



RURAL BANK OF LANUZA, INC.
Urbiztondo, Cor. Arreza St., Brgy. Magosilom, Cantilan, Surigao del Sur

PROMISSORY NOTE

NAME OF BORROWER: _____ PN NO. _____
 LOAN AMOUNT: _____ DATE GRANTED: _____
 TYPE OF LOAN: _____ DUE DATE: _____

For value received, I/We promise to pay, JOINTLY AND SEVERALLY, to the order of RURAL BANK OF LANUZA, INC., at its office located at _____ Surigao del Sur, Philippines, within _____ (_____) days after date the sum of _____ (P _____) pesos, Philippine currency, with interest thereon at the rate of _____ percent (____%) using _____ (**Simple Annual Rate – Single Payment Scheme**); the _____ (**Fixed Equal Amortization**); _____ (Fixed Equal Amortization with Grace Period); _____ (Fixed Principal Amortization); _____ (Periodic Interest Payment, Balloon Payment at Maturity); _____ (Weekly Installment Quoted in Monthly Effective Rate, in accord with the schedule of amortization herein attached:

Without need of notice or demand, incase of non-payment of any of the above stipulated installments as it falls due, payment thereof must be made within a period of FIVE (5) days from due date, otherwise all other subsequent installments stipulated shall immediately be considered due and demandable.

I/We bind myself / ourselves to pay the RURAL BANK OF LANUZA, INC. the sum equivalent to Thirty Six Percent (36%) of the outstanding balance or installments due as a conditional charge or penalty for inexcusable breach of the terms and conditions of this Promissory Note. It is further agreed that any deviation from the original schedule of payment as defined due to advance payments of amortization, will be subjected to conditional charges equivalent to the difference of the original interest payable and the newly computed interest based on the new outstanding balance, until full settlement of the principal will be effected.

I/We further agree that any partial payment of performance of this Promissory Note, or any tender thereof shall not in any way extend, alter or vary any of the original terms and conditions of the obligations hereof nor discharge the same, but shall instead be considered as an explicit acknowledgment of the obligations hereof which shall interrupt the period of prescription.

In case, I/We default in the discharge of any of the obligation herein stipulated, I/We hereby authorized RURAL BANK OF LANUZA, INC., at its option and without prior notice, to apply to the payment of this Promissory Note any and all money, securities, and things of value belonging to me / us which may be in the possession of the bank on deposit or otherwise and for this purpose. I/We, jointly, severally and irrevocably, constitute and appoint the bank to be my/our ATTORNEY IN FACT with full power and authority for me / us and in my / our behalf, without prior notice to negotiate, sell and transfer any and all of the said moneys, securities and things of value by public or private sale, and applies the proceeds thereof to the payment of this Promissory Note.

In case of the judicial or extra-judicial enforcement of this obligation or any part of it, the debtors waive all their rights under the provisions of Rule 39, Section 12, of the rules of court, and the borrower/s, co-maker/s, endorser/s shall pay jointly and severally ten (10%) percent of the amount due on the note as Attorney's Fees which in no case shall be less than FIVE HUNDRED PESOS (P 500.00), exclusive of all cost, fees and damages allowed by law as stipulated in the mortgage / chattel contract, if any.

In compliance with BSP Circular 855 (Re: Guidelines on Sound Credit Risk Management Practices), the BORROWER understands, to such extent as may be necessary to effect this assignment and solely for the said purpose, that he/she shall hereby waive his rights under R.A. 1405 otherwise known as the Bank Secrecy Act.

I/We further expressly submit to the jurisdiction of the proper court of the Province of Surigao del Sur and/or Municipality of _____ having the jurisdiction over any legal action arising from this Promissory Note.

DEMAND AND DISHONOR WAIVED. Holder may accept partial payments, reserving the right of recourse against the accommodation co-maker's and each and all endorsers.

 (Signature of **Borrower**)

 ADDRESS

Co-maker (1) _____
 (Signature of **Co-maker**)

 ADDRESS

 (Signature of **Co-Borrower**)

 ADDRESS

Co-maker (2) _____
 (Signature of **Co-maker**)

 ADDRESS

SIGNED IN THE PRESENCE OF:

 Name and Signature of Witness

 Name and Signature of Witness