



POLICY AND PROCEDURAL GUIDELINES (PPG) NO. 327-18

FUNCTIONAL AREAS : LOANS

**DISTRIBUTION : All Senior Vice Presidents
All Vice Presidents
All Managers**

**SUBJECT MATTER : GSIS FINANCIAL ASSISTANCE LOAN (GFAL) TO
DEPARTMENT OF EDUCATION (DEPED)
PERSONNEL [PILOT TEST]**

I. BACKGROUND

The 2014-2016 collection efficiency report (covering loans) of the GSIS shows that DepEd is the agency sector with the lowest collection efficiency on loans, averaging to 88% for DepEd and 62% for DepEd-ARMM, during the 3-year period:

Agency Type	Jan-Dec 2014	Jan-Dec 2015	Jan-Dec 2016
	%	%	%
DEPeD	88	89	88
NGAs	97	98	99
LGU	88	93	95
GOCC	97	99	99
GFI's	100	102	102
Judiciary	102	101	101
Military	92	98	98
Pensioners	102	102	100
DEPeD-ARMM	50	69	67

The deficiency in the net take home pay of DepEd personnel is one of the major causes of DepEd's low collection efficiency. Efforts have been made to ensure that GSIS loans are prioritized over those from lending institutions; however, DepEd continued to queue GSIS loans together with the other loans of teachers.

It has also been a practice of DepEd to consider loan renewals as new loans, thus, collection of its first monthly installment will be queued with the rest of deductibles from the DepEd personnel's salary, when it should be given priority as it is already a loan renewal.

Despite the stricter guidelines implemented in the Enhanced Conso-Loan Plus Program and the retrainings given to DepEd Agency Authorized Officers (AAOs) in which they are constantly reminded to prioritize in salary deductions all monies due the GSIS (premiums and loans), DepEd continued to lag behind in terms of timely and accurate remittance of loan repayments to GSIS. GSIS loans continued to be queued with the other loans of teachers.

On 31 July 2017, DepEd issued DepEd Order (D.O.) No. 38, s. 2017, to further clarify the implementation of the Php4,000 Net Take-Home Pay for its personnel pursuant to Section 47 of the General Provisions of the 2017 General Appropriations Act (GAA), to wit:

Section 47. Authorized Deductions. Deductions from salaries and other benefits accruing to any government employee, chargeable against the Personnel Services, may be allowed for the payment of an individual employee's contributions or obligations due the following, and in the order of preference stated below:

- (a) The BIR, PHILHEALTH, GSIS and HDMF;*
- (b) Non-stock savings and loan associations and mutual benefits associations duly operating under existing laws and cooperatives which are managed by and/or for the benefit of government employees;*
- (c) Associations or provident funds organized and managed by government employees for their benefit and welfare;*
- (d) GFIs authorized by law and accredited by appropriate government regulating bodies to engage in lending;*
- (e) Licensed insurance companies; and*
- (f) Thrift banks and rural banks accredited by the BSP.*

In no case shall the foregoing deductions reduce the employee's monthly net take home pay to an amount lower than Four Thousand Pesos (P4,000).

Further, D.O. No. 38, s. 2017 emphasized that all monies due the GSIS and HDMF shall enjoy priority or first order of preference in the salary deductions of concerned DepEd personnel.

In order to improve the financial capability of DepEd personnel, ensure the preservation of their GSIS benefits and fulfill DepEd's legal mandate under the GAA, the parties agree for DepEd to ensure strict implementation of D.O. No. 38, s. 2017 and for GSIS to extend a financial assistance loan program to DepEd personnel, to be called the GSIS Financial Assistance Loan (GFAL) to DepEd Personnel, to allow them to take out or refinance their outstanding loans with the 213 lending institutions currently accredited with the Department's Automatic Payroll Deduction System (APDS), through the GSIS.

Based on the partial report submitted by DepEd as of 19 December 2017 covering 85 lending institutions, the total loan receivables of DepEd personnel from the lending institutions stood at Php150,613,881,394.99.

The financial assistance loan program shall be pilot tested in twelve (12) selected cities and municipalities across NCR, Luzon and VisMin regions for a period of six (6) months, to gather and evaluate feedback from both the borrowers and lending institutions and determine the actual potential market for this loan program.

II. OBJECTIVES

1. To improve the financial capability of DepEd personnel;
2. To provide an affordable loan package to enable DepEd personnel to take out or refinance their outstanding loans with lending institutions through the GSIS; and
3. To improve the collection efficiency of GSIS.

III. DEFINITION OF TERMS

- A. **Date of Loan Granting** – The date when the header corresponding to the loan availed of is created in the IT system of the GSIS.
- B. **Up-to-date Account** – A loan account where correct monthly amortization is consistently paid and the outstanding balance is equal to or less than the theoretical balance.
- C. **Account in arrears** – A loan account with unpaid amortizations equivalent to six (6) months or less.
- D. **Account in default** – A loan account is considered in default if the total arrearages or unpaid amortization is equivalent to more than 6 monthly amortizations.
- E. **Theoretical Balance** – The balance of the loan if all the monthly amortizations due were paid in accordance with the payment plan or amortization schedule of the loan.
- F. **Outstanding Balance** – The sum of the unpaid balance at the end of the month including penalties and surcharges, if any.

IV. POLICIES

A. COVERAGE

The GFAL to DepEd Personnel shall be exclusive to all active and permanent teaching and non-teaching personnel of DepEd nationwide who have existing outstanding loan obligations with DepEd-accredited lending institutions.

B. GENERAL POLICIES

1. The financial assistance loan may be availed for the purpose of settling the outstanding obligations with lending institutions.
2. The availment of the financial assistance loan shall be *voluntary*; hence, shall be extended only to those who will apply for the same.
3. The eligible applicant to the loan shall be DepEd personnel.
4. The loan proceeds to be paid to lending institution/s shall be net of deductions to be imposed by GSIS, i.e., advance interest payment and loan redemption insurance.
5. The lending institution/s should be in the list of accredited lending institutions submitted by DepEd.

C. QUALIFIED LOAN BORROWERS

To qualify for the loan, the Borrower:

1. Must be an active regular member of the GSIS with permanent status and paid premiums for the last three (3) years;
2. Has no pending administrative case and/or criminal charge; *Provided*, however, that if the pending case or charge is filed by an accredited lending institution after the issuance of D.O. No. 38, s. 2017 on 31 July 2017 due to the Borrower's non-payment of his/her loan obligations as a result of the prioritization of GSIS and HDMF loan payments, the Borrower shall remain eligible, subject to the submission of documentary proof stated under Section IV.D of this PPG;
3. Is not on leave without pay;
4. Has an outstanding loan from DepEd-accredited lending institution; and
5. Has no due and demandable loan account/s with the GSIS.

D. APPLICATION

1. Applications for GFAL shall be supported by:
 - a. Application Form (*Annex A*) properly filled out by DepEd personnel and duly endorsed by the Authorized Agency Officer (AAO) with borrower's consent to assign the proceeds of the loan to the concerned lending institution/s.



- b. Borrower Loan Agreement, Loan Voucher and/or other certified documents indicating the details of the loan from the accredited lending institution/s, such as: original loan amount, net loan, term of loan, interest rate, monthly amortization and due date of first loan amortization.
 - c. GSIS pro-forma Statement of Account (SOA) made on the loan issued by accredited lending institution/s with the concurrence of the Borrower as to its correctness (*Annex B*).
 - d. Payslips of the borrower for the last three (3) months, certified as true copy by the Authorized Agency Officer (AAO).
 - e. Such other documents that the GSIS or DepEd may require to verify the balance of existing loan/s with the lending institution/s, and the paying capacity of the borrower.
2. Loan obligations with several lending institutions shall be consolidated into one application, based on the SOAs to be provided by the same.

E. LOAN AMOUNT

1. The maximum loanable amount per borrower is Php500,000, provided that the resulting net take home pay is not lower than the amount required under the General Appropriations Act (GAA), after all required monthly obligations have been deducted.
2. The amount set by GSIS as loan amount shall be considered fixed and non-negotiable.
3. The arrearages on other GSIS loan/s of a borrower shall not be deducted from the proceeds of the financial assistance loan.

F. TERM

Loan repayment shall be made over six (6) years in seventy-two (72) equal monthly installments.

G. INTEREST RATE

1. Interest on loan shall be at six (6) percent per annum computed in advance. The effective rate per annum that shall be used will be 11.258% for 6 years.
2. The monthly interest on outstanding balance of the loan shall be computed based on diminishing balance.
3. 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.

The formula for interest in advance (IDA) is as follows:

$$\text{Interest in Advance (IDA)} = \text{GLA} \times 11.258\% \times [d(\text{new}) / 360]$$

where: GLA = Gross Loan Amount
d(new) = No. of days from loan granting up to end of month prior to the first due month

H. REDEMPTION INSURANCE

1. The GFAL to DepEd Personnel shall have redemption insurance (RI) to safeguard the interests of both the member and the GSIS in case of the former's untimely death during the term of the loan.
2. The RI rate is as follows:

Loan Term	Monthly RI Rate (Per Php1,000 of Loan Amount)
6 years	0.38

3. To ensure that the member 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 Premium 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

4. If the member dies and the loan is up to date, the loan shall be deemed fully paid by virtue of the RI coverage.
5. 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.

6. 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.
7. No RI premiums shall be collected from any benefit that the deceased member and his or her legal heirs are entitled to.
8. The RI is automatically terminated when the member pays the loan in full or upon expiration of the term of the loan, whichever comes first.

I. NO SERVICE FEE

The member availing of the GFAL shall not be charged a service fee by the GSIS.

J. COMPUTATION OF NET PROCEEDS

The net proceeds of the GFAL shall be computed as follows:

Loan Amount		XX
Less: Interest in Advance (IDA)	XX	
Advance RI Premium	XX	XX
Net Proceeds		XX

K. PAYMENT OF LOAN PROCEEDS

1. The loan proceeds shall be paid by GSIS to the authorized representative of the respective lending institutions.
2. For this purpose, the name of the authorized representative of the lending institution and corresponding ID number shall be indicated in the SOA to be submitted to GSIS. A copy of the representative's ID shall be attached to the SOA.

L. MONTHLY AMORTIZATION

Monthly amortization (MA) shall be computed as follows:

$$MA = \frac{\text{Amount Borrowed} (1 + (\text{Annual Interest Rate})(\text{Term}))}{(12)(\text{Term})} + \text{RI premium}$$

where: Amount Borrowed = Gross Loan Amount granted
Annual Interest Rate = 6% nominal, EIR: 11.258%
Term = 6 years

M. DUE DATE OF MONTHLY AMORTIZATION

1. For GFAL loans granted on or before the 23rd of the month, the due month of the first monthly amortization shall be the month immediately following loan granting.

The remittance due date, or the date when the first monthly amortization of the loan shall have been remitted by the agency to GSIS, shall be on or before the 10th day of the month after the due month.

For example:



Date of Loan Granting	05 June 2017
Due Month	July 2017
Remittance Due Date Deadline for Remittance to GSIS)	10 August 2017

- For GFAL loans granted after the 23rd of the month, the due month of the first monthly amortization shall be the 2nd calendar month following the granting of the loan.

The remittance due date shall be on or before the 10th of the month following such due month.

For example:

Date of Loan Granting	24 June 2017
Due Month	August 2017
Remittance Due Date (Deadline for Remittance to GSIS)	10 September 2017

N. 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.
- The Accounts Management Division (AMD) / Billing, Collection and Reconciliation Division (BCRD) in the CO/BOs shall provide assistance the ERF Handler / Finance Officer in case the Weekly Notice to Deduct (WNTD) and Electronic Billing File (EBF) could not be accessed successfully from the Electronic Billing and Collection System (EBCS).

The EBCS automatically generates email notifications to the ERF Handlers to inform them of the availability of their WNTD and EBF files.

For the EBF files, first notification is sent on the 1st day of the due month, and a second notification is sent on the 15th day of the same due month.

- Individual accounts whose outstanding balance is equal to or less than P10.00 shall be tagged as "fully paid". The tagging of fully paid accounts either through direct payment, deduction of arrearages from Enhanced Conso-Loan Plus Program or payroll deduction, shall be done by an authorized officer of the unit/department concerned.
- The borrower shall directly remit to the GSIS the loan installment as they fall due under any the following instances:
 - 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;
- d. The loan amortization deducted from the payroll is not sufficient to cover the full amount due.

O. PENALTY FOR ARREARAGES

An account is considered in arrears if:

1. There is payment for monthly installment but the remittance of said payment is delayed;
2. The actual amount paid for the month is less than the amount due for the same month; or
3. 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.

P. APPLICATION OF PAYMENTS

1. Every payment shall be initially applied to the amount due, following this order of priority:
 - a. RI premium
 - b. Penalty, if any
 - c. Interest
 - d. Principal
2. If in arrears, the "move-up" policy shall be adopted wherein the payments are first applied to the earliest unpaid month until the month's full amount due has been fully paid.
3. Lumped repayments whose distributions are indicated in the electronic remittance file (ERF) shall be distributed accordingly and moved-up as appropriate.

Q. AUTOMATIC DEDUCTION OF ARREARAGES

Any and all arrearages from the GFAL shall be deducted from the proceeds of the Enhanced Conso-Loan Plus Program which the borrower may avail of.

R. 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:

1. RI premiums due for a maximum of six (6) months from the time the account was declared in arrears
2. Penalty
3. Interest
4. Principal

S. PRE-TERMINATION

The loan may be pre-terminated by paying the outstanding balance before the end of the loan term. No fees shall be charged to the borrower in case of pre-termination.

T. COMPULSORY PRE-TERMINATION

The loan agreement shall be deemed pre-terminated upon the death, resignation, permanent disability, retirement or separation from service of the borrower, in which case, the outstanding balance shall be due and demandable and shall be collected by GSIS from claims of borrowers, or their heirs, concerned or by other courses of action (administrative or civil).

Retiring borrowers may opt to avail of the Choice of Loan Amortization Schedule for Pensioners (CLASP), subject to existing policies and procedures.

U. CANCELLATION

Once the loan is approved and the loan proceed is already released to the lending institution/s, the borrower shall no longer have the option to cancel the loan but may only pre-terminate the same through payment of the total outstanding balance.

V. RECOVERY OF AMOUNT/S IN CASE OF MISREPRESENTATION

GSIS shall have the right to declare as due and demandable the total outstanding obligation in case of fraud and/or misrepresentation.

W. 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 treatment of excess payment.

X. NO RENEWAL

The GFAL to DepEd Personnel is a one-time offer of the GSIS and is not renewable.

Y. APPROVING AND SIGNING AUTHORITY ON LOANS GRANTED UNDER GFAL

The certification of availability of funds [Box B in the Disbursement Voucher (DV)] shall follow the limits of authority provided in the existing Manual of Signing and Approving Authorities for miscellaneous transactions.

On the other hand, approval of disbursement of loan proceeds under GFAL shall be as follows:

Certification (Expense is necessary, lawful, etc.) (Box A in the DV)	Approval (Box C in the DV)	Limits
Officer I	Dept. Manager III / Branch Manager	Greater than Php400,000.00 up to Php500,000.00
Staff Officer III	Officer I	Greater than Php200,000.00 up to Php400,000.00
Staff Officer I or II	Staff Officer III	Up to Php200,000.00

The issuance of checks shall follow the same level of signing authorities for Check as applicable to miscellaneous disbursements processed through the Accounts Payable Module – FIS.

V. DATA AND SYSTEM REQUIREMENTS

- A. The Controller Group shall provide the proper accounting entries to record all transactions contained in this PPG.

- B. The Operations Groups shall prepare the necessary consolidated user requirements (CUR) and undertake user acceptance testing (UAT) to implement this PPG.
- C. The Internal Audit Services Office (IASO) and Information Security Office (ISO) shall review the CUR.
- D. The Information Technology Services Group (ITSG) shall ensure that the necessary program for system adjustments is made to conform to this PPG.

VI. INFORMATION DRIVE

The Corporate Communications Office shall prepare the necessary information materials to communicate the implementation of this PPG.

VII. PILOT TESTING

The loan program shall be pilot tested for a period of six (6) months to cover selected teaching and non-teaching personnel of DepEd in twelve (12) selected cities and municipalities across NCR, Luzon and VisMin regions.

The loan program shall be reviewed after the 6-month period for the purpose of determining necessary amendments to the policies and/or procedures, if any, before its nationwide implementation.

The 6-month period shall also provide window for evaluating whether or not the objectives of this PPG are achieved or at least attainable.

VIII. GENERAL PROCEDURES

A. Evaluation and Acceptance of Loan Application

Activity	Responsible Unit	
	CO	BO
1. Check completeness of the documents submitted. 1.1 If complete, compute the total amount of obligation/s from lending institution, the allowable loanable amount for GFAL and resulting net take home pay after GFAL, using the GFAL Loan Calculator. In case the loanable amount is not enough to cover the total obligation with the lending institutions, the borrower may opt to pay the difference to the lending institutions. Otherwise, the application is denied.	Loans and eServices Unit, Frontline Services Division	

Activity	Responsible Unit	
	CO	BO
1.2 If incomplete, advise member of the deficiency.		
2. Print the tentative loan computation. Request borrower to indicate conforme to the loan details (i.e., loanable amount, monthly amortization, first due date, etc.) by affixing his or her signature on the tentative computation form.	Loans and eServices Unit, Frontline Services Division	
3. Log transaction in the TMS. Scan all submitted documents and attach in TMS.		
4. Forward TMS to OUC for processing.		
<i>End of Process</i>		

B. Setting Up of Loan Account of Member-Borrower

Activity	Responsible Unit	
	CO	BO
1. Set-up up loan account in SAP based on the signed tentative computation.	Loans and eServices Unit, Frontline Services Division	
2. Set-up payment to lending institution-payee in SAP Accounts Payable Module – FIS.		
3. Prepare Disbursement Voucher (DV) for the payment of loan proceeds and route for signature, following the matrix on the approval and signing authorities.		
4. Forward signed DV to Budget Administration and Support Services Accounting Department (BASSAD) for certification of fund availability (in CO). For the Branch Offices, the posting of payable in SAP by BASSAD is equivalent to the latter's certification of fund availability.		
5. After certification of fund availability, forward DV to Fund Transfer and Payment Processing Department (FTPPD) in CO or Cashiering Unit, Frontline Services Division (for BO) for check printing and releasing.	BASSAD	
<i>End of Process</i>		

C. Printing and Releasing of Miscellaneous Checks to Lending Institution-Payee

Activity	Responsible Unit	
	CO	BO
1. Receive DV payable to Lending Institution-Payee from BASSAD (in CO).	FTPPD	Cashiering Unit, Frontline Services Division
2. Review limits of signing of DV and accuracy/completeness of supporting documents a. If complete, encode DV details and proceed to Activity 3. b. If incomplete, return the DV and advise the concerned Loans and eServices Unit, Frontline Services Division of the deficiency.		
3. Process payment of DV by printing the particular check in SAP Accounts Payable Module – FIS and route the printed check to authorized signatories.		
4. Provide List of DVs of Printed Checks to OPs for notification to Lending Institution-Payee.		
5. Release check to authorized representative of Lending Institution-Payee provided all the check releasing requirements are complied.		
6. Submit List of Released Checks to Loans and eServices Unit, Frontline Services Division on a weekly basis.		
7. Update TMS to indicate details of released check/s to LI-Payee. Close TMS.	Loans and eServices Unit, Frontline Services Division	
<i>End of Process</i>		

IX. EFFECTIVITY

This PPG shall take effect after fifteen (15) days from publication in the Official Gazette or in a newspaper of general circulation.

ATTY. JESUS CLINT O. ARANAS
President and General Manager *ptr*

Date Signed: 06 MAR 2018

**GSIS FINANCIAL ASSISTANCE LOAN (GFAL) TO DEPED PERSONNEL
LOAN APPLICATION**

THIS APPLICATION SHALL NOT BE PROCESSED UNLESS COMPLETELY FILLED OUT.

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 and/or criminal action.

I wish to apply for the GSIS Financial Assistance Loan to DepEd to pay my existing loan with the following lending institution/s (LIs):

	LI NO. 1	LI NO. 2	LI NO. 3	LI NO. 4
Lending Institution (LI)				
Business Address				
Telephone No.				
Interest Rate				
Term(1-year, 2-year, 3-year, etc.)				
Monthly Amortization				
Total Outstanding Balance (based on SOA)				

PERSONAL DATA (Please print/type):

Name of Applicant		
<i>Last Name</i>	<i>First Name</i>	<i>Middle Name</i>
Birthdate	Birth Place	BP No.
Mailing/Residential Address		
Present School/Office and Address		
Telephone No.	Cell Phone No.	Email Address
School Details:		
<i>Division No.</i>	<i>Station No.</i>	<i>Employee No.</i>

UNDERTAKING

In consideration of the loan granted under this application, I promise to pay the amount to the GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) in accordance with the terms and conditions printed at the back hereof which I have read and understood clearly and to which I bind myself to pay the required monthly amortization hereon through payroll deduction for which I hereby authorize my Treasurer / Disbursing / Collection Officer, to deduct the amount from my monthly salary.

Pursuant to the objective of the Program, I agree to assign the proceeds of this loan to the LI to settle in full or in part the balance of my loan account with the said private lender.

SIGNATURE OF MEMBER/BORROWER

Position Title/Designation

School and Division

Date Signed _____

TO BE FILLED UP BY DepEd

This Office certifies that: (1) the above signature of the member/borrower is authentic; (2) there is no pending administrative and/or criminal charge against him; (3) the member/borrower is a permanent employee and regular premium-paying member of GSIS; (4) the member is not on leave of absence without pay; and (5) the member/borrower has an outstanding loan from _____ (*Name of Lending Institution*) which is being repaid through salary deduction.

For the Loan granted by virtue of this application, this office agrees to: (1) collect and remit immediately to GSIS the monthly installment due from said borrower, and (2) in case of his separation from the service, make final payments due him only after clearance is obtained from GSIS.

GSIS FINANCIAL ASSISTANCE LOAN TO DEPED (GFAL)

STATEMENT OF ACCOUNT
(TO BE FILLED OUT BY THE LENDING INSTITUTION)

THE APPLICATION FOR GFAL SHALL NOT BE PROCESSED UNLESS THIS FORM IS COMPLETELY FILLED OUT.

WARNING: Direct or indirect commission of fraud, collusion, falsification, misrepresentation of facts, or any other kind of anomaly in the accomplishment of this form, shall result in the automatic disapproval of loan application.

Date: _____

To the **Loan Officer**
Government Service Insurance System

Dear Sir/Madam:

Please be informed that Mr. / Ms. _____ of _____ (Name of Office and Office Address) has an outstanding loan obligation with this _____ (Name of Lending Institution) as shown below:

Loan Product Name: _____	Maturity Date: _____
Loan Amount: _____	Mo. Deduction: _____
Date Granted: _____	Last Amount Paid: _____

OUTSTANDING BALANCE COMPUTATION

(as of _____)

Principal Balance	Php _____
Interest Balance (Due and Unpaid)	_____
Penalty Charges	_____
Other Charges: _____ (Provide separate sheet/s, if necessary.)	_____
TOTAL	Php _____
Less: Unearned Interest	_____
TOTAL AMOUNT DUE	Php _____

This statement containing the loan details of the borrower is verified true and correct, and shall be valid up to _____.

The outstanding balance stated herein refers to all obligations due and unpaid, including interests, penalties and other charges and expenses that have accrued or were incurred by the borrower, in relation to the loan/s. **No unearned interest is charged from the borrower.**

It is understood that the borrower is applying for the *GSIS Financial Assistance Loan to DepEd*, in order to settle the outstanding balance of his or her loan with _____ (Name of Lending Institution), in full or in part.

Further, the check representing proceeds from the financial assistance loan shall be made payable to the lending institution, _____. For this purpose, we are authorizing Mr. / Ms. _____, with ID No. _____ (attached) to claim the check from the GSIS and deliver to the latter the corresponding Official Receipt (OR) issued by the lending institution as proof of payment.

CONFORME:

Signature over Printed Name of the

Signature over Printed Name

Designation: _____

Date Signed: _____