

# SPECIFIC TERMS & CONDITIONS ("T&C")

## Micro, Small, Medium Enterprise Business Loan

### 1. Introduction

- 1.1.** These Specific Terms and Conditions ("Specific T&C") shall apply to the **Micro, Small, and Medium Enterprise (MSME) Business Loan** (the "Loan", Business Loan, or "Financing Product") granted by **SALMON FINANCE INC.** *formerly Sunprime Finance Inc.* (the "Lender") to the borrower identified in the Applicable Agreement (the "Client" or "Borrower"). These Specific T&C form an integral part of the Loan Disclosure Statement, and the General Terms & Conditions (collectively referred to as the "Applicable Agreement").
- 1.2.** Unless otherwise specified herein, all capitalized terms used in this Specific T&C shall have the same meanings as may be identified or defined in the Applicable Agreement or General T&C.
- 1.3.** References to the "Facility" include both (a) the maximum approved credit limit granted to the Client, and (b) any amounts drawn or utilized by the Client.
- 1.4.** Discretionary Approval. The Client understands and agrees that the proper availment of the Business Loan is subject to the following: (1) submission by the Client of necessary documents; (2) the credit approval process of, and approval metrics internal to, the Lender; and (3) the final approval by the Lender. The Client is fully aware that the Lender has the sole discretion in granting or denying such approval, along with imposing additional conditions for such approval. Submission by the Client of an application to avail of the Financial Product ("Loan Application") and the mandatory information and documents to support the Loan Application ("Supporting Documents") do not guarantee approval of the Loan.
- 1.5.** Access to Specific Terms and Conditions. The Specific T&C may be accessed at any time via the Lender's Official Platforms (if and when implemented). Further, the Specific T&C may be updated by the Lender at any time. In case of changes to the Specific T&C, the Lender shall notify the Client by posting in, or communicating through, the Official Platforms or Alternative Communication Channels, and the said changes shall be binding on the Client as of the date of posting/communication.

### 2. Release of Loan Proceeds

- 2.1.** Upon approval and execution of the Applicable Agreement, the approved Loan amount (the "Net Proceeds"), net of applicable fees and charges, shall be disbursed at the Lender's sole discretion, either (i) through the Lender's official digital platform (if and when implemented), or (ii) by direct fund transfer to the Client's designated bank account using the Lender's official banking facilities.  
  
The Net Proceeds shall be credited to the bank account nominated and confirmed by the Client. Disbursement shall be deemed completed once the funds have been successfully transferred and proof of disbursement has been provided to the Client. Upon such transfer and issuance of proof, the disbursement shall be considered final, valid, and fully satisfied, and the Lender shall have no further obligation with respect to the proceeds.
- 2.2.** The Client's Electronic Signature in this Specific T&C serves as the Client's valid and binding signature on the Applicable Agreement. Upon the Lender's remittance of the Net Proceeds as outlined in Clause 2.1 above, it shall be conclusively presumed that: (a) the Lender has approved the loan application in accordance with the Applicable Agreement, Specific T&C, and General T&C, as if the Lender had signed it in person; and (b) a mutual agreement has been reached between the Client and the Lender.

### 3. Interest Rates

- 3.1.** Interest shall accrue from the date the Net Proceeds has been disbursed to the Client pursuant to Clause 2.1 here.
- 3.2.** Cost-of-Funds Adjustment (Upward or Downward).  
For as long as any outstanding obligation under the Business Loan remains wholly or partially unpaid, the sum outstanding and payable may be adjusted upward or downward if there is a change in the prevailing cost of money at any given time, or if any law, circular, rule, or regulation is enacted, issued, or promulgated which has the effect of increasing or decreasing the Lender's cost of funds, as determined by the Lender. Any such adjustment shall take effect and be binding on the Client upon receipt of written notice from the Lender (including via the Official Platforms under Section 1.5).
- 3.3.** Extraordinary Decrease in Purchasing Power (CPI).  
The sum payable shall likewise be subject to a proportionate upward adjustment in the event of an extraordinary decrease in the effective value or purchasing power of the Philippine currency. An increase of at least fifteen percent (15%) at any time in the Consumer Price Index for Metro Manila from the date of the Applicable Agreement, as set forth in figures officially released by the Bangko Sentral ng Pilipinas (or by other relevant government authorities should the BSP figures not be available), shall be regarded as an extraordinary decrease in the effective value or purchasing power of the Philippine currency.

### 3.4. Implementation; Disagreement and Prepayment.

If any of the conditions mentioned in Sections 3.2–3.3 should supervene, the Lender shall make the necessary adjustment in the sum outstanding and payable. In case of disagreement with the adjustment, either the Client or the Lender shall have the right to prepay or pre-terminate the obligation under the Business Loan. If the Client does not prepay within thirty (30) calendar days from receipt of notice of adjustment from the Lender, the Client shall be deemed to have agreed to the adjustment. (For the avoidance of doubt, this does not limit the Client's general pre-payment rights under Section 5.)

## 4. Payments

**4.1.** The Client shall pay on or before the Due Date(s) indicated in the Payment Schedule of the Applicable Agreement and shall be made exclusively through the Payment Channels specified in the Applicable Agreement, the Specific T&C, or as otherwise communicated by the Lender. All Payments shall become due according to the Payment Schedule without the need of any further notice or demand from the Lender.

**4.2.** The Client shall issue and deliver to the Lender post-dated checks (PDCs) corresponding to the installment amounts indicated in the Payment Schedule at the date or prior to the release of the Net Proceeds. The issuance and delivery of PDCs shall not be considered as payment or pre-payment of the Loan. Payment shall only be deemed made once the relevant check has been presented, cleared, and the proceeds have been credited to the Lender.

In the event any PDC is dishonored, the Client shall immediately replace the dishonored check and settle the corresponding installment together with any applicable penalties, bank charges, and other fees allowed under this Agreement and applicable laws. The Client acknowledges that the PDCs are issued as security for the Client's payment obligations and do not extinguish such obligations until fully cleared.

**4.3.** If the Client has availed of multiple Financing Products from the Lender or its affiliates or subsidiaries ("**Group Company**"), the Client agrees that the Lender or Group Company may combine all outstanding balances into a single statement, payable as outlined in Clause 4.1 above. The balance of an existing Financing Product may be merged with the balance of a new Financing Product on the next due date of the existing product, provided that date is at least 14 days after the new product is availed.

**4.4.** The Client agrees to waive the right to direct payment allocation under Article 1252 of the Civil Code of the Philippines to choose how payments are applied, particularly that the Client *allows the Lender to decide how payment is applied (e.g., to fees, interest, or principal)*, and agrees that the Lender may apply such payments in such proportions and order of priority and generally in such manner as the Lender may determine, to the fullest extent allowed by applicable laws and regulations. The Lender may apply the same first to the settlement of any fees/charges/penalties, and then interest payable, before any outstanding principal.

**4.5.** If the Client pays more than the Amounts Due ("Excess Payment"), the Lender may, at its sole discretion, apply the Excess Payment to the next Amounts Due or any other amounts that may become due. If the Client has no further Amounts Due to the Lender, the Excess Payment shall be issued and reflected as a credit memo through the Platform. Such credit memo may be applied to future obligations or, upon the Client's request and subject to verification procedures, may be drawn or redeemed as cash. This clause shall not apply if the Lender, at its sole discretion, waives or forgives the Client's Amounts Due.

**4.6.** The details of the availed Financing Product, including but not limited to the billing period, utilized facility, amounts due, due date, and other relevant information (the "Loan Details"), shall be provided to the Client at the time of execution of the Business Loan Agreement.

The Client acknowledges that such Loan Details may, in the future, also be made accessible through the Lender's official digital platform (if and when implemented). The Lender may likewise, at its discretion, provide or send the Loan Details to the Client's registered email address or through other official communication channels.

**4.7.** To prevent any negative impact to the Client's credit scores/ratings due to an Event of Default as defined in the General T&C, the Lender may contact the Client's character reference as indicated in the Loan Details of the Applicable Agreement (the "Client's Reference") for the purpose of facilitating the collection of the Amounts Due and/or of ensuring that payment notifications and other important reminders relative to the Loan Agreement are communicated to the Client. For this purpose, the Client expressly and irrevocably consents that the Lender may disclose to the Client's Reference any and all data about the Client included in the Lender's records such as, but not limited to, the Applicable Agreement and Amounts Due.

**4.8.** The Lender has the sole discretion to not follow Clause 4.6, without any repercussion, penalty, or liability in the following cases:

- a.** The Lender does not have sufficient manpower and/or capital to implement Clause 4.6;
- b.** The Lender will incur unreasonable costs and/or hardship in following Clause 4.6; and
- c.** The Client's Reference is uncooperative and/or ignores the Lender when implementing Clause 4.6.

It is understood by Client that the Lender not exercising Clause 4.6 at one instance does not constitute a waiver to exercise such rights in the future.

**4.9.** All payments must be made to the Lender without any set-off or any deduction. If the law requires any deduction from the payment,

the Client shall increase the payment to the Lender so that the amount received by the Lender is equal to the full amount that the Lender would have received if no such deductions are made.

- 4.10.** The Client understands that any failure to pay the required Amounts Due when due shall result in the unpaid amount being carried over to the next billing cycle and shall accrue applicable interest in accordance with this Agreement.
- 4.11.** The Lender may, but is not obligated to, send SMS notifications to the Client regarding: (a) upcoming Due Dates, three (3) days in advance, (b) loan status on the Due Date; and (c) any other updates or information related to the loan or the Client's payment obligations. Failure of the Lender to send, or of the Client to receive, payment notifications does not affect the Lender's right to collect, or the Client's obligation to pay, the Amounts Due on the Due Date.

## 5. Pre-Payment

Where applicable, the Client may pay off all or part of the remaining Amounts Due before the final Due Date based on the Payment Schedule, without additional interest on the pre-paid amount, subject to the following:

- 5.1.** The Client must notify the Lender of their intent to pre-pay through the latter's customer service channels.
- 5.2.** The Client's payments must be current per the Payment Schedule, with no delays or defaults;
- 5.3.** The Client adheres to the instructions of the Lender regarding the manner of payment and the minimum pre-payment amount, among others.
- 5.4.** The Client may prepay the loan at any time without penalty. In case of prepayment, any pre-computed finance charges are non-refundable, in accordance with RA 11765 ("Financial Products and Services Consumer Protection Act,").

## 6. Condition Precedents: Client's Specific Representations and Warranties

- 6.1.** The Client confirms the following representations and warranties to the Lender which are condition precedents to the Business Loan Agreement:
- a.** The client represents and warrants that it has authority to enter into the loan and is duly authorized to be signatory.
  - b.** The client represents and warrants that the business is duly organized, validly existing, and properly registered with the appropriate government agencies and relevant local government units.
  - c.** The client represents and warrants that all permits, licenses, registrations, franchises, and governmental approvals necessary for the lawful conduct of its business are valid, subsisting, and in full force and effect. No notice of suspension, cancellation, or revocation has been received. The client undertakes to maintain the same in good standing throughout the term of the Loan.
  - d.** The client confirms that there is no pending insolvency, rehabilitation, or liquidation of the business receiving a loan.
  - e.** The client represents that there is no pending or threatened litigation, arbitration, administrative proceeding, tax assessment, or government investigation that may materially impair its ability to perform its obligations under the Loan Agreement.
  - f.** The client confirms that all business and personal information submitted are true and accurate.
  - g.** The client represents that it is not in default under any loan, credit facility, or material financial obligation, nor subject to any acceleration of debt that may materially affect its ability to repay the Loan.
  - h.** The client represents and warrants that it is in material compliance with all applicable laws, rules, regulations, ordinances, and industry standards relating to the conduct of its business. The execution and performance of the Loan Agreement do not and will not violate any applicable law or contractual obligation binding upon the Client.
  - i.** The client represents that it has filed all required tax returns and has paid all taxes due, except those being contested in good faith. There are no outstanding tax delinquencies that may materially affect the client's ability to repay the Loan.
  - j.** The Client confirms that all business and personal information, financial statements, bank statements, sales records, and other documents submitted to the Lender are true, accurate, complete, and not misleading.
  - k.** Since the submission of the Loan Application, there has been no material adverse change in the financial condition, operations, ownership, or prospects of the Client or its business.
  - l.** The Client has received the Net Proceeds or has arranged for their disbursement to a designated Payment Account in the name of and under the control of the Client.
  - m.** The Client represents and warrants that loan proceeds shall be used strictly for business purposes and not for personal, consumer, or unlawful activities. Permissible business purposes include, but are not limited to:
    - Working capital requirements;
    - Purchase of inventory, equipment, or machinery;
    - Business expansion or capital expenditures;
    - Payment of operational or overhead expenses; and

- Other legitimate and lawful business-related purposes directly connected to the Client's enterprise.

The Client further undertakes to provide supporting documentation evidencing the use of funds upon reasonable request by the Lender.

- n.** The client represents that the Loan proceeds shall not be used for money laundering, terrorist financing, fraud, or any unlawful activity. The Client and its beneficial owners are not subject to any applicable sanctions list issued by relevant regulatory authorities.
- o.** The client represents that its key business assets are not subject to undisclosed liens or encumbrances that would materially impair the conduct of its operations.
- p.** The Client has the necessary knowledge, facilities and/or authorizations to make repayments through any or all of the Payment Channels;
- q.** Notwithstanding that the Loan is obtained for business purposes or for the benefit of the Client's enterprise, the Client acknowledges and agrees that all obligations under the Applicable Agreement are personal, direct, and unconditional obligations of the Client.

The Client's liability shall not be limited to the assets of the business and shall extend to the Client's personal assets to the fullest extent allowed by law and that the obligations of the Client under this Agreement shall remain valid and enforceable notwithstanding:

- the dissolution, closure, suspension, insolvency, or rehabilitation of the business;
  - any change in ownership, management, or structure of the business; or
  - the cessation of the Client's involvement in the business.
- r.** The Client has the necessary capacity and facilities to access the General T&C at [www.salmon.ph](http://www.salmon.ph) and shall access and check the same regularly to keep updated of any changes thereto.
  - s.** The Client has read the Applicable Agreement, Specific T&C, and General T&C, and expressly agrees to the same.

## 7. Fees and Other Charges.

**7.1.** The following fees and other charges, if applicable, are cumulative and may be added to the principal obligation:

- a. Documentary Stamp Tax.** May be imposed by the Lender for the documentary stamp taxes due on the execution of the Agreement, per Section 174 of the National Internal Revenue Code of the Philippines and applicable BIR Regulations;
- b. Monthly Service Fee.** Imposed by the Lender on a monthly basis to cover the expenses of the Lender on the maintenance of its Official Platforms and services to the Client;
- c. Conditional Charges:**
  - (i)** Late Payment Fee. May be imposed each time the Client fails to pay the Amounts Due by the Due Date as indicated in the Payment Schedule. This Late Payment Fee shall accrue immediately following the Due Date and apply to each overdue installment amount.
  - (ii)** Attorney's & Agency Fee. May be imposed once the Lender is forced to resort to legal collection methods or refer the Client's case to a collection agency.

## 8. Payment Holiday

At its sole discretion, the Lender may allow deferment of the installment payment subject to the concurrence of all the following:

- (i)** The Client is not in default and has not missed any prior installment payments;
- (ii)** The Client has not previously deferred a payment on the loan;
- (iii)** The Client has made at least two consecutive installment payments before requesting the deferment.

## 9. Privacy Notice

**9.1.** The Client attests that it has understood the Lender's PRIVACY NOTICE (for Clients) available at <https://salmon.ph/privacy-policy> after having read the same. Where consent is required, the Client hereby expressly gives its explicit consent to the processing of the Client's Personal Information according to the Privacy Notice.

## 10. Cooling Off

**10.1.** The Client may cancel the Loan without additional fees or penalties by completing all of the following within fifteen (15) calendar days from the date the Net Proceeds are disbursed to the Client as applicable:

- a.** Notifying the Lender of the cancellation through its customer service channels;
- b.** Repaying the full Net Proceeds to the Lender within the 15-day period mentioned above.

- 10.2.** Upon full compliance with Clause 10.1, the Loan shall be considered cancelled, the Business Loan will be deemed cancelled, and neither the Client nor the Lender will have any further obligations related to that Business Loan.

## **11. Express Consents for Other Financial Products and/or Services**

- 11.1.** As conditions to the availment of the Financing Products, the Client hereby provides the following express and unconditional consents in favor of the Lender:
- a.** The Lender or its representative may contact character reference, any and all data about the Client in the Lender's records for purposes of (ii) telecon data checks, and (iii) marketing communication;
  - b.** The Lender or its representative may visit the Client in the Client's residential address, or in any address which the Client may be located for purposes of customer due diligence, verification, and for collection of any Amounts Due;
  - c.** The Lender or its representative may collect, request, access, or otherwise process the Client's credit data including but not limited to credit score, credit reports, and telecoms data, for purposes of underwriting, credit risk rating, anti-fraud, anti-money laundering, anti-terrorism, and collection purposes;
  - d.** The Client may open an account (e.g., bank, e-wallet, etc.) or avail of other financing products with the Lender or any of its Group Company if and when the same becomes available;
  - e.** The Lender or its Group Company may send the Client offers and information about any existing or future Financing Products, provided that, Client may revoke consent at any time by notifying the Lender in writing;
  - f.** The Lender may process, share, and disclose any Client Personal Data to any third-party service provider of the Lender for the purpose of (a) verifying any or all information about the Client prior to, during, and after the application, approval, and termination of the Loan Agreement; (b) to inquire about, request for, ascertain or determine the whereabouts, contact information, financial status, and other related information of the Client (including making such inquiries as part of the loan collection process); (c) for purposes of performing profiling, credit check, anti-fraud evaluation, scoring, credit assessment; (d) for fraud, theft, or other investigation related to any suspected or actual criminal action or activity; (e) for reporting and coordination with third parties, including, without limitation, to any payment facility or its operator, credit bureaus (e.g. the Credit Information Corporation ["CIC"]) and government agencies such as the Anti-Money Laundering Council;
  - g.** The Lender or its representative may collect, process, and share to third party service or product providers, any Client Personal Data for the purpose of processing Client-initiated availment of add-on services or products to the Financing Products, arising from Lender marketing tie ups with third parties and similar arrangements, such as but not limited to, personal property insurance and the like;
  - h.** The Client agrees and authorizes the Lender and its representatives to share and use Client Personal Data and represent the Client as an agent when applying for financial products and/or services with the Group Company and third parties.
  - i.** The Client authorizes Lender to regularly submit and disclose the Client's basic credit data (as defined under Applicable Laws) to the CIC as well as any updates or corrections thereto; and
  - j.** The Client authorizes Lender to share the Client's basic credit data with other lenders authorized by the CIC, and credit reporting agencies duly accredited by the CIC.
  - k.** Intra-Group Sharing for Complaints Verification and Resolution. The Client authorizes the Lender to share and jointly process the Client's Personal Data with its parent, subsidiaries, affiliates, and other entities within the same group (each, a "Group Company") solely for the following purposes: receiving, verifying, investigating, and resolving the Client's complaints, inquiries, or disputes; performing quality assurance, internal audit, risk and compliance reviews related to such complaints; and meeting regulatory reporting obligations in connection therewith. The Lender shall ensure that any Group Company receiving such data is subject to confidentiality obligations and appropriate data-protection safeguards, that only the minimum necessary data is shared, and that processing is conducted in accordance with the Lender's Privacy Notice and applicable laws. Personal Data shared under this clause shall not be used for marketing or product cross-selling without separate consent from the Client.
  - l.** Intake of Complaints Lodged with Other Group Companies. A complaint may be raised with any Group Company. If a complaint is lodged with a Group Company that does not hold the Client's account, such Group Company may, as a limited agent of the Lender, (i) collect the minimum necessary identifying data from the Client, (ii) access/receive only the minimum data needed from within the group to verify the Client's identity and relationship, and (iii) forward the complaint and verification results to the appropriate Group Company for investigation and resolution. The receiving Group Company shall not use the data for marketing or profiling, shall keep only minimal audit records required for quality, risk, or regulatory purposes, and shall process all data in accordance with the Privacy Notice and applicable laws.
- 11.2.** Grace Period
- At the Lender's sole discretion, the Client may be eligible to a Grace Period which allows the Client to pay the principal amount on his loan, within a grace period provided by the Lender which shall be for a period lesser than the stated billing period, without additional interest on the pre-paid amount, provided that the following conditions are met:

- a.** The Client must notify the Lender of their intent to avail of the Grace Period through the latter's customer service channels;
- b.** The Client's payments must be current per the Payment Schedule, with no delays or defaults;
- c.** The Client adheres to the instructions of the Lender regarding the manner of payment and the minimum pre-payment amount, among others.

**11.3.** The Client may, at any time during the Grace Period, may additional payments in excess of the Principal Amount, which shall accelerate the repayment of the outstanding balance.

**11.4.** Upon the full early repayment of the principal amount within the specified grace period, all interest and monthly fees paid on previous installments shall be refunded via a recalculation of the loan interests and remaining balance.

**11.5.** Any previously charged fees are non-refundable, in accordance with RA 11765 ("Financial Products and Services Consumer Protection Act").

**11.6.** If the Client fails to repay the Principal Amount in full during the Grace Period, the standard interest rates as well as applicable fees and charges, shall be applied to the remaining principal amount beginning on the following monthly installment until the loan is fully paid.

## **12. Redress**

**12.1.** For concerns, contact [service@salmon.ph](mailto:service@salmon.ph).