EMERGENCY LOAN (ACTIVE MEMBER)
APPLICATION FORM
Form No. 05042020-EL-Active-REV 1

IMPORTANT: *Proceeds of this loan will be credited to the eCard account of the borrower. Prior to the filing of the accomplished application form, the borrower must read thoroughly the terms and conditions below.*

TO BE FILLED OUT BY THE APPLICANT

Name of Applicant			**Birth Date (mm/dd/yyyy)**
Last Name	*First Name*	*Middle Name*	
GSIS ID No. ***(any of the ID No. below may be provided)***			
BP No.	**E-Card/UMID Card No.**	**E-Card/UMID Bank Account No.**	
Mailing/Residential Address			
No. / *Street*	*Brgy/District*	*Municipality/City*	*Zip Code*
Landline No.	**Mobile No.**	**Email Address**	
Present Office/Present Office Address			
Name of AAO			**Mobile No.**
Last Name	*First Name*	*Middle Name*	

TYPE OF LOAN: ☐ **New** ☐ **Renewal**

TERMS AND CONDITIONS

Note: The special conditions set forth below will only apply during the COVID-19 crisis.

1. **Loanable Amount:** Qualified emergency loan borrowers with no emergency loan account shall be allowed a loan amount of Php20,000.00. If with existing emergency loan account, the loanable amount is up to Php40,000.00 but net proceeds should not exceed Php20,000.00. For those who have already renewed their emergency loan starting 13 April 2020, they shall still be entitled to additional loanable amount of Php20,000.00 but net proceeds should not exceed Php20,000.00. The outstanding balance (OBAL) of the previous emergency loan shall be deducted from the net proceeds of the new loan.

2. **Qualified Loan Borrowers:** Active GSIS members shall be qualified to avail of an Emergency Loan (EL) provided the following conditions are met:
   a. Member-borrower is a bona fide employee of the agency located in a declared calamity area or is a resident of a declared calamity area, based on latest GSIS records as of the time of declaration of calamity;
   b. Member-borrower is in active service and not on leave of absence without pay;
   c. Member-borrower should have paid and remitted premiums equivalent to at least three (3) monthly premium contributions for both Personal and Government share within the last six (6) months prior to application (September 2019 to February 2020).
   d. Member-borrower has no pending administrative case and/or criminal charge;
   e. Member-borrower with outstanding GSIS loan that is due and demandable may avail of the emergency loan; and
   f. Member-borrower has a resulting monthly net take-home pay of not lower than the amount required under the General Appropriations Act, after all the required monthly obligations, including the EL amortization, have been deducted.

3. **Repayment Term:** The loan repayment shall be made over three (3) years in thirty-six (36) equal monthly installments.

4. **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. In the following instances, however, the borrower shall directly remit to the GSIS the loan instalment as they fall due:
   a. The name of a member-borrower is excluded from the monthly collection list for reasons other than retirement, separation, permanent disability, or death;
   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 reason aside from item 4(b) above or item 10 below; or
   d. The loan amortization deducted from the payroll is not sufficient to cover the full amount due.

   The member-borrower whose loan is paid through payroll deduction shall observe all necessary measures to ensure the deduction of correct monthly amortization; and the proper and timely remittance to the GSIS by the concerned agency.

5. **Interest Rate and Monthly Amortization:** The annual interest rate shall be six percent (6%) computed in advance, with an annual effective rate of 9.88%, computed as follows:

Particulars	New	With Existing EML
Loan Amount (Loan)	P 20,000.00	Up to P 40,000.00
Interest Rate (Interest)	6%	6%
Term of Loan (Term)	3 years	3 years
Amount of Interest (Loan x Interest x Term)	P 3,600.00	Up to P 7,200.00
Total Loan Amount (Loan + Amount of Interest)	P 23,600.00	Up to P 47,200.00
Monthly Amortization (Total Loan Amount / 36 months)	P 655.56	Up to P 1,311.11

6. **First Due Date (FDD) of Monthly Amortization:** The FDD shall be due on the 10th day of the 3rd calendar month following the granting of the loan, and every 10th day of the succeeding month thereafter until the loan is fully paid.
   Illustration:

Date Loan Approved	May 15, 2020
First Due Date	August 10, 2020
Date of remittance of the 1st Monthly Amortization	On or before September 10, 2020
Due Date for the remittance of the remaining 35 Monthly Amortizations	Every 10th of the month thereafter until August 10, 2023

7. **Loan Redemption Insurance:** An EL Redemption Insurance (ELRI) of 1.2% of the gross loan amount shall be deducted from the proceeds of the loan. If the member dies during the term of the loan and the loan is up-to-date, the loan shall be deemed fully paid by virtue of the ELRI coverage. The ELRI is automatically terminated when the active member pays the loan in full or upon expiration of the term of the loan, whichever comes first.

8. **Penalty for Arrearages:** An account is considered in arrears if:
   a. There is payment for monthly instalment but the remittance of said payment is delayed;
   b. The 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.

9. **Loan Pre-Termination:** The member-borrower may pre-pay the loan anytime during its term without penalty by paying off the remaining outstanding principal and any unpaid interest up to the time of termination.

10. **Maturity of the Loan:** The loan shall mature at the end of the payment term of thirty-six (36) months or upon retirement, subject to existing policies and guidelines on Choice of Loan Amortization Schedule for Pensioners (CLASP), separation, permanent disability or death of the borrower, whichever comes first. In which case, the entire principal amount of the loan including all interest and other charges payable, shall be due and payable without need of demand or further notice.

    In the event of death of the member-borrower during the term of the loan and the account is not in default, the insurance proceeds from the member's ELRI benefits shall be applied as payment to the current outstanding balance of the loan. The loan shall be deemed paid by virtue of the ELRI if the member-borrower dies and the loan is up-to-date.

11. **Deduction from the Loan Proceeds:** The following shall be deducted from the loan proceeds: (a) Outstanding balance of the previous EL; and (b) ELRI premium equivalent to 1.2% of the loan amount.

12. **Condition for Renewal:** Renewal before the full payment of a previous emergency loan shall be allowed even if the EL account is in arrears or the member has due and demandable GSIS loans. However, loan arrearages or OBAL of due and demandable EL account shall be deducted from the proceeds of the loan. On the other hand, the OBAL of other due and demandable loans shall not be deducted.

13. **Loan Cancellation:** Member-Borrowers shall be allowed to cancel the loan agreement within a period of thirty (30) calendar days from the date of the granting of the loan. In case of cancellation of the loan upon the behest of the borrower, the principal amount (or the face value in the loan contract), plus the pro-rata interest and ELRI covering the days from loan granting up to the actual cancellation of the loan, shall be paid in full.

14. **Policy on Default:** An account is considered in default when the total unpaid obligation is equivalent to more than six (6) monthly amortizations. In the event of default, the outstanding balance of the loan becomes due and demandable without need of demand. In case of failure to pay the outstanding balance declared in default, the outstanding balance shall be charged with an interest equivalent to 12% per annum compounded monthly (p.a.c.m.) and a penalty of 6% p.a.c.m., from the date of default until the date of full payment.

    Any payment received after a loan has been declared in default shall be applied in the order of priority below:
    a. Penalty
    b. Interest
    c. Principal

15. **Availment of Loan:** The loan may be availed in accordance with the prescribed policies and guidelines.

16. **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 Member-Borrower, his/her heirs, beneficiaries, assignees or successors-in-interest, the amount equivalent to the outstanding balance of this loan, inclusive of interest, penalties 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 Member-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 Member-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 member-borrower or his/her estate.

17. **CHOICE OF LOAN AMORTIZATION SCHEDULE FOR PENSIONERS (CLASP):** Effective June 1, 2011, retiring GSIS members who will avail of a retirement scheme with an immediate pension benefit as provided under RA 660, PD 1146 and RA 8291 may avail of the Choice of Loan Amortization Schedule for Pensioners (CLASP) where the member-retiree may choose to settle his/her outstanding balance of the loan in whole (100%) or a percentage thereof (75%, 50% or 25%) which shall be deducted from his/her retirement proceeds. For those who choose to pay a percentage of the outstanding balance of the loan (75%, 50% or 25%), the remaining unpaid balance shall be restructured as a loan with a rate of 10% per annum compounded annually, payable over a maximum period of three (3) years.

18. **Recovery of amount/s credited in the eCard:** GSIS shall have the right to recover by any legal means, any amount in the eCard account credited thereon by the GSIS due to fraud, misrepresentation or error on account of any transaction which the member-borrower may have with the GSIS.

19. **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 Member-Borrower or avail of any remedy under the law or this Agreement, the Member-Borrower shall pay an amount equivalent to twenty five (25%) per cent of all amounts outstanding and unpaid as and for attorney's fees and litigation expenses.

20. **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 member-borrower agrees to initiate such action only in the City where the principal office of GSIS is located.

21. **Transfer/Change of Office:** The Member-Borrower shall immediately inform the GSIS of his transfer to any government office/agency. This application shall be sufficient authority for GSIS to effect collection through salary deduction from his new office/agency.

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

I confirm that I have read and fully understood the foregoing **EMERGENCY LOAN** 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.

I confirm my understanding of the Privacy Policy of the GSIS pursuant to the requirements of Republic Act (R.A.) No. 10173, otherwise known as the Data Privacy Act, and consent to the manner of collection, use, access, disclosure and processing 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.

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SIGNATURE OF MEMBER/BORROWER	**TIN**	**DATE SIGNED**