

# TERMS & CONDITIONS of ONLINE LOANS PILIPINAS FINANCING INC.

1. Should the **MORTGAGOR** become indebted to **MORTGAGEE** in additional sums under any concept or any purpose, then such sums shall be added to the principal sum of which the mortgage is given as security and shall be payable in the manner stipulated in the corresponding invoice of instrument and shall bear interest at the rate herein provided, and said additional indebtedness shall become part of the sum secured and shall likewise be guaranteed by this mortgage. All obligations considered secured by this mortgage are hereinafter collectively referred to as mortgage obligation. The **MORTGAGOR** undertakes to execute subsequent chattel mortgage(s) or other documents necessary to secure the aforesaid additional obligations.

2. In case the **MORTGAGOR** fails to pay any of the installments, interests, penalties, fees, expenses, charges, or any other amount that may be due as provided herein or if **MORTGAGOR** fails to execute subsequent chattel mortgage(s) or other documents necessary to secure additional obligations or incurs in default in the payment of its obligation to **MORTGAGEE**, then the whole amount remaining unpaid shall immediately become due and payable and the mortgage on the property (ies) shall be foreclosed by **MORTGAGEE**, or the **MORTGAGEE** may take other action to enforce collection of the obligation secured, and in either case, the **MORTGAGOR** agrees to pay the **MORTGAGEE** attorney's fees and liquidated damages in the amount as stipulated herein, which sum shall become part of the secured obligation. The **MORTGAGOR** waives reimbursement of any and all amount paid by him to **MORTGAGEE**.

3. The **MORTGAGEE** shall likewise have the right to partially foreclose the mortgage in the event that only one, some and not all the mortgaged property (ies) are then available for foreclosure, without prejudice to its rights to make subsequent foreclosure upon availability of the remaining unforeclosed mortgaged chattel and also without prejudice to collect from the **MORTGAGOR** the unpaid balance of the obligation corresponding to the unforeclosed chattel.

4. The **MORTGAGOR** reserves the rights to sell, cede, transfer, assign or set over to the **MORTGAGEE**, his/her/its right(s) and interest in the chattel mortgage. The obligation of the **MORTGAGOR**, whether covered by notes or not, shall be payable at the office of the **MORTGAGOR**.

7. The **MORTGAGOR** waives his/her/its right under Art. 1252 of the Civil Code of the Philippines (Republic Act No. 386) to designate the application of his/her/its payment and authorizes the **MORTGAGEE** to apply such payment to either his/her/its aforementioned promissory note, and other promissory notes or current account owed by the **MORTGAGOR**, at the discretion of the **MORTGAGEE**.

8. The **MORTGAGOR** hereby agrees that he/she/it will cause the property (ies) herein described to be insured against loss or damage by accident, theft, robber, fire and/or any other calamity for a period of one year from date hereof and every year thereafter until the mortgage obligation is fully paid with an insurance company or companies acceptable to the **MORTGAGEE** in an amount not less than the outstanding balance of the mortgage obligation; provided that, he/she/it will make all loss under such policy or policies payable to the **MORTGAGEE** or its assigns as its interest may appear and deliver such policy or policies to the **MORTGAGEE** forthwith; provided, further that, said **MORTGAGOR** agrees in case of default or failure to renew such insurance and deliver policy or policies so endorsed to the **MORTGAGEE** on the day of the execution of this mortgage or on the expiry date of the insurance, the **MORTGAGEE** may at its option but without any obligation to do so, effect such insurance or obtain such renewal for the account of the **MORTGAGOR**; provided finally that, any money advanced or disbursed by the **MORTGAGEE** shall be added to the principal indebtedness hereby secured and shall become due and payable at the time for the payment of the first installment or the amount to be due under the terms of the promissory note. The amount paid for the insurance or the renewal thereof shall bear interest at the same rate as the principal indebtedness.

9. In case of loss, or damage, the **MORTGAGOR** hereby irrevocably appoint the **MORTGAGEE** as his/her/its attorney-in-fact with full power and authority to file, follow-up prosecute, compromise or settle insurance claims, to sign, execute and deliver the corresponding papers, receipts and documents to the insurance

company as may be necessary to prove the claim, and to collect from the latter the proceeds of insurance to the extent of its interest.

10. It is hereby represented by the **MORTGAGOR** that the property (ies) covered by this mortgage is/are only for private use unless otherwise agreed upon by the parties hereto in a separate instrument. The **MORTGAGOR** agrees/undertakes not to use/convert the property (ies) covered by this mortgage into a taxi, for hire or public utility purposes, without the prior written consent of the **MORTGAGEE**, for as long as the principal obligation is not fully paid. Otherwise, the **MORTGAGEE** shall have the right at its option to declare the obligation herein secured immediately due and demandable and may thereunder foreclose the mortgage; provided that, the **MORTGAGEE** shall be entitled to/can recover from the **MORTGAGOR** any damage that may be suffered by the **MORTGAGEE** or any deficiency/deficiency judgment resulting from or arising on account of any misrepresentation herein made by the **MORTGAGOR** or the unauthorized conversion of the property (ies) into taxi or public utility; provided further that, a violation hereof shall be construed not only as an event of default but also a deliberate act of the **MORTGAGOR** to defraud the **MORTGAGEE**, knowing fully well that the **MORTGAGEE** would not have executed this instrument under the terms and conditions applicable only to cases where the property (ies) mortgaged is/are for private/personal use; provided finally that, the **MORTGAGEE** can sue the **MORTGAGOR** criminally for fraud and damages to compensate for the accelerated depreciation and loss in the market value of the property (ies)

11. In case the property (ies) herein mortgaged is/are used as public service within the meaning of the Public Service Act and upon written consent given by the **MORTGAGEE**, then the **MORTGAGOR** shall at his/her/its expense do whatever is necessary and requisite in order to secure the approval of the Land Transportation Office to this mortgage. In the event that the **MORTGAGOR** should fail, neglect or otherwise refuse to seek the approval of the Land Transportation Office within thirty (30) days from the date hereof, then the **MORTGAGEE** may at its option, but without any obligation to do so, take the necessary action to secure such approval, and all expenses to be incurred in connection therewith, plus attorney's fees that may be incurred, shall be charged to the **MORTGAGOR**, such expenses and attorney's fees to be added to the principal indebtedness hereby secured and shall become due and payable on the succeeding installment payment of the promissory note.

12. The **MORTGAGOR** agrees that in the event the insurance coverage of the property (ies) subject of this mortgage is/are invalidated due to the illegal conversion in the use thereof (i.e. from private/personal use to taxi, for hire, or public utility purposes) and claims thereunder cannot be compensated, any such misrepresentation to the insurer shall likewise be considered an act of the **MORTGAGOR** to defraud the **MORTGAGEE** and the insurer; provided that, if the **MORTGAGOR** cannot have the said property (ies) reinstated to its condition prior to the insurance claim, the **MORTGAGOR** agrees to be liable for the loss in value of the property (ies) such that even if the repossession and sale by the **MORTGAGEE** is made, the **MORTGAGOR** shall be liable for the deficiency caused by any misrepresentation by the **MORTGAGOR** and non-compensation of the insurance claim. It is agreed that any misrepresentation and/or declaration of the unauthorized conversion or use of the property (ies) from private/personal use into a taxi, for hire, or public utility purposes shall be deemed/considered to be a deliberate act of the **MORTGAGOR** to defraud the **MORTGAGEE** for which the **MORTGAGOR** agrees to likewise be held criminally liable.

13. The **MORTGAGOR** hereby undertakes to register at his/her/its own expense this mortgage and the property (ies) herein mortgaged. Should the property be a motor vehicle, this mortgage shall be registered with the Land Transportation Office, within five (5) days from the date hereof and with the appropriate Chattel Mortgage Registry. The **MORTGAGOR** will show proof of such registration to the **MORTGAGEE** within two (2) days from the date of such registration. All license fees, fines and/or penalties due and owing to the Government by reason of the failure of the **MORTGAGOR** to register the motor vehicle(s) in accordance with law shall be paid by the **MORTGAGOR**; provided that the **MORTGAGEE** may at its option procure, such registration and pay such license fees, fines and/or penalties for the account of the **MORTGAGOR** which sum or sums so advanced by the **MORTGAGEE** shall likewise be secured by this chattel mortgage and subject to the terms thereof; provided further that, failure on the part of the **MORTGAGOR** to comply with the foregoing obligations shall entitle the **MORTGAGEE** or its assigns to foreclose this mortgage as if a violation of any conditions herein set forth has been committed.

14. The **MORTGAGEE** or its duly authorized representative shall at all times have the right to inspect the mortgaged property (ies) between the hours of nine (9) in the morning until five (5) in the afternoon. If any of the mortgaged property (ies) be sold, pledged, or otherwise assigned without the written consent of the **MORTGAGEE**; or if any of the mortgaged property (ies) be attached or levied upon under execution; or in case the **MORTGAGOR** fails to make payment to the **MORTGAGEE**, when due, of any indebtedness and/or expenses incurred in either insuring the property (ies) and/or in securing the approval of the Land Transportation Office, and/or Land

Transportation Franchising and Regulatory Board (LTFRB) by the **MORTGAGEE** when the mortgaged property (ies) is/are used as public utility; the promissory note hereby secured by this mortgage shall at once become due and payable, with interest thereon and without prejudice to the liability of the **MORTGAGOR** under existing laws.

15. Notice is given to the whole world that **MORTGAGEE** will not responsible for, nor can the chattels or any part thereof be held under lien for any indebtedness outside the debt secured.

16. The **MORTGAGOR** shall keep and maintain the property (ies) herein mortgaged in the same good running order and condition as of the date of this mortgage; provided that, in the event of non-compliance of any of the obligations herein described, the **MORTGAGOR** shall deliver the mortgaged property (ies) to the **MORTGAGEE**, upon demand, in such condition as of the date of this mortgage; provided further that, the **MORTGAGOR** hereby agrees to be responsible to the **MORTGAGEE** for any damage or deterioration which said property (ies) may have suffered other than the ordinary wear and tear thereof resulting from a reasonable use of the same; provided finally that, in case of non-compliance, the **MORTGAGOR** hereby expressly waives the refund of all amounts previously paid by him/her/it which amounts shall remain to the exclusive use and benefit of the **MORTGAGEE**.

17. In case the **MORTGAGOR** fails to pay any of the installments, or to pay the interest that may be due as provided in the promissory note herein incorporated by reference, the whole amount remaining unpaid therein shall immediately become due and payable and the mortgage on the property (ies) hereinabove described may be foreclosed by the **MORTGAGEE**, or the **MORTGAGEE** may take any other legal action to enforce collection of the obligation hereby secured and in either case the **MORTGAGOR** agrees to pay the **MORTGAGEE** an additional sum of 25% of the total amount due and unpaid, but not less than P20,000.00 by way of attorney's fee, which said sum shall become part thereof. The **MORTGAGOR** hereby waives reimbursement of any amount thus paid by him/her/it in favor of the **MORTGAGEE**.

18. The **MORTGAGOR** agrees that in default of payment of any installment or any part thereon or any expenses so advance or paid by the **MORTGAGEE** when such expenses is due and payable, the mortgaged property (ies) shall be delivered, on demand, to the **MORTGAGEE** at the address stated in the demand, free from any and all charge; provided that, should the **MORTGAGOR** not deliver the said property (ies) wherever it/they may be found and have the same brought to the address stated in the demand any expenses thus incurred for locating and bringing said mortgaged property(ies) to the said address shall be for the account of the **MORTGAGOR** and shall form part of the obligation secured by this mortgage; provided further that, should the **MORTGAGOR** fails to deliver the property herein mortgaged on demand and the **MORTGAGEE** fails to recover possession thereof in accordance with this paragraph, the same shall be considered an admission and confession by the **MORTGAGOR** that he/she/it has/have removed, sold or pledged the property mortgaged in violation of Article 319 of the Revised Penal Code; provided finally that, upon such default or failure to surrender the mortgaged property, the **MORTGAGEE** or any of its duly authorized representatives, may elect to avail any of the following remedies: (a) Sell the mortgaged property of the **MORTGAGOR**, and for this purpose, the **MORTGAGEE** is hereby authorized to sell the same in a public or private sale in the city, municipality or at the capital of the province where it may be situated, and to apply so much of the proceeds as may be necessary to pay the obligation **MORTGAGOR** to the **MORTGAGEE**; (b) Exact fulfillment of the obligation of the **MORTGAGOR** to the **MORTGAGEE** by way of ordinary civil action; (c) Cancel the contract of sale with the **MORTGAGOR** and repossess the mortgaged property, and/or; (d) Foreclose this mortgage, judicially or extrajudicially . The remedies herein provided may be availed of independently from each other or simultaneously at the option of the **MORTGAGEE**

19. The **MORTGAGEE** may, at any time or from time to time likewise; (a) extend or change the time, manner, place or terms of payments of the mortgaged obligation; (b) accept additional and/or substitute collaterals, exchange, release or surrender all or any of the security, or any part thereof, by whomsoever offered or executed, which is now or may hereafter be held by **MORTGAGEE** in connection with the mortgage obligation; (c) settle or compromise with the **MORTGAGOR**, or any other person, firm or corporation liable thereon, any or all of the mortgage obligation, and subordinate the payment of the mortgage obligation or any part thereof, to the payment of any other obligation or claims which may at any time be due or owing to the **MORTGAGEE** or any other person or corporation, all in such manner and such terms as the **MORTGAGEE** may deem proper and without notice to or further consent from the **MORTGAGOR**, without affecting in any way the liability of the **MORTGAGOR** under this instrument.

20. Whichever of the foregoing remedies is elected by the **MORTGAGEE**, it shall have the right to retain any and all amounts on the principal and interest already paid by the **MORTGAGOR**, and in addition, 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 **MORTGAGOR**.

21. In case the **MORTGAGEE** elects cancellation of the contract of sale, the right of the **MORTGAGEE** to retain the property sold shall extend to such accessories and equipments as may have been attached to the property (ies) by the **MORTGAGOR** after the sale.

22. In case of the sale at public auction under foreclosure proceedings of the property (ies) herein mortgaged, or any part thereof, the **MORTGAGEE** shall be entitled to bid for the property sold and buy the same, or any part thereof, and to have the amount of its bid applied to the payment of the obligation secured by this mortgage without requiring payment in cash of the amount of such bid; provided that, the **MORTGAGOR** hereby waives the term of thirty (30) days or any other term granted on which may hereafter be granted by law as the period which must elapse before the **MORTGAGEE** shall be entitled to foreclosure this mortgage; provided further that, in case of foreclosure sale, the **MORTGAGOR** waives all rights to any notice granted to him/her/it under the law with respect to the date, time and place of sale of the mortgaged property (ies); provided finally that, the remedies of the **MORTGAGEE** under the powers hereby conferred upon, shall be and are in addition to and cumulative with such right of action as the said **MORTGAGEE** may have in accordance with the present or any future laws of the Philippines.

23. In case of receivership, suspension of payment or insolvency of the **MORTGAGOR**, or in case an attachment or sequestration of any of the property (ies) mortgaged herein is/are obtained by a third person, the obligation hereby secured shall at once become due and payable with all the consequences of default of payment.

24. If upon default by the **MORTGAGOR**, services of an attorney are availed of by the **MORTGAGEE** to enforce the terms of this contract, an additional sum equal to twenty five percent (25%) of the total amount due but not less than P20,000.00 shall be paid by the **MORTGAGOR** including expenses of collection and the legal costs provided for in the Rules of Court. The total amount due, attorney's fees, collection expenses and legal costs shall constitute as first lien on the property (ies) mortgaged and the **MORTGAGOR** hereby agrees to pay the same to the **MORTGAGEE**.

25. If after a breach of any of the conditions of this mortgage and the **MORTGAGOR** fails and/or otherwise refuse to deliver the possession of the property (ies) herein mortgaged to the **MORTGAGEE** for the purpose of foreclosing the mortgage constituted thereon, thereby compelling the **MORTGAGEE** to institute action for manual delivery, or attachment, or any other appropriate action for the purpose of recovering the possession of said property (ies), the **MORTGAGOR**, shall pay to the **MORTGAGEE** in addition to the amounts stipulated herein, all expenses for the payment of the premium of the bond to obtain for the writ of seizure or attachment, and the payment of such expenses shall likewise be secured by this mortgage.

26. The obligation herein mentioned, whether covered by notes or not, are payable at the address of the **MORTGAGEE** or its assigns and any legal action to enforce the terms and conditions of this mortgage contract shall be brought in or submitted to the jurisdiction of the City of Makati to the exclusion of all other courts of justice.

27. Should the mortgaged property (ies) be lost, destroyed or damaged from any cause whatsoever, the **MORTGAGEE** shall have the right to declare the whole amount of the principal, interest and other expenses secured by this mortgage immediately due and payable and may proceed at once to foreclosure the mortgage, provided that, if the **MORTGAGOR** shall give additional security or otherwise substitute another property (ies) to the satisfaction and approval of the **MORTGAGEE** to cover the balance of the amount which may at any time be owing to the **MORTGAGEE**, in such a case the **MORTGAGEE** may grant a reasonable extension of time to the **MORTGAGOR** for the payment of his/her/its obligation. The property (ies) mortgaged shall be deemed lost for all intents and purposes if the **MORTGAGOR** shall fail to produce the same or any thereof on demand by the **MORTGAGEE**.

28. Effective upon the breach of any condition of the mortgage, and in case of loss or damage of the mortgaged property (ies) and in addition to the remedies herein stipulated, the **MORTGAGEE** is hereby appointed attorney-in-fact of the **MORTGAGOR** with full power and authority, by the use of force if necessary: (a) to take actual possession of the mortgaged property (ies) without the necessity of any judicial order or any other permission or power; (b) to remove, sell or dispose of the mortgaged property (ies) or take any legal action that may be deemed necessary; (c) to lease any of the mortgaged property (ies) and collect rent therefore; (d) to execute bills of sales, lease or agreements that may be deemed convenient; (e) to make repairs or improvements on the mortgaged property

(ies) and pay the same; (f) to file, prove, justify, prosecute, compromise or settle insurance claims with the insured company, without the participation of the **MORTGAGOR**, under such terms and conditions as the **MORTGAGEE** may consider fair and reasonable; and (g) perform any other act which the **MORTGAGEE** may deem convenient for the proper administration of the mortgaged property (ies). Any amount received from the sale, disposal or administration above mentioned may be applied by the **MORTGAGEE** to the satisfaction of the obligation hereby secured which act is hereby ratified by the **MORTGAGOR**.

29. The acceptance of payments from any third party (ies) by the **MORTGAGEE** shall not establish an express or implied contract between such third party (ies) and such third party (ies) shall not be deemed to substitute/replace the **MORTGAGOR** nor relieve it of its obligation to the **MORTGAGEE**. Substitution of the **MORTGAGOR** by third party (ies) must be with the written consent and approval of the **MORTGAGEE**.

30. Expenses for the execution and registration of this Deed of Chattel Mortgage, together with the notarial fees, documentary stamp tax and other applicable fees, shall be for the account of the **MORTGAGOR**.

31. All correspondence relative to this mortgage including demand letters, summons, subpoena or notifications of any judicial or extrajudicial action shall be sent to the **MORTGAGOR** at the address indicated on paragraph 1 hereof or at the address that may hereafter be given in writing by the **MORTGAGOR** to the **MORTGAGEE**. The mere act of sending any correspondence by mail or by personal delivery to the said address shall be valid and effective notice to the **MORTGAGOR** for all legal purposes and the fact that any communication is not actually received by the **MORTGAGOR**; or that it has been returned unclaimed to the **MORTGAGEE**; or that no person was found at the address given; or that the address is fictitious; or cannot be located, shall not excuse or relieve the **MORTGAGOR** from effects of such notice.

32. The obligation hereby undertaken if made by any other person other than the **MORTGAGOR** shall be joint and solidary.

33. The exercise of the rights, privileges and remedies provided in this mortgage shall be at the absolute discretion and option of the **MORTGAGEE**. No failure, omission, or delay on the part of the **MORTGAGEE** in exercising any said rights, privileges or remedies shall operate as waiver of thereof. Neither shall any single or partial exercise of any such rights, privileges or remedies preclude other or further exercise thereof of any other rights, privileges or remedies. No modification, waiver or departure from any of the provision provided herein shall be effective unless the **MORTGAGEE** has given its consent in writing. Such waiver or consent given by the **MORTGAGEE** shall be effective only in the specific instance and for the purpose for which it was given.