



PENSION LOAN OTC-APPLICATION

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

TO BE FILLED UP BY THE PENSIONER/APPLICANT

Name of Applicant _____
 Last Name First Name Middle Name

Birth Date _____ Pensioner ID No. _____

Mailing/Residential Address _____
 No. Street Brgy/District Municipality/City Zip Code

Contact No. _____ Cellphone No. _____

NO. OF PENSION: (Please check your choice)
 MONTHS

1 Mo.	2 Mos.	3 Mos.	4 Mos.	5 Mos.	6 Mos.
Maximum of P100,000.00					

TYPE OF LOAN: New Renewal

DESIRED PAYMENT TERM: One Year Two Years

APPLICATION AGREEMENT

I hereby acknowledge as my indebtedness to GSIS whatever loan amount is approved as my Pension Loan. I also agree to pay such loan in the desired repayment term marked above.

I further agree that the loan principal, interest and other charges due shall be payable in monthly amortization to be deducted from my monthly pension from GSIS. For this purpose, I hereby authorize the GSIS to deduct from my monthly pension the required monthly amortization. Moreover, in the event that the deduction as authorized is not effected for whatever reason, I shall personally pay directly to the GSIS the said amount, including penalties, surcharges and interest in order to update my account.

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

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 I fully conform to the same.

SIGNATURE OF PENSIONER/BORROWER

DATE SIGNED

TERMS AND CONDITIONS

1. **ELIGIBILITY REQUIREMENTS.** An old-age or disability pensioner who has no outstanding stock purchase loan may qualify for a pension loan by submitting a properly accomplished application form at the appropriate GSIS Office.

Incapacitated pensioner may apply through a designated representative who shall inform the pension loan processor of the GSIS where the pensioner can be visited for the signing of the application form by the pensioner himself/herself.

2. **APPLICATION.** Application shall be accepted at any GSIS Office or on-line through the GW@PS Kiosk.

3. **AMOUNT OF LOAN.** The amount of loan shall be the sum total as approved by the GSIS and as reflected in its disbursement voucher which is not necessarily the amount applied for. The amount of loan that an old-age or disability pensioner can avail shall be either 1, 2, 3, 4, 5, or 6 times his/her monthly pension but in no case be more than P100,000.00

For this purpose, the monthly pension to be considered in determining the amount of loan to be granted shall be the monthly pension as of the date of receipt of the loan application by the GSIS.

4. **eCREDITING OF LOAN PROCEEDS.** The proceeds of the GSIS Pension Loan shall be credited directly to the account of the pensioner. The pensioner shall be notified of the crediting of the proceeds of the loan to his account through short messaging service (SMS).
5. **TERMS OF PAYMENT.** The loan principal, interest and other charges due shall be payable in monthly amortization within the term selected by the Pensioner-Borrower which may either be one (1) or two (2) years.

The monthly amortization shall be deducted from the Pensioner-Borrower's monthly pension from GSIS. It is understood that the Pensioner-Borrower cannot authorize the stoppage of such pension deduction until full payment of the loan and other charges that may have accrued thereon.

In the event that deduction as above authorized is not effected for whatever reason, the Pensioner-Borrower hereby undertakes to pay directly to the GSIS any and all amortization due.

6. **DUE DATE OF FIRST MONTHLY INSTALLMENT.** The first monthly amortization shall be due on the first day of the second month following the granting of the loan and every month thereafter until the loan is paid.
7. **INTEREST RATE.** The loan shall incur interest at the rate of eight percent (8%) per annum computed in advance.
8. **FEES.** The following fees shall be deducted from the loan amount.
a. Service Fee - 1% of the ~~gross~~ gross loan amount; and b. eProcessing Fee - P50.00

9. **MATURITY OF THE LOAN.** This loan automatically matures upon the death of the Pensioner-Borrower notwithstanding that a longer term was chosen by the Pensioner-Borrower.

Upon the maturity of the loan, the entire principal amount of this Loan including all interest and other charges payable, shall be due and payable without need of demand or further notice, all of which are hereby expressly waived by the Pensioner-Borrower.

10. **RENEWAL OF THE LOAN.** Renewal of the loan will be allowed only after the end of the term chosen by the Pensioner-Borrower. Application for succeeding loan shall be processed starting on the month following the month of the last repayment.

For this purpose, "end of the term" means the month that the last repayment on the loan is due.

11. **LOAN PRE-TERMINATION.** The Pensioner-Borrower may pre-terminate the loan during its term subject to the full payment of outstanding balance of the principal amount, including all interest and other charges payable.

12. **LOAN CANCELLATION.** Once the loan is approved and the loan proceeds have been ecredited to the pensioner's eCard Plus account, the Borrower-Pensioner 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 processing/service fee and such other fees that might have been collected under such loan.

13. **AUTHORITY TO APPLY PAYMENT.** In case of maturity of this loan due to the death of the Pensioner Borrower and it remains outstanding ~~in whole~~ in whole or in part, both for principal and interest, the GSIS is authorized to apply the funeral benefit due his/her beneficiaries in accordance with law, the amount equivalent to the outstanding balance of this loan, inclusive of interest, penalties and surcharges. The residual of the funeral benefit shall be paid to the qualified beneficiaries/claimants in accordance with the law.

Further, in the event that the funeral benefit is insufficient to fully settle the outstanding obligations, GSIS is authorized to apply the monthly survivorship pension (basic survivorship pension and dependent's pension) due to qualified survivor/s to the remaining outstanding obligations until the loan is fully paid. 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.

14. **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 Pensioner-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 and for attorney's fees and litigation expenses.

15. **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 Pensioner-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.

16. **NOTICES.** All notices required under this Agreement or for its enforcement shall be sent to the Office Address or at Postal/Mailing Address indicated in the Personal Data portion of this loan application or as such other address as may be indicated hereafter by the Pensioner-Borrower to the GSIS. The notices sent to any of such addresses shall be valid and sufficient notice to the Pensioner-Borrower for all legal intents and purposes.