

**[OWWA MEMORANDUM OF INSTRUCTION NO.
004 S. 1992, February 26, 1992]**

**ADDENDUM/AMENDMENTS TO MOI NO. 003, S.1992,
PRESCRIBING THE IMPLEMENTING GUIDELINES FOR THE
EXTENSION OF SPECIAL CREDIT ASSISTANCE TO DISPLACED
WORKERS IN REGION III DESIRING TO WORK ABROAD WHO
WERE AFFECTED BY THE ERUPTION OF MT. PINATUBO**

To provide wider access to overseas employment opportunities through the active participation of recruitment agencies in the pre-selection of affected workers during job fairs conducted in Region III, the credit facility provided for in this Project shall be also extended to such recruitment agencies which have undertaken at their own expense the deployment for work abroad of the workers. The credit facility shall in the form of direct loan to qualified recruitment agencies under the following terms and conditions:

1. Amount of loan — not exceeding P5,000.00 per worker deployed.
2. Repayment period — Within a period of six (6) months including a grace period of one (1) month. Payment to commence on the second month and every month thereafter in five (5) equal monthly amortizations until fully paid.
3. Interest rate — None interest bearing.
4. Administrative Fee — 4% to be deducted from the proceeds of the loan.
5. Penalty — Failure to pay two (2) consecutive amortizations shall render the whole obligation due and demandable. Penalty of 12% p. a. compounded monthly on unpaid amortizations shall be imposed.
6. Security — Assignment of receivables executed by the OCW in favor of the agency endorsed to OWWA with recourse.

Surety Bond from a reputable bonding company acceptable to OWWA in an amount equal to but not less than OWWA's exposure; or in equivalent value in postdated checks.

7. Deed of Undertaking to be executed by the participating recruitment agency to remit to OWWA any and all sums of money received arising from the collection of receivables subject of the assignment.

8. Total loan amount shall be within loan ceiling of the Agency as prescribed under this MOI No. 003, Series of 1992.

9. Validation of claims for advances to deployed OCWs by the Task Force.