid directly to the Mortgagee. The Borrower/Mortgagor hereby appoints the Mortgagee as attorney-in-fact to demand, collect and receive such payment and issue receipt therefore on behalf of the Borrower/Mortgagor.
   g. **Delivery of the Mortgaged Property/ies.** The Borrower/Mortgagor agrees that in default of any installment or part thereof of interest thereon as and same shall become due and payable, he/she/they/it shall deliver the mortgaged property/ies to the Mortgagee at its principal place of business, free of all charges, should the Borrower/Mortgagor fail to deliver the said property/ies, the Mortgagee shall have the right to get the said property/ies wherever it /they may be found and have the same brought to the place of business of the Mortgagee the expense of the Borrower/Mortgagor.
   h. **Change in Borrower Information**. The Borrower//Mortgagor undertakes to immediately notify the Mortgage in writing of (I) any change in his/her/their/its Personal and Business Data (including civil status, residence, office and/or billing address/es, contact details and/or telephone number/s, employment, business and all related information); and (II) a change in financial status that may prejudice or adversely affect its being Borrower/Mortgagor. The Mortgagee may, at its option, update the Borrower/Mortgagor's Personal and Business Data when he/she/it apply for or avail/s of other products and/or services of the Mortgagee.
6. **PAYMENT**.
   a. **Place of Payment**. All amounts payable shall be paid to the Mortgagee at its place of business indicated herein or such other address as may be advise to the Borrower/Mortgagor.
   b. **Due Date**. If the due date falls on a holiday or a non-working day, the due date shall be understood to be the immediately following business day.
   c. **Acceptance of Payments**. Subject to the application of Art. 1252 of the Civil Code of the Philippines (R.A. No. 386, as amended), the acceptance by the Mortgagee of late or partial payments, or those made after the Borrower/Mortgagor has delayed or defaulted in the performance of his/her/their/its obligations shall not be construed as a waiver of rights and remedies of estoppel. Payment/s made by third person shall not constitute a novation of the original loan/mortgage agreements.
7. **EVENTS OF DEFAULT**. Each of the following events, irrespective of the reasons for its occurrence or whether it is voluntary or involuntary, constitutes an event of default a) failure to pay on a due date any installment, interest, penalty or amount payable under PNCM, whether maturity, acceleration or otherwise b) failure to perform any of its undertakings under paragraph: 5 c) The Mortgagee is unable to register this instrument as a first mortgage i in the Registry of Deeds or Land Transportation Office, or in the new Registry as prescribed by Republic Act No. 11057, also known as "Personal Property Security Act", due to an act or omission of the Borrower/Mortgagor; d) Violation of any of the Terms and conditions of this PNCM, or of any agreement with the Mortgagee or any third- party, whether executed prior to or after the date of this Note, if the effect of the failure to pay or observe such conditions is the acceleration of the obligation or the substantial impairment of the rights of the Mortgagee under this agreement; e) The Borrower/Mortgagor 's death, dissolution, termination of existence or cessation of business operations, bankruptcy, liquidation, insolvency, receivership/ levy/garnishment/attachment of property. Conviction or a criminal offense by final judgment carrying with it the penalty of civil interdiction; f) Any case covered by Article 1198 of the New Civil Code; g) The mortgaged property/ies be lost, destroyed, damaged, from any cause whatsoever including fortuitous event it being considered lost to all intents and purposes if the Borrower/Mortgagor shall fail to produce the same or any part thereof on demand by the Mortgagee. h) Circumstances that would lead the Mortgagee to believe that the capacity of Borrower/Mortgagor to pay the outstanding Obligations is impaired, such as but not limited to Borrower/Mortgagor's default under any other credit accommodation, or its sale or disposition of any substantial portion of his her/their/its assets not in the ordinary course of business; I) Fraud or Misrepresentation by the Borrower/Mortgagor.
8. **CONSEQUENCES OF DEFAULT**. Upon the occurrence of any event of default, the Mortgagee may invoke, simultaneously or successively in any order, the following consequences remedies, which are cumulative and not alternative, and shall be without prejudice to other remedies under the present or future law or equity:
   a. **Acceleration**. The Mortgagee may, at its sole option, consider all obligation of the Mortgagor with it immediately due and demandable, and accelerate the maturity thereof without need of demand of notice or presentation of this Note to the Borrower/Mortgagor.
   b. **Legal Compensation**. Effective upon the occurrence of any event of default, the Mortgagee is authorized to immediately debit a sufficient amount and set-off or apply to the payment of any amount due under this instrument any deposit of the Borrower/ Mortgagor with the Mortgagee, as well as any long-term investment (which the Mortgagee is hereby authorized to pre-terminate accordingly, to convert the funds into Philippine peso if denominated in foreign currency at the prevailing exchange rate at the time of set-off or pre-termination it being understood that all taxes, expenses and charges arising from the pre-termination of the account or investment shall be shouldered the Borrower/Mortgagor).
   c. **Sale of Things Value**. Effective upon the occurrence of any event of default, the Mortgagee is hereby appointed attorney-in-fact of the Borrower/Mortgagor to sell and dispose of any of the Borrower/ Mortgagor's securities and a things of value which may be with the Mortgagee on deposit or otherwise, by public or private sale, under such terms or at such price deemed best by Mortgagee. The net proceeds from said sale (after deducting the amounts for taxes, fees, and other related expenses) shall be applied to the payment of any amount due under this instrument. It is understood, however, that the mortgagee has no obligation to carry out this authority.
   d. **Repossession and Foreclosure**. Effective upon the occurrence of any event of default, the Mortgagee is hereby appointed attorney-in-fact of the Borrower/ Mortgagor with full power and authority to take actual possession of the mortgaged property/ies without necessity of any judicial order or any other permission or power to remove, sell dispose of the mortgaged property/ies whether in accordance with the provisions of Act No. 3135 or in a private sale, and in connection therewith execute and deliver such deed of conveyance as may be necessary or proper for the purpose of vesting in the purchaser at such sale, absolute title to the property (so) sold, free from all liens and encumbrances or whatsoever. In such case and until be mortgaged property/ies is/are sold, the Payee/Mortgagee is authorized to; (I) hold and retain possession of said property/ies; (II) lease any of the property/ies and collect rents there from; (III) execute bill of sale, lease or agreements that may be deemed convenient; (IV) make repairs or improvements; (V) perform all other acts of administration and management.
   The Mortgagee shall have full power and authority to apply the proceeds of the foreclosure sale of the Mortgaged Property in payment of the Obligation in such manner as it may deem proper. If the proceeds of the foreclosure sale are insufficient, the Borrower/Mortgagor shall pay the deficiency within fifteen (15) days after such sale.
   In the public auction under foreclosure proceedings, the Mortgagee shall be entitled to bid for the mortgaged property/ies, by the same, and to have the amount of its bid applied to the payment of the outstanding Obligations without requiring payment in cash of such bid.

e. **Criminal and Civil Action**. The following shall be construed as a deliberate act of the Borrower/Mortgagor to defraud the Mortgage; (I) Mortgaged property/ies is/are used for an unlawful purpose or and as Civil a PUV/TVNS without the written consent of the Mortgagee: or (II) The Insurance coverage of the property is invalidated due to the illegal conversion in the use of the property/ies or any misrepresentation of the Borrower/Mortgagor to the insurer. In either case, the Borrower/Mortgagor shall be deemed to be fully aware that the Mortgagee would not have granted the loan and executed this instrument had the mortgaged property/ies not been for private/personal use. Therefor the Borrower/Mortgagor can be held criminally and civilly liable under Article 319 of the Revised Penal Code and for fraud and damages.

f. **Attachment**. Failure on the part of the Borrower/Mortgagor to produce and/or surrender possession of the mortgaged property/ies to the Mortgagee within three (3) days from demand shall be construed as an admission that the mortgaged property/ies has/have been fraudulently sold, transferred, encumbered or otherwise disposed of, thereby constituting a ground for attachment under Rule 57 of the Rules of Court.

g. **Payment of Deficiency**. It is understood that the exercise of any or all of those remedies shall be without prejudice to the right of the Mortgagee to demand payment for any deficiency.

h. **Payment of Damages**. The Mortgagee shall have the right to the payment of any and all damages which it may have sustained by reason of the default of the Borrower/Mortgagor.

i. **Mortgaged Right of Retention**. The Mortgagee shall have the right to retain any and all amounts on the Principal and interest already paid by the Borrower/Mortgagor.

9. **INTEREST, FEES, AND CHARGES**

a. **Interest Compounding**. Interest on all outstanding Obligations accruing from the last installment date are treated immediately due and payable and shall be compounded every 30 days until the Obligations is fully paid.

b. **Interest Rate Adjustment**. The interest rate on the outstanding Principal or on any amount due herein may be subject to upward or downward adjustment in these instances a)change in the prevailing cost of money at any given time or there be any law, circular, rule or regulation enacted, issued or promulgated which has the effect of increasing or decreasing the cost of funds to the Mortgagee as determined by the latter; b) change of at least fifteen percent (15%) in the Consumer Price Index for Manila from the date of execution of this agreement as set forth in the figures released by the Bangko Sentral ng Pilipinas (BSP), or other agencies of the Philippine Government should the figures of BSP be unavailable, which shall be regarded as an extraordinary increase or decrease in the effective purchasing power of the Philippine currency.

Any adjustment pursuant to the foregoing occurrences shall be communicated in writing by the Mortgagee to the Borrower/Mortgagor prior to its implementation. The Borrower/Mortgagor shall have the option of the pre-paying the Obligations without service fee, within period of thirty (30) days following receipt of the notice otherwise, the Borrower/Mortgagor shall be deemed to have agreed to the adjustment effective upon the expiration of the 30-day period. **Late Payment Fee**. In the event that the Borrower/Mortgagor fails to pay on the due date, a fee at the rate of three percent (3%) of the monthly installment shall be charged per instance of default.

c. **Penalty Interest**. For as long as an installment due remains unpaid a penalty interest at the rate of five percent (5%) for every month or fraction thereof shall be imposed.

d. **Service Fee**. In the event that the entire loan would be paid before maturity date, the Borrower/Mortgagor has to pay a service fee computed based on the rate provided in the Disclosure Statement x principal amount pre- paid. Partial prepayments will not incur such fee and it shall be applied to the principal amount of installments in the inverse order of their maturity (i.e., to the lat maturing installment or installments or principal) or, at the sole option of the Mortgagee to installments of principal and interest succeeding the date of prepayment.

e. **Interest for Advances**. In the event that the Mortgagee exercises its option to advance the payment of execution and registration expenses or insurance premium under paragraphs 5(a) and 5(b) The Borrower/Mortgagor shall repay the amount with interest at three (3%) per month from the date of each advance until its complete reimbursement. The Borrower/Mortgagor gives consent to such payments or advances to be made by the Mortgagee by virtue of this condition and now and henceforth renounces all protests and defenses against the said payments.

f. **Late Submission Charge**. A penalty amounting to One Thousand Five Hundred Pesos (1,500.00) shall be imposed upon failure of the Borrower/Mortgagor to deliver the insurance policy/ies/renewals/ and receipt/s within the stipulated period.

g. **Collection Fees, Attorney's Fees, Costs, and Legal Expenses**. If upon default by the Borrower/Mortgagor. The Mortgagee avails of the services of a collection agency or a lawyer to assert or protect its rights and interests under the PNCM and in the mortgaged property/ies, the Borrower/Mortgagor shall pay following upon Mortgagee's demand; (I) expenses of collection or repossession, which in no case shall be less than Five Thousand Pesos (P5, 000.00); (II) attorney's fees equivalent to twenty-five percent (25%) of the total sum due, which in no case shall be less than Ten Thousand Pesos (P10,000.00); (III) legal costs provided for in the Rules Of Court and (IV) filing of the case and the bond itself, and the premium for the replevin bond.

h. **Penalty for Fraudulent Disposition**. A penalty of Twenty Thousand Pesos (P20,000.00) or (50%) of the outstanding Obligation, whichever is higher, shall be imposed in case the mortgaged property/ies is/are fraudulently sold, transferred, encumbered or disposed.

i. **Storage Fee**. The Borrower/Mortgagor must claim the collateral documents within one (1) month from full payment of the obligations, otherwise, a fee of One Hundred Pesos (P100) per month of delay shall be charged.

j. **Non-waiver of Consequences of Default**. The imposition, payment, acceptance or waiver of these interests, fees, and charges shall not prejudice the right of the Mortgagee to invoke the Consequences of Default.

10. **RELEASE OF COLLATERAL**. The Mortgagee shall be entitled to and retain possession of the original copy of the Official Receipt and Certificate/s of Registration of the mortgaged property/ies until such time that the account/Obligation contemplated by this PNCM and/ or other obligations of the Borrower/ Mortgagee as may be found in the books of RCBC or any of its subsidiaries or affiliates are full paid or settled. The collateral documents shall be released only to the registered owner or to his/her/their/its authorized representative. Where the mortgaged property/ies is/are owned by more than one Borrower/Mortgagor, each of them hereby consents to the release of the collateral documents to any one of them, and they shall hold the Mortgagee free and harmless from any liability damage, or loss in connection therewith. In the event that the Dealer/Assignor delays or fails to deliver the documents to RCBC, the Borrower/Mortgagor shall similarly hold RCBC and any of its officers and employees free from liability and responsibility.

11. **WAIVER AND GRANT OF AUTHORITY TO RCBC:**

a. **Waiver of Confidentiality and Authority to Disclose**. The Borrower/Mortgagor waives confidentially of client information (including without limitation, the provisions of Republic Act (RA) Nos. 9150,1405 as amended and any law relating to the secrecy of bank deposits) and pursuant to BSP Circular No. 472 Series of 2005 as implemented by BIR Revenue Regulation No. RR-4- 2005, and authorize the Mortgagee to: (I) conduct random verification with the Bureau of Internal Revenue in order to establish the authenticity of the Borrower/Mortgagor's Income Tax Return and its accompanying financial statements, and other documents/information/data submitted; (II) obtain or disclose such information regarding the Borrower/Mortgagor or the loan/credit facilities obtained hereunder for/to any party deemed proper by the Mortgagee, or as may require or allowed under applicable laws, rules and regulations. Should document/s submitted prove to be spurious or incorrect in any material detail, the Mortgagee may terminate any loan or other credit accommodation granted on the basis of said document/s and shall have the right to demand immediate repayment or liquidation of the obligation. Moreover, the Mortgagee may seek redress from the court for any harm done by the submission of spurious documents.

The Borrower/ Mortgagor authorizes the Mortgagee to disclose information relating to the Borrower/ Mortgagor, the Obligation and/or the performance of the obligations under this PNCM to the Mortgagee's subsidiaries, affiliates, agents and third parties that are authorized by the Mortgagee to receive such information, for confidential use in connection with the Mortgagee's exercise of its functions to provide banking and related services as well as for any business purposes(including, but not limited to, sales and marketing credit investigation and collection information technology system and processes, data processing, imaging and storage, back-up and recovery, and statistical and risk and analysis purposes.)

The Borrower/Mortgagor shall indemnify and hold the Mortgagee and/or its directors, officers, employees and authorized representatives free and harmless from any and all liability out of arising of any violation by third parties authorized to receive information under the proceedings, paragraphs, of the Law on Secrecy of Bank Deposits, the provisions of the General Banking Law and/or other related Law and/or government regulation on the subject of disclosure of bank transactions.

b. **Waiver of Notice and Demand of Any Kind**. The Borrower/Mortgagor expressly waive in favor of RCBC any resentment, demand, notice of dishonor, protest and notice of any kind, including but not limited to collection-related correspondence, notices and demand letters. In case of foreclosure sale, the mortgagor waives all right to notice granted her/him/it under the law as to date, time and place of sale of the mortgaged property/ies.

c. **Waiver of Term**. The Borrower/Mortgagor also waives the term of thirty (30) days or any other term granted or which may hereafter be granted by law as the period which must elapse before the Mortgagee shall be entitled to foreclose this mortgagee.

d. **Waiver of Application of Payments.** The Borrower/Mortgagor waives all his/her/their/its right under Art. 1252 of the Civil Code of the Philippines (R.A. No. 386, as amended).

12. **NOTICES AND CORRESPONDENCES**. Without prejudice to the application of Section 11 (b), the Borrower/Mortgagor agrees that all notices and correspondences relative to this PNCM, including demand letters, summonses, subpoenas, or notifications of any judicial or extrajudicial action, shall be given or made in writing, such as but not limited to mail, electronic mail or facsimile transmission, at the option of the Borrower/Mortgagor as stated in his/its loan application. In case the Borrower/Mortgagor opted for communication by mail the notices and correspondences shall be delivered to the address stated on the face of this PNCM unless the Borrower/Mortgagor notifies the Mortgagee of the change in address or, in the case of other modes of communication, contact information, shall be deemed valid and effective notice for all legal purposes, such that the fact that the notice or correspondence had not actually been received by the Borrower/Mortgagor, or had been returned to the Mortgagee, or the address is fictitious/cannot be located, shall not use excuse or relieve the Borrower/Mortgagor from the effects of such notice.

13. **MORTGAGEE'S RIGHT TO ASSIGN**. The Mortgagee reserves the right to sell, cede, transfer, or assign t to any person or entity its rights and interests in and to this PNCM and the mortgaged property/ies, for which the Borrower/Mortgagor hereby gives his/her/their/its consent**.**

14. **DATA PRIVACY**. The Mortgagee may appoint or designate a representative, agent, attorney-in-fact, or collection agency to perform any and all acts which may be required or necessary to enforce Mortgagee's right. For such purpose, the Mortgagor hereby gives his/her consent as to the disclosure of all relative information in connection with the subject loan or his account to such authorized representative, agent or attorney-in-fact and agrees to hold the Bank free and harmless against any and all damages, cost, or liability arising from such disclosure.

15. **VENUE.** Any action of suit under the PNCM or any other document related hereto shall be instituted in the proper courts in Metro Manila, or in province, city or municipality where any branch, Consumer Lending Center, of Business Center of the Mortgagee is located, at the exclusive option of the Mortgagee, to the exclusion of other courts.

16. **SEVERABILITY OF PROVISIONS.** In case any one or more the provisions contained herein shall be declared by final order of a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

THE BORROWER/MORTGAGOR CONFIRMS THAT HE/SHE/THEY HAS/HAVE CAREFULLY READ. FULLY UNDERSTOOD AND VOLUNTARILY CONFORMED TO THE FOREGOING TERMS AND CONDITIONS.

For individuals:

_____

Name/s of Authorized. Signatory/ies

For corporations/partnerships:

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Name/s of Authorized. Signatory/ies