TO: ALL EMPLOYEES

Please be informed that starting August 1, 1985, Home Development Mutual Fund is offering Provident Loans to all qualified members.

Herewith is the Primer on Pag-I.B.I.G. Provident Loan Program for the guidance of all interested employees.

For further inquiries, application forms and other requirements, please see Personnel & Records Division.

CRESCECIO M. SIDDAYAO
Deputy Administrator
and
Officer-in-Charge

August 2, 1985
PRIMER ON PAG-I.B.I.G. PROVIDENT LOAN

A. WHAT IS THE PURPOSE OF THE PAG-I.B.I.G. PROVIDENT LOAN PROGRAM?

To provide financial assistance to Pag-I.B.I.G. members for their needs, e.g., educational, livelihood, medical and other needs.

B. WHO ARE ELIGIBLE TO APPLY FOR PROVIDENT LOAN?

Any Book I member who satisfies the following requirements:

1. He is updated in his contributions.
2. The employer-employee contributions in his account are made for at least twenty-four (24) months.
3. He has not availed of any loan from HDMF/NHMFC as a principal borrower or co-borrower/co-maker.

C. WHAT ARE THE REQUIREMENTS WHEN APPLYING FOR THE LOAN?

1. Duly accomplish Pag-I.B.I.G. Provident Loan applications, three (3) copies.
2. Certificate of Pag-I.B.I.G. Remittance reflecting at least twenty-four months contributions, two (2) copies.
3. Information Card, one (1) copy.
4. IF member has earlier secured his Certificate of Good Standing (CGS), Original Certificate of Good Standing must be surrendered. AFFIDAVIT OF LOSS will not be accepted.

D. WHAT IS THE LOAN AMOUNT AND INTEREST RATE?

<table>
<thead>
<tr>
<th>LOAN AMOUNT</th>
<th>REQUIRED CONTRIBUTIONS</th>
<th>INTEREST RATE</th>
<th>MONTHLY PAYMENT</th>
<th>REPAYMENT PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1,000</td>
<td>At least 24 months</td>
<td>9%</td>
<td>P47.74</td>
<td>Two (2) years with six (6) months grace period</td>
</tr>
<tr>
<td>P2,000</td>
<td>At least 48 months</td>
<td>9%</td>
<td>P95.48</td>
<td></td>
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</tbody>
</table>

E. CAN A PROVIDENT LOAN BORROWER AVAIL OF A PAG-I.B.I.G. HOUSING LOAN?

A Provident Loan borrower can only obtain his Pag-I.B.I.G. Housing Loan upon full payment of his outstanding provident loan.

F. WHEN CAN A MEMBER WITH EXISTING KASIPAGAN OR EMERGENCY LOAN AVAIL OF THE PROVIDENT LOAN?

Members with existing Kasipagan or Emergency Loans shall be eligible to avail of the Provident Loan starting January, 1986.