Government Service Insurance System

Paseguruhan ng mga Naglilingkod sa Pamahalaan

GSIS MULTI-PURPOSE LOAN FLEX (MPL FLEX)

(Please read instructions below)

INSTRUCTIONS: Ensure that the application form is properly filled out and submit duly accomplished application form to the nearest GSIS/Handling Office.

WARNING: Direct or indirect commission of fraud, collusion, falsification, misrepresentation of facts, or any other kind of anomaly in the accomplishment of this form, or in obtaining any benefit under this application shall be subject to administrative, civil and/or criminal action.

Name of Applicant		
Last Name	*First Name*	*Middle Name*
Birthdate (MM/DD/YYYY)	**GENDER**	**Business Partner (BP) No.** **eCARD/UMID Card No.** **eCARD/UMID Bank Account No.**
Mailing/Residential Address		
Complete Agency Name		
Telephone No.	**Mobile Phone No.**	**Email Address**
For DepEd Personnel		
Division No.	*Station No.*	*Employee No.*

LOAN AMOUNT *(Please encircle your choice or indicate preferred loan amount)*

Basic Monthly Salary													
1 mo.	**2 mos.**	**3 mos.**	**4 mos.**	**5 mos.**	**6 mos.**	**7 mos.**	**8 mos.**	**9 mos.**	**10 mos.**	**11 mos.**	**12 mos.**	**13 mos.**	**14 mos.**

Preferred Loan Amount *(Any amount lower than the maximum loan)* **Php** _____

TYPE OF LOAN:

☐ New
☐ Renewal
(Please check choice)

I undertake to pay the loan within _____ years. *(Please indicate applicable loan term.)*

TERMS AND CONDITIONS

1. LOAN AMOUNT

a. For Regular Active Members. The maximum loanable amount shall depend on the member's Period with Paid Premiums (PPP) and computed Basic Monthly Salary (BMS) based on actual premiums posted.

Maximum Loanable Amount (MLA) for the MPL Flex according to the PPP and employment status of the member:

PPP	Permanent Regular Member	Non-Career Regular Member
At least 1 month but less than 20 mos.	1 x BMS	--
At least 20 mos. but less than 3 years	3 x BMS	3 x BMS
At least 3 years but less than 5 years	4 x BMS	4 x BMS
At least 5 years but less than 10 years	7 x BMS	7 x BMS
At least 10 years but less than 15 years	10 x BMS	10 x BMS
At least 15 years and over	14 x BMS	14 x BMS

b. Reclassified Members from Regular to Special. The loanable amount for Judges and Justices and Special Members with existing Memorandum of Agreement (MOA) with the GSIS shall be 14 times of their BMS. Likewise, Special Members under agencies who have entered into MOA with the GSIS for the GFAL or MPL shall be eligible to loan 14 times of their BMS.

c. The amount of loan shall be based on the member's PPP (or Total Length of Service (TLS), in case of Special Members) but shall not exceed Php5,000,000.00.

d. The member, both regular and special, has the option to choose a lower loan amount provided that the proceeds of the loan will be sufficient to cover aggregate balance of all existing loan accounts including the fees charged.

e. Failure to indicate the preferred loan amount in the application form shall mean that the member is applying for the maximum loan amount for which the member is qualified to avail.

2. TERM

a. For Regular Active Members. The loan term of the MPL Flex shall be as follows:

PPP	Permanent Regular Member	Non-Career Regular Member
At least 1 month but less than 20 mos.	Up to 3 years	--
At least 20 mos. but less than 10 years	Up to 6 years	Up to 3 years
At least 10 years and over	Up to 15 years	Up to 9 years

b. For Special Members with MOA with the GSIS. The loan term of the MPL Flex shall be up to 10 years.

c. If with existing HELP account, the loan term of the MPL Flex shall be up to 15 years:

PPP	Loan Term (in years)
At least 1 month but less than 20 mos.	Up to 3 years
At least 20 mos. but less than 10 years	Up to 6 years
At least 10 years and over	Up to 15 year

d. The member-borrower shall be given the option to choose a shorter term in increments of one (1) year or 12 months.

3. CONSOLIDATION OF LOANS

The MPL Flex shall consolidate the following loans, following this order:

a. Salary Loan (SL)
b. Restructured Salary Loan (RSL)
c. Enhanced Salary Loan (ESL)
d. Emergency Loan Assistance (ELA)
e. Summer One-Month Salary Loan (SOS)
f. Conso-Loan Plus / Enhanced Conso-Loan Plus
g. Member's Cash Advance / eCard Cash Advance / eCard Plus Cash Advance
h. Home Emergency Loan Program (HELP)
i. Educational Assistance Loan I and II (EAL I / II)
j. Fly PAL, Pay Later (FPPL)
k. Study Now, Pay Later (SNPL)
l. Stock Purchase Loan (SPL)

The consolidation of the loans shall result in the full liquidation of the outstanding balances on the above loans. The outstanding balances of such loans, including surcharges (if any) to be waived, shall be computed up to the date of granting of the MPL Flex.

4. INTEREST. The interest rate shall be seven percent (7%) per annum computed in advance for members with PPP of less than three (3) years, and six percent (6%) per annum computed in advance for members with PPP of at least three (3) years.

For Special Members with MOA with the GSIS. Interest rate shall be 7% per annum computed in advance regardless of the term of the loan.

The Effective Interest Rate (EIR) per annum that shall be used are as follows:

Loan Term	7%	6%
1 year	13.4421961%	11.4573797%
2 years	13.7030186%	11.7120016%
3 years	13.6096275%	11.6630768%
4 years	13.4383335%	11.5441329%
5 years	13.2461477%	11.4038854%
6 years	13.0512190%	11.2582026%
7 years	12.8604790%	11.1134005%
8 years	12.6767332%	10.9722352%
9 years	12.5010403%	10.8359228%
10 years	12.3336560%	10.7049479%
11 years	-	10.5794269%
12 years	-	10.4592854%
13 years	-	10.3443505%
14 years	-	10.2344005%
15 years	-	10.1291928%

The monthly interest on outstanding balance of the loan shall be computed based on diminishing balance. Pro-rata interest covering the days from loan granting up to the end of the month prior to the first due month shall be deducted in advance from the loan proceeds.

5. DUE DATE OF FIRST MONTHLY AMORTIZATION. The remittance due date of the monthly amortizations shall be on or before the 10th day of each month following the due month until the loan is fully paid.

a. For loans granted on or before the 23rd of the month, the first due month shall be the calendar month following the granting of the loan. The loan amortization shall be remitted by the agency to GSIS on or before 10th of the month following such due month.
b. For loans granted after the 23rd of the month, the first due month shall be the 2nd calendar month following the granting of the loan, and shall be remitted by the agency to GSIS on or before the 10th of the month following such due month.

6. REDEMPTION INSURANCE. The MPL Flex shall have redemption insurance (RI) to safeguard the interests of both the member-borrower and the GSIS in case of the former's untimely death during the term of the loan. The RI rate shall depend on the interest rate and term of loan, to wit:

Loan Term	Monthly RI Rate (Per Php1,000 of Loan Amount)	
	At 7%	At 6%
1 year	0.31238	0.31157
2 years	0.31663	0.31492
3 years	0.33000	0.32739
4 years	0.34605	0.34254
5 years	0.36350	0.35908
6 years	0.38190	0.37657
7 years	0.40111	0.39486
8 years	0.42111	0.41392
9 years	0.44193	0.43379
10 years	0.46364	0.45452
11 years	-	0.47617
12 years	-	0.49880
13 years	-	0.52244
`14 years	-	0.54707
15 years	-	0.57269

a. The RI Premium Rates shall be subjected to regular actuarial review every two (2) years, or for any other period, as may be deemed necessary, to assess the competitiveness and sustainability of the RI attached to the loan program.

b. To ensure that the member-borrower is covered with RI from the date of loan granting, an advance RI premium shall be deducted from the loan proceeds as follows:

Date of Loan Granting	RI Preium to be Deducted
On or before the 23rd of the month	Equivalent to 1 month
After the 23rd of the month	Equivalent to 2 months

c. If the member-borrower dies and the loan is up to date, the outstanding balance of the loan shall be deemed fully paid by virtue of the RI coverage.

d. In case the loan is in arrears, only the theoretical outstanding balance shall be covered by the RI benefit and shall be deemed fully paid. The arrearages, however, shall be deducted from whatever benefits due the deceased. In case the arrearages exceed the benefits due the deceased, the excess shall be deducted from the subsequent benefits due the heirs.

e. In case the loan is in default, the RI coverage shall be deemed lapsed or cancelled. Thus, the outstanding balance at the time of death shall be due and demandable and shall be deducted from whatever benefits due the deceased. In case the outstanding balance exceeds the benefits, the excess shall be collected from the subsequent benefits due the heirs.

f. No RI premiums shall be collected from any subsequent benefit that the deceased member-borrower and the respective legal heirs are entitled to.

g. The RI is automatically terminated in any of the following instances: (i) when the member-borrower pays the loan in full, or upon expiration of the loan term, whichever comes first; or (ii) upon the borrower's resignation, permanent disability, retirement, separation, cessation of membership coverage, or dismissal from the service.

7. COMPUTATION OF FEES. A Service Fee of 2% shall be charged upon granting of the loan (initial availment or renewal), computed based on the gross loan amount.

8. COMPUTATION OF NET PROCEEDS. The net proceeds of the MPL Flex shall be computed as follows:

Loan Amount (refer to the Table of Maximum Loanable Amount)		xx
Less: OBAL of Outstanding Loans to be consolidated or Old MPL	xx	
IDA	xx	
Advance RI Premium	xx	
	xx	
Proceeds before Arrearages		xx
Less: Emergency Loan (EML) Arrearages or OBAL, if past due* GFAL Arrearages	xx xx	xx
Net Proceeds		**xx**

** If past due, the 'one-time' waiver of outstanding surcharges on EML account shall be applied.*

9. e-CREDITING OF LOAN PROCEEDS. The proceeds of the MPL Flex shall be directly credited to the eCard account of the member/borrower. The member-borrower shall be informed of the loan crediting through email or SMS message.

10. PAYMENT MECHANISM. The monthly amortization shall be paid through payroll deduction. It is understood that the deduction shall not be stopped until the loan is fully paid. However, the member/borrower shall directly remit to the GSIS office or to its accredited external payment service provider/s or online payment facility of servicing bank/s the loan amortization as they fall due under any of the following instances:

a. The name of a member-borrower is excluded from the monthly collection list;
b. The member-borrower is on secondment, on study leave without pay or extended leave without pay;

c. The monthly amortization is not deducted and/or remitted by the agency for any other reason aside from item 4(b) above; or
d. The loan amortization deducted from the payroll is not sufficient to cover the full amount due.

The member-borrower may likewise make advance payment/s on the loan on top of the regular payment through payroll deduction.

11. **APPLICATION OF PAYMENTS.** The order of priority for the application of payment shall be as follows: (a) RI Premium, (b) Penalty, if any**,** (c) Interest and (d) Principal.

12. **PENALTY FOR ARREARAGES.** An account is considered in arrears if: (a) there is payment for monthly installment but the remittance of said payment is delayed, (b) **t**he actual amount paid for the month is less than the amount due for the same month; or (c) there is no payment made for the month. It shall incur a penalty at the rate of 1% per month, compounded monthly, until the arrears are paid.

13. **RENEWAL.** The MPL Flex may be renewed anytime as long as there are net proceeds on the loan renewal, after deducting the outstanding balances of the previous MPL, EML in arrears or in default, and GFAL in arrears, with the penalties if any. The maximum loanable amount and loan term shall be determined based on the PPP of the member borrower at the time of application for loan renewal.

14. **PRE-TERMINATION.** The MPL Flex may be pre-terminated by paying the outstanding balance of the loan before the end of the loan term. No fees shall be charged to the member-borrower in case of pre-termination.

15. **LOAN CANCELLATION.** Member-borrowers shall be allowed to cancel the loan agreement within a period of thirty (30) calendar days from the date of loan granting. In cases of cancellation of the loan upon the behest of the member-borrower, the principal amount (or the face value in the loan contract), plus the pro-rata interest covering the days from loan granting up to the actual cancellation of the loan, shall be paid in full. The cancellation of the loan shall result in the reversal of all loans previously consolidated under the MPL Flex, including waived surcharges, if any. These loans shall be restored back to original status, and shall be computed corresponding interests and surcharges that have accrued from the time they were liquidated under the MPL Flex.

16. **COMPULSORY PRE-TERMINATION.** The loan agreement shall be deemed pre-terminated upon the death, resignation, permanent disability, retirement, separation, cessation of membership coverage, or dismissal from the service of the borrower, in which case, the outstanding balance shall be due and demandable and shall be collected by GSIS from the claims of the member-borrower, or of the respective heirs, or through appropriate legal action except where redemption insurance is applicable in the case of death. Retiring member-borrowers may opt to avail of the Choice of Loan Amortization Schedule for Pensioners/CLASP, subject to existing policies and procedures.

17. **DEFAULT.** In the event of default, the outstanding balance of the loan becomes due and demandable without need of demand or further notice, all of which the member-borrower expressly waives. In case of failure to pay the outstanding balance declared in default, the outstanding balance shall be charged a penalty of 18% per annum compounded monthly (p.a.c.m.), broken down as interest (on the outstanding balance) of 12% p.a.c.m. and surcharge of 6% p.a.c.m., from the date of default until the date of full payment. Accounts in default shall be endorsed for appropriate legal action within thirty (30) working days from default.

18. **RECOVERY OF AMOUNT/S CREDITED IN THE eCARD.** GSIS shall have the right to recover any undue amount that it has credited in the eCard due to fraud, misrepresentation or error.

19. **REFUND OF OVERPAYMENTS AFTER END OF LOAN TERM.** At the end of the loan term, any overpayment shall be treated in accordance with the policy guidelines on the treatment of excess payment.

20. **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 25% of all amounts outstanding and unpaid as and for attorney's fees and litigation expenses.

21. **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.

22. **NOTICES**. All notices required under this Agreement for its enforcement shall be sent to the Office Address or the Residential Address indicated in the Personal Data portion of this loan application. The notices sent to the said Office or Residential Address shall be valid and shall serve as sufficient notice to the borrower for all legal intents and purposes.

*I confirm that I have read and fully understood the **GSIS MULTIPURPOSE LOAN FLEX (MPL FLEX) PROGRAM** Terms and Conditions and undertake to comply with them. Furthermore, I hereby authorize the GSIS, through my employer (government agency), to deduct from my terminal leave benefits any remaining outstanding loan obligations I may have with the GSIS upon my separation or retirement. I understand that the remittance thereof by my employer to the GSIS shall first be undertaken before the issuance of a GSIS clearance for the release of my remaining terminal leave benefits, if any.*

DATA PRIVACY CONSENT

I hereby confirm my understanding of the Privacy Policy of the GSIS pursuant to the requirements of R.A. 10173, otherwise known as the DPA, its Implementing Rules and Regulations and other issuances of the National Privacy Commission and consent to the manner of and safety measures to be observed in the collection, use, access, disclosure, processing and disposal of my personal and sensitive personal data by the GSIS.

Finally, pursuant to R.A. No. 9510, otherwise known as the "Credit Information System Act", and its Implementing Rules and Regulations (IRR), I hereby acknowledge and consent to: 1) the regular submission and disclosure of my basic credit data and updates thereon to the Credit Information Corporation (CIC); and 2) the sharing of my basic credit data with lenders authorized by the CIC, and credit reporting agencies and outsourced entities duly accredited by the CIC, subject to the provisions of R.A. No. 9510, its IRR and other relevant laws and regulations.

MEMBER/BORROWER
(Signature over Printed Name)

DATE SIGNED | ***BIR TIN***