

Acuerdos Bilaterales

Clasificación: 21-2003

Fecha de Ingreso: 7 de abril de 2003

Nombre de Acuerdo: Loan Guarantor Agreement

Materia: Asistencia Técnica / Asistencia Financiera

Partes: SG/OEA & OAS Staff Association

Referencia: OASSA

Fecha de Firma: 27 de noviembre de 2002

Fecha de Inicio: 27 de noviembre de 2002

Fecha de Terminación:

Lugar de Firma:

Unidad Encargada:

Persona Encargada:

Original:

Claves:

Cierre del proceso:

LOAN GUARANTOR AGREEMENT
BETWEEN
THE OAS STAFF ASSOCIATION
AND
THE GENERAL SECRETARIAT OF THE ORGANIZATION OF AMERICAN STATES
WHICH IS REPRESENTED FOR PURPOSES OF THIS AGREEMENT BY THE LEO S.
ROWE PAN AMERICAN FUND TECHNICAL SECRETARIAT

Whereas:

The Chief of Staff of the Secretary General has confirmed the full support of the Office of the Secretary General to this Agreement and, by letter of November 20, 2002, has authorized the Technical Secretary of the Leo S. Rowe Pan American Fund to sign it, and

The Staff Committee of the OAS Staff Association has approved the Agreement and authorized the President of the OAS Staff Association, at its November 27, 2002 meeting, to sign this Agreement,

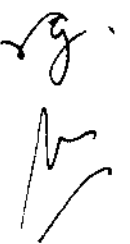
The Parties to this Agreement, the OAS Staff Association, with offices located at 1889 F Street, N.W., Washington, D.C. 20006, and which is represented for purposes of this Agreement by its President, and the General Secretariat of the Organization of American States with headquarters located at 1889 F. Street, N.W. Washington, D.C., and which is represented for purposes of this Agreement by the Technical Secretary of the Leo S. Rowe Pan American Fund , hereby agree as follows:

A. The concept: Rowe Fund loans for GS/OAS staff members guaranteed by the OAS Staff Association

In order to facilitate access of GS/OAS staff members who are dues paying members of the OAS Staff Association (hereinafter "eligible staff members" to loans from the Leo S. Rowe Pan American Fund (hereinafter the "Rowe Fund"), the OAS Staff Association (hereinafter "the Staff Association") agrees to set up a special loan guaranty account in the OAS Staff Federal Credit Union (hereinafter "the Credit Union") on which the Rowe Fund Technical Secretariat will be listed as a joint owner of the account. The money in the account (hereinafter referred to as the "Joint Staff Association/Rowe Fund Account" or the "Joint Account") will be used as loan guaranty on Rowe Fund loans to eligible staff members on the basis of one dollar of guaranty for every ten dollars of loans granted.

B. Eligibility conditions.

Eligible staff members seeking a loan through this Program (hereinafter the "Program") must submit a guaranty request, in writing, to the Staff Association. The Staff Committee will decide, on a case-by-case basis, whether to agree to be the loan guarantor.



In order to qualify for consideration under this Program:

1. The staff member must have a fixed-term contract with the GS/OAS for a year or more, continuing contract status, career service status, or a trust appointment;
2. The loan must be for college or university studies of the staff member, his/her spouse, or his/her child/children; and
3. The staff member must have been a regular and full contributor to the Staff Association for at least the past year (or since becoming a GS/OAS staff member, if less than a year has elapsed since he/she became a staff member.)

C. Loan approval conditions.

1. If the Staff Association agrees to serve as guarantor of a loan application, it will notify its decision to the Rowe Fund Technical Secretariat, (hereinafter referred to as the Rowe Fund Secretariat") in writing.
2. If the staff member complies with all other requirements for Rowe Fund loans to staff members, the loan application will be submitted to the Rowe Fund Committee, which will approve or reject it.
3. To qualify for a loan guaranty under this Program, the total amount lent to the staff member by the Rowe Fund, whether or not guaranteed under this Program, shall not exceed \$30,000 (thirty thousand dollars).

D. Loan terms.

1. Loans granted to staff members under this program will be charged an interest rate of one percent (1%) above the interest rate normally charged by the Rowe Fund to staff loans.
 - a. The 1% amount above the normal interest rate that is charged and collected by the Rowe Fund under this Program promptly will be paid by the Rowe Fund into the Joint Staff Association/Rowe Fund Account and will be available to guarantee future loans under this Program and to cover losses on loans approved under this Program. In addition, any interest earned on the Joint Account shall also be available to guarantee future loans under this program and to cover losses on such approved loans.
2. Loans granted to staff members under this Program shall be repaid through payroll deduction in not more than 60 monthly installments, with the first payment due on the month following its disbursement.
3. The Staff member must agree that if his/her employment with the GS/OAS ends for any reason, he/she will pay any outstanding balance on his/her Rowe Fund loan, in full, at the time of separation, and he/she must authorize the GS/OAS to deduct the amount

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owed from any GS/OAS termination benefits or other payments due upon separation from services.

E. Other terms of the guaranty agreement between the Staff Association and the Rowe Fund.

1. The Staff Association agrees to set up the Joint Staff Association/Rowe Fund Account with the amount of \$10,000 (ten thousand dollars), which will be available to guarantee loans under this Program during the next six months, beginning on the effective date of this Agreement.
2. The Staff Association's obligation vis-à-vis the Rowe Fund, as guarantor of any loan approved under this Program is limited to the Staff Association's obligation to set up the Joint Account with the \$10,000 payment provided for in Paragraph E,1, above. Once the Staff Association sets up the account, it is liable to help cover any losses incurred by the Rowe Fund on loans approved under this Program only up to the amount of funds available in the Joint Account. Any losses which cannot be covered by the Joint Account will be absorbed by the Rowe Fund s covered by that guaranty fund.
3. In addition to the monthly statements of the Joint Account that the Credit Union will provide to both parties of the Agreement, that list individual transactions, the Rowe Fund Technical Secretariat agrees to provide—at least quarterly—to the Staff Association written reports on the status of the Joint Account. Such reports shall include, inter alia, the following information:
 - a. Number and total amount of loans that have been guaranteed under this Agreement, as well as their current outstanding balance;
 - b. Cumulative amount of funds transferred to the Joint Account corresponding to the 1% interest surcharge and interest earned from the Credit Union; and
 - c. Cumulative amount withdrawn from the Joint Account since its inception to cover losses under this Agreement.
4. There is no implicit or explicit commitment to extending this program beyond the stated period, but the Rowe Fund Secretariat and the Staff Association will evaluate its results before the six months pass, and may decide to extend it, under the same or other mutually agreed conditions, for one year, and this process of negotiated extensions may continue indefinitely, as long as both parties agree to it.
5. The parties may agree to modify this agreement by increasing the funds placed by the Staff Association into the Joint Account in the event that it becomes apparent that that \$10,000 initially provided by the Staff Association, plus interest earned on that amount and the 1% loan payment by each participating staff member, will be insufficient to satisfy the loan demand under this Agreement before the agreement expiration date.
6. This agreement (as well as any possible subsequent modification, extension, or renewal) becomes effective when approved by the OAS Staff Committee and the Leo S. Rowe Pan



American Fund Committee, and signed by the President of the Staff Association and the Technical Secretary of the Leo S. Rowe Pan American Fund.

7. If, at any time, the Staff Association or the GS/OAS decide to terminate this agreement, it shall notify the other party in writing with at least 60 (sixty) days' prior notice, and they shall attempt to work out a mutually agreeable mechanism for handling any remaining funds in the Joint Account or which may come into the Joint Account after the termination of this Agreement. Unless the parties otherwise agree in writing, any such termination shall not affect the guarantor obligations for loans covered by the Joint Account which were approved by the Staff Association and the Rowe Fund Committee prior to the termination of the Agreement.

8. Any disputes with regard to the meaning or application or termination of this Agreement which cannot be solved by direct negotiation shall be resolved through a mutually agreed upon binding dispute resolution process.

9. Nothing stated or implied in this Agreement constitutes an express or implied agreement by the GS/OAS to waive its privileges and immunities under the OAS Charter and United States law.

FOR THE OAS STAFF ASSOCIATION

**FOR THE GENERAL SECRETARIAT
OF THE ORGANIZATION OF
AMERICAN STATES**

René L. Gutiérrez
(Name, printed)

President
(Title)

MANUEL METZ
(Name, printed)

Sec. Técnico, Fondo Rowe
(Title)

Dated: November 27, 2002

Dated: November 27, 2002



Organización de los Estados Americanos
Organização dos Estados Americanos
Organisation des États américains
Organization of American States

20 de noviembre de 2002

Apreciado Manuel:

Junto con agradecer, por su intermedio, a los miembros de la Comisión del Fondo Rowe y del Comité del Personal por haber logrado el acuerdo por el cual la Asociación del Personal establecerá un fondo para garantizar préstamos que el Fondo Rowe otorgue a funcionarios de la Secretaría General, a nombre del Secretario General le autorizo para firmar el acuerdo por parte de la Secretaría General.

Reciba un cordial saludo,

Fernando Jaramillo
Jefe de Gabinete del Secretario General

Señor
Manuel Metz, Secretario Técnico
Fondo Panamericano Leo S. Rowe
Washington, D.C.

Leo S. Rowe Fun
Organization of American State
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Washington, DC 2000