



ENHANCED SALARY LOAN APPLICATION

IMPORTANT: Proceeds of this loan will be credited to the eCard account of the member/borrower. Prior to filing the accomplished application form, the member/borrower must (a) secure a tentative computation of the net loan proceeds and (b) read carefully the terms and conditions at the back hereof.

TO BE FILLED OUT BY THE MEMBER/APPLICANT

Name of Applicant Last Name First Name Middle Name
Birth Date GSIS ID No. Policy No.
(The GSIS ID No. is the 11-character alphanumeric code appearing under member's name in the GSIS eCard)

Mailing/Residential Address
Present Office
Tel.No. Celphone No. E-mail Address

(Celphone No. is compulsory, do not leave this blank)

For DepEd Employees Only: Division No Station No. Employee No.

LOAN APPLIED FOR: (Please encircle your choice)

Table with 8 columns: 1 mo., 2 mos., 3 mos., 4 mos., 5 mos., 6 mos., 7 mos., 8 mos. Below the table: of my Basic Monthly Salary as appearing in the GSIS Data Base

TYPE OF LOAN: [ ] New [ ] Renewal
Basic Monthly Salary ₱

APPLICATION AGREEMENT

I hereby acknowledge as my personal indebtedness to GSIS whatever amount is approved by way of Salary Loan, and hereby agree to repay such loan in:
12 24 36 48 Monthly Amortizations (Please encircle preferred repayment term)

I hereby agree that the loan principal, interest and other charges due shall be payable in monthly amortization to be deducted from my salary. For this purpose, I hereby authorize whosoever is or will be the Treasurer/Disbursing/Collection Officer of my present or future government office to deduct from my salary the required monthly amortization. In the event that the Treasurer/Disbursing/Collection Officer of my present or future government office fails to deduct and/or remit to GSIS the said monthly amortization and charges on due date, I shall personally pay directly to the GSIS the said amount, including interests and surcharges in order to update my account.

I also agree that in case I fail to indicate the salary loan amount applied for and/or the loan repayment period, or in case I am not qualified to avail of the loan amount applied for, it is understood that I am applying for the maximum loan amount to which I am qualified or the maximum repayment period that I can elect in order to repay the loan.

I likewise agree that the term of this loan will immediately mature upon my retirement/separation, death or permanent disability and all outstanding balance on the salary loan herein secured or may hereafter be secured as an additional loan shall be deducted from the proceeds of whatever benefits due as a result of the occurrence of any of the said contingencies.

I further agree that the proceeds of the loan secured by this application are subject to deduction for outstanding salary loan or any other outstanding loan/s or indebtedness I may have with the GSIS in order to update or settle the same. In this connection, I hereby represent that prior to the filing of this application, I have secured or have knowledge of the tentative computation of the net proceeds of the loan herein applied for and hereby express my full intention to proceed with the same.

I agree that this loan shall at all times be subject to the terms and conditions stated in this application.

I hold GSIS free and harmless from any loss or damage resulting from improper use or misuse of my eCard.

Finally, I UNDERSTAND AND FULLY AGREE THAT IF I ALREADY HAVE AN eCARD, THE NET PROCEEDS OF THIS LOAN WILL BE CREDITED TO MY eCARD ACCOUNT.

Upon filing of this application, it is understood that I have previously secured a tentative computation of the net loan proceeds I will receive, including the amounts deducted therefrom in payment of my unpaid obligations with GSIS and fully conform to the same.

SIGNATURE OF MEMBER/BORROWER TIN: Date Signed

NOTE: The loan shall require a co-maker if the status of employment of the member/borrower is temporary, casual or contractual.

CO-MAKER'S UNDERTAKING
(To be filled out by the Co-Maker)

I, \_\_\_\_\_, presently residing at \_\_\_\_\_ am a permanent employee in the same agency as the applicant/borrower, and, an active member of GSIS with at least ten years of permanent government service and with policy/ID number \_\_\_\_\_, hereby undertake to pay the above loan applied for including interests and penalties thereon in the event the applicant/borrower defaults in the payment of his/her loan obligation for whatever cause. I hereby authorize GSIS to deduct from whatever loans or claims proceeds accruing to me the forementioned amount in order to satisfy this undertaking, aside from the usual legal remedies that GSIS may avail in the enforcement thereof.

SIGNATURE OF CO-MAKER Date Signed

TO BE FILLED OUT BY THE AGENCY

The undersigned officer certifies that: (1) the above signatures of the member/borrower and co-maker are authentic; (2) there is no pending administrative and/or criminal charge against them; (3) the information supplied The undersigned officer undertakes to deduct from the salary of the member/borrower, and, the co-maker should the former default in the payment of this loan, the monthly amortization due on the approved salary loan as reflected in

## Eligibility Requirements

The applicant must:

- be in active service of a government agency which is under legal obligation to remit compulsory integrated premium contributions to the GSIS and is not under suspension by GSIS for non-remittance of premiums or loan repayments in accordance with existing GSIS policies;
- have a total length of government service of at least 20 months.

## Amount of Loan

The loan shall be the amount approved by the GSIS and reflected in the salary loan voucher, which may not necessarily be the amount applied for. For this purpose, the amount of loan that a member can avail will depend upon his/her basic monthly salary (BMS) corresponding to the latest premium paid during the last four months immediately preceding the month of application and the number of years of service in the government as registered in the GSIS database. If after verification the member does not have any record of premium payment for the last 4 months, his loan application will be returned.

AMOUNT OF LOAN	1 Mo. BMS	2 Mos. BMS	3 Mos. BMS	4 Mos. BMS	5 Mos. BMS	6 Mos. BMS	7 Mos. BMS	8 Mos. BMS
No. of Months in Government Service	20	40	60	60	60	120	120	120

If the member fails to indicate the number of months of loan, it is understood that he/she is applying for the maximum loan amount for which he/she is qualified to avail.

## Application of Claims & Loans Interdependency Policy (CLIP) on the Loan Proceeds

The borrower authorizes the GSIS to deduct from the proceeds of this loan any outstanding obligations he/she may have with GSIS in order to update them or settle them in accordance with the Claims & Loans Interdependency Policy (CLIP) of GSIS and such other applicable GSIS policies existing or hereafter promulgated. Also, should this loan become in arrears or in default, the amount due the GSIS shall be deducted from the proceeds of other loan/s which he/she may avail in the future from the GSIS in order to update or liquidate this loan.

## Interest Payment

The loan shall be charged an interest of 12% per annum effective based on diminishing balance.

## Repayment Period

The borrower shall have the option to repay the loan in 12, 24, and 36 or 48 months, which he/she should indicate in the application; otherwise, the failure to specify the repayment term shall be interpreted as a preference to pay in 48 months.

## Due Date of First Monthly and Succeeding Monthly Installments

If the loan is granted on or before the 10<sup>th</sup> of the month, the first and succeeding monthly amortizations shall be due on the 10th of the following month and every month thereafter until the loan is fully paid respectively. If the loan is granted after the 10<sup>th</sup> of the month, the first and succeeding monthly amortizations shall be due on the 10th of the next following month and every month thereafter until the loan is fully paid.

## Service Fee

A service fee of 1% of the gross loan shall be deducted from the proceeds of the Loan.

## Salary Loan Redemption Insurance (SLRI)

The approved loan shall at all times, during its term, be automatically covered by a GSIS salary loan redemption insurance (SLRI), the corresponding premiums of which shall be deducted from the loan proceeds. Should the borrower die or become permanently and totally disabled while this loan is still outstanding, the theoretical balance of the loan (the balance on the loan if the borrower consistently pays the monthly installment on or before the due dates) as of the date of death or disability of the borrower shall, by virtue of the insurance coverage, be deemed paid. In case there are arrearages on the loan, the difference between the actual balance and the theoretical balance shall be deducted from whatever benefits that may be due the deceased or disabled borrower. The insurance coverage is automatically terminated when the borrower pays the loan in full, or renews the loan, or upon expiration of the term of the loan, whichever comes first. For this purpose, the SLRI premium rates corresponding to approved type of loan shall be in accordance with the following scheduled rates:

TERM IN MONTHS	12 Mos.	24 Mos.	36 Mos.	48 Mos.
SLRI Premium Rate (To be deducted from loan proceeds)	0.8% of Loan Amount	1.2% of Loan Amount	1.6% of Loan Amount	2.0% of Loan Amount

## SLRI Premium Credit

A SLRI premium credit corresponding to the unexpired portion of the term shall be given to loan borrowers who renew or pay in full and if there are at least nine (9) months remaining on the term of the loan, except when the term of the loan is only for twelve (12) months.

## 0. Maturity of the Loan

This loan automatically matures upon retirement, separation, permanent disability or death of the borrower notwithstanding that a longer term was chosen by the borrower. Upon the maturity of the loan, the entire principal amount including all interest and other charges, shall be due and payable without need of demand or further notice, all of which the borrower expressly waives.

## 1. Renewal of Loan

The loan may be renewed anytime for as long as there are net proceeds.

## 2. Loan Pre-termination

The borrower may pre-terminate the loan during its term subject to the full payment of outstanding balance of the principal amount, including all interests and other charges.

## 3. Loan Cancellation

Once the loan is approved and the loan proceeds have been released through check or through any other mode of disbursement, the borrower has no more option to cancel the loan but only to pre-terminate it by paying the full amount of the outstanding balance including accrued interest, if any, without any right to demand for reimbursement of service fee and such other fees that might have been collected under such loan.

## 4. Authority to Apply Payment

In case of maturity of this loan and it remains outstanding either in whole or in part, both for principal and interest, the GSIS is authorized to collect, deduct or withhold from whatever benefits that may be due the borrower, his/her heirs, beneficiaries, assignees or successors-in-interest, the amount equivalent to the outstanding balance of this loan, inclusive of interest and surcharges. Such authorization shall remain effective until full payment of the loan or any other outstanding obligation of the borrower to the GSIS.

It is expressly understood that any unpaid balance or outstanding obligation of the borrower to the GSIS, by virtue of this loan and/or other obligation, shall constitute a lien over any benefits/claims that may be due the borrower.

Should such benefits/claims from the GSIS be insufficient to cover the remaining balance, GSIS shall not be prevented from filing the necessary civil and administrative action(s) for recovery either against the borrower or his estate.

## 5. Surcharges

Surcharge of one-half percent (0.5%) shall be imposed on every unpaid installment on the loan, or any portion thereof, for every month of delay until the same is fully paid.

## 6. Events of Default

The following shall be considered events of Default:

- Failure of the borrower to pay three (3) monthly amortizations, which may not necessarily be consecutive.
- Material misrepresentation in this loan application committed by the borrower or Authorized Indorsing Official of the employer of the borrower.
- Failure of the borrower to comply, perform or observe any other provision, term, condition under this loan agreement.
- Failure on the part of the borrower to pay the arrearages of his/her other obligations to GSIS.
- Dismissal from service with forfeiture of benefits

## 7. Consequences of Default

If an Event of Default occurs and continues to occur, the GSIS may, at its option declare the entire principal amount of this loan including all interest and other charges, to be due and payable without need of demand or further notice, all of which the borrower expressly waives. Further, all GSIS loan privileges of the member-borrower shall also be suspended, except when the proceeds of the new loan shall be used to settle the arrearages thereon.

## 8. Attorney's Fees

Should the GSIS be compelled to refer the loan or any portion thereof to an Attorney-at-Law for collection or to enforce any right hereunder against the borrower or avail of any remedy under the law or this agreement, the borrower shall pay an amount equivalent to twenty five (25%) percent of all amounts outstanding and unpaid as attorney's fees and litigation expenses.

## 9. Venue

Any legal action, suit, or proceeding arising out or relating to this agreement, shall be brought or instituted in the appropriate courts in the City of Pasay or such other venue at the exclusive option of GSIS. In the event the borrower initiates any legal action arising from or under this agreement, for whatever causes, the borrower agrees to initiate such action only in the City where the principal office of GSIS is located.

## 0. Transfer/Change of Office

The borrower shall immediately inform the GSIS of his/her transfer to any government office/agency, and for the continued remittance of his/her monthly payment on the loan, this application shall be sufficient authority for GSIS to effect collection through salary deduction from his/her new office/agency.

## 1. Notices

All notices required under this agreement or for its enforcement shall be sent to the office address or postal/mailling address indicated in the personal data portion of this loan