**PROMISSORY NOTE**

**Binan City, Laguna Date: {releaseDate}**

**Primary Borrower: {clientName}**

**Amount Financed: {grossLoanAmount}**

**Address: {clientAddress}**

**Term of Loan: {loanTerms} Simple Mo. Interest: {monthlyInterest}**

**{paymentScheme}: {installmentAmount}**

**First Payment Due: {firstDueDate}**

For the value received, I/We jointly and severally promise to pay to the order of {lenderName}(the “HOLDER”) at its address in the Philippines the sum of {grossLoanAmountInWords} **({grossLoanAmountWithCurrency})** in **{loanTerms}**, first payment on {firstPaymentDate} **UNTIL {lastPaymentDate} IN THE AMOUNT OF Php {installmentAmount} each** and starting on the First Payment Date indicated above until fully paid without the need of notice, demand, or presentment of this Note.

If any installment is not fully paid on the due date: the unpaid amount shall be subject to a late payment charge of 5% per month to be computed from the due date until full payment of the obligation, and the Holder may, at its option, accelerate the maturity of this Note and demand immediate payment of the entire outstanding amount due under this Note.

I/We agree that if any of the installment is not paid when it falls due, the balance of this Note and remaining unpaid shall forthwith become due and payable or shall be accelerated at the option of the holder without the necessity of demand.

I/We waive our right to make an application for payment under Article 1252 of the Civil Code of the Philippines, especially in the case where I/We have more than one (1) obligation in favor of the Holder, regardless of the source and nature of the said obligation.

I/We agree to authorize the holder hereof to apply at its option, any of my/ our payment of any of the said amounts advanced by the Holder hereof for the aforesaid purposes.

I/We and the Holder may mutually agree (via telephone) on the deferment/ extension of the maturity date of this Note. The Holder shall send written confirmation of the new maturity date of the Note to me/ us which confirmation shall be conclusive evidence of the new maturity date of this Note. I/We hereby further agree to reimburse the Holder immediately upon demand for any and all costs, expenses, and taxes, if any, incurred by the Holder as a result of such deferment/ extension.

I/We hereby agree that the sum outstanding and payable under this Note may be increased or decreased, without need of notice or demand, should there be 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 an upward or downward effect on the cost of funds to the Holder. In the event of an increase, I/We hereby agree to pay a differential which may be debited to my/our account, and if requested by the Holder, to execute a replacement promissory note. Should there be a decrease, I/we agree that the differential, if any, shall be applied and credited to my/our account.

I/We jointly and severally further agree that the sum outstanding and payable under this Note herein stipulated shall likewise be subject to a proportionate upward adjustment in the event of an extraordinary decrease in the effective values of purchasing power of the Philippine Currency. An increase at any time of at least 15% in the Bangko Sentral ng Pilipinas shall be regarded as an extraordinary decrease in the effective value of the purchasing power of the Philippine Currency.

I/We agree that if any of the conditions mentioned in the two preceding paragraphs should supervene, the Holder shall make the necessary adjustments in the sum outstanding and payable under this Note, and except for the manifest error in the computation thereof, the same shall be conclusive upon me/us. If there is a disagreement in the adjustment, I/We or the Holder shall prepay or pre-terminate the obligation under this Note. I/We that in the event of prepayment of the amount due under this Note for any reason, I/We shall reimburse the holder upon its demand for any and all expenses which the holder may incur as a result of or in connection with such repayment.

In case of breach or defaults by me/ us of any terms and conditions of this Note and based on the amount due, I/we jointly and severally agree to pay the following:

1. Late payment fee of 5% of unpaid amount per month or Php 500.00 per month. Or whichever is higher;
2. 20% as liquidated damages;
3. 20% collection fee, in case the account is handled by a collection agency;
4. 25% as attorney’s fees, in case the account is transferred to a lawyer; and
5. Cost and expenses of liquidation.

I/We jointly agree that if I/We admit my/our liability to pay my/our debt, or in the event of insolvency or bankruptcy, or similar proceedings of any kind begun against me/us, or if any representation or warranty made by me/ us in this Note or in any certification or instrument submitted by me/us in connection herewith is shown to have been incorrect or misleading in any material respect when made, then the entire sum outstanding payable under this Note shall, at the option of the Holder and without notice to me/us, become immediately due and payable.

I/We jointly agree that any legal action, suit, or proceeding arising out of or in connection with this Note, may be instituted by the Holder, at its sole option, in the proper court in any municipality within Metro Manila or any municipality/ city in the National Capital Region, or in any municipality/city or province where the Holder is holding office. I/We hereby jointly waive any objection which I/We may have now or hereafter to the laying of the venue of such action, suit, or proceeding. I/We further waive the inconvenient forum. I/We jointly agree that the foregoing shall not limit or be construed to limit the rights of the Holder to commence proceedings or to obtain the execution of judgment against me/us in any venue or jurisdiction where my/our assets may be found.

Acceptance by the Holder hereof payment of any installment or any part thereof after the due date shall not be considered as extending the time for the payment of any of the installments aforesaid or as a modification of any of the conditions thereof. Nor shall the failure of the Holder hereof to exercise any of its rights under this Note constitute or be deemed as a waiver of such rights.

{clientName}

**GUARANTOR**

**IN WITNESS WHEREOF**, the parties hereto set their hands this **{releaseDate}** at Binan City, Philippines.

**SIGNED IN THE PRESENCE OF:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**ACKNOWLEDGEMENT**

**REPUBLIC OF THE PHILIPPINES )**

**BINAN CITY, LAGUNA )S.S.**

**BEFORE ME,** a Notary Public, for and in Binan City, Laguna, personally appeared before me this {releaseDate}the following persons exhibiting to me their respective government-issued IDs, to wit:

Name: ID/Passport No.. Date & Placed Issued

**{lenderName}**

**{clientName}**

Known to me to be the same person who executed the foregoing instruments, consisting of four (4) pages including this page where the acknowledgment is written, and the acknowledgment to me that the same is their free and voluntary act and deed.

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

Doc. No. ;

Page No. ;

Book No. ;

Series of {releaseYear}.