



**GSIS MULTI-PURPOSE LOAN AND CONSOLIDATION OF DEBTS (MPL)**  
Form No. **11192019-MPL-REV 0**

**IMPORTANT: Before applying for the GSIS Multi-Purpose Loan, please secure tentative computation of your proceeds.**

<b>Name of Applicant</b>		
<i>Last Name</i>	<i>First Name</i>	<i>Middle Name</i>
<b>Birthdate</b>		<b>BP No.</b> <b>eCard/UMID Card No.</b> <b>eCard/UMID Bank Account No.</b>
<b>Mailing/Residential Address</b>		
<b>Present Office</b>		
<b>Telephone No.</b>	<b>Cell Phone No.</b>	<b>Email Address</b>
<b>For DepEd Personnel</b>		
<i>Division No.</i>	<i>Station No.</i>	<i>Employee No.</i>

**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.
<b>Preferred Loan Amount</b> (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. **Minimum Loanable Amount.** The minimum loanable amount shall be based on indebtedness of the borrower at the time of application:

Level of Indebtedness	Minimum Loanable Amount
No outstanding loans to be consolidated under MPL	1 x BMS
With outstanding loans (OBAL) to be consolidated under MPL:	
a. MLA > OBAL	105% of the outstanding balances  Outstanding Balance x 105% to consolidate the loans and to cover the advance deductions (interest and redemption insurance) and other required fees such as documentary stamp tax, if applicable.
b. MLA < OBAL	Set at 105% of the outstanding balances.

- b. **Maximum Loanable Amount**

- 1) **For Regular Active Members.** The maximum loanable amount shall depend on the members' Period with Paid Premiums (PPP) and computed Basic Monthly Salary (BMS) based on actual premiums posted. *Table 1* indicates the maximum loanable amount for the MPL:

**Table 1. Maximum Loanable Amount**

PPP	Permanent without Term/Tenure	Non-Permanent and Permanent with Term/Tenure
At least 3 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 but less than 5 years	4 x BMS	4 x BMS
At least 5 but less than 10 years	7 x BMS	7 x BMS
At least 10 but less than 15 years	10 x BMS	10 x BMS
At least 15 but less than 25 years	14 x BMS	14 x BMS
At least 25 years and over	14 x BMS	14 x BMS

- 2) **For Special Members.** The loanable amount for Judges and Justices and Special Members with existing Memorandum of Agreement (MOA) with the GSIS shall be increased to 14 months of their BMS.
- 3) The member can choose the amount of loan and the corresponding loan term based on his or her PPP, but not to exceed Php 3,000,000.00.
- 4) 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 for the existing loan accounts including the fees charged.
- 5) Failure to indicate the preferred loan amount shall mean that the member is applying for the maximum loan amount for which the member is qualified to avail.

2. **CONSOLIDATION OF LOANS.** The GSIS-MPL shall consolidate the following loans, in 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. Emergency Loan (EML)
- i. Home Emergency Loan Program (HELP)
- j. Educational Assistance Loan I and II (EAL I / II)
- k. Fly PAL, Pay Later (FPPL)
- l. Study Now, Pay Later (SNPL)
- m. 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 penalties (if any) to be waived, shall be computed up to the date of granting of the MPL.

**3. TERM**

- a. **For Regular Active Members.** The loan term shall be as follows:

PPP	Permanent without Term/Tenure	Non-Permanent and Permanent with Term/Tenure
At least 3 but less than 20 mos.	3 years	--
At least 20 mos. but less than 3 years	5 years	2 years
At least 3 but less than 5 years	5 years	2 years
At least 5 but less than 10 years	5 years	2 years
At least 10 but less than 15 years	7 years	5 years
At least 15 but less than 25 years	7 years	5 years
At least 25 years and over	7 years	5 years

- b. **For Special Members with MOA with the GSIS.** The loan term of the MPL shall be set at 7 years.
- c. **If with existing Home Emergency Loan Program (HELP) account,** the loan term of the MPL shall be maximum of 10 years.
- d. The borrower shall be given the option to choose a shorter term in periods of: (i) For Permanent employees without Term/Tenure: 3 or 5 years; (ii) For Non-Permanent and Permanent with Term/Tenure: 2 (iii) For Special Members with MOA with the GSIS: 3 or 5 years; (iv) If with existing HELP account: 3, 5 or 7 years.
- e. Failure to indicate payment term shall be interpreted as preference for the longest term to which the member is qualified.

4. **INTEREST.** The interest rate shall be eight percent (8%) per annum computed in advance for members with PPP of less than 3 years, and seven percent (7%) per annum computed in advance for members with PPP of at least 3 years. The effective rate per annum that shall be used will be as follows:

- a. Permanent without Term/Tenure

PPP	Loan Term (in years)	Interest Rate	Effective Interest Rate (EIR)
At least 3 but less than 20 mos.	3 years	8%	15.55845%
At least 20 mos. but less than 3 years	5 years		15.07681%
At least 3 but less than 5 years	5 years	7%	13.24615%
At least 5 but less than 10 years	5 years		13.24615%
At least 10 but less than 15 years	7 years		12.86049%
At least 15 but less than 25 years	7 years		12.86049%
At least 25 years and over	7 years		12.86049%

b. Non-Permanent and Permanent with Term/Tenure

PPP	Loan Term (in years)	Interest Rate	Effective Interest Rate (EIR)
At least 20 mos. but less than 3 years	2 years	8%	15.70571%
At least 3 but less than 5 years	2 years	7%	13.70302%
At least 5 but less than 10 years	2 years		13.70302%
At least 10 but less than 15 years	5 years		13.24615%
At least 15 but less than 25 years	5 years		13.24615%
At least 25 years and over	5 years		13.24615%

c. For Special Members with MOA with GSIS

TLS	Loan Term (in years)	Interest Rate	Effective Interest Rate (EIR)
At least 3 months	3 years	8%	15.55845%
	5 years		15.07681%
	7 years		14.58712%

d. If with existing HELP account

PPP	Loan Term (in years)	Interest Rate	Effective Interest Rate (EIR)
At least 3 but less than 20 mos.	3 years	8%	15.55845%
At least 20 mos. but less than 3 years	5 years		15.07681%
At least 3 but less than 5 years	5 years	7%	13.24615%
At least 5 but less than 10 years	5 years		13.24615%
At least 10 but less than 15 years	10 years		12.33364%
At least 15 but less than 25 years	10 years		12.33364%
At least 25 years and over	10 years		12.33364%

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 10<sup>th</sup> day of each month following the due month until the loan is fully paid.

- For loans granted on or before the 23<sup>rd</sup> 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 the 10<sup>th</sup> of the month following such due month.
- For loans granted after the 23<sup>rd</sup> of the month, the first due month shall be the 2<sup>nd</sup> calendar month following the granting of the loan, and shall be remitted by the agency to GSIS on or before the 10<sup>th</sup> day of the month following such due month.

6. **PAYMENT MECHANISM.** The monthly amortization shall be paid through payroll deduction. However, the borrower shall directly remit to the GSIS or to its external payment service provider/s the loan installment as they fall due under any of the following instances:

- The name of a member/borrower is excluded from the monthly collection list;
- The member-borrower is on secondment, on study leave without pay or extended leave without pay;
- The monthly amortization is not deducted and/or remitted by the agency for any other reason aside from item 6(b) above;
- The loan amortization deducted from the payroll is not sufficient to cover the full amount due.

7. **REDEMPTION INSURANCE (RI).** The MPL shall have 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. The RI rate shall depend on the term of loan, to wit:

Loan Term	Monthly RI Rate (Per Php1,000 of Loan Amount)
2 years to pay	0.30
3 years to pay	0.32
5 years to pay	0.36
7 years to pay	0.40
10 years to pay	0.46

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 23 <sup>rd</sup> of the mo.	Equivalent to 1 month
After the 23 <sup>rd</sup> of the mo.	Equivalent to 2 months

8. **COMPUTATION OF FEES.** The following fees shall be charged upon loan granting:

- Service Fee – 2% of the gross loan amount (for initial loan availment) or incremental gross loan amount (for loan renewal). For this purpose, the incremental gross loan amount refers to the difference between the loan amount and the outstanding balances of the existing loans to be consolidated. It is the amount that can be borrowed before the imposition of insurance and other fees; and
- eProcessing Fee – Php50.00.

9. **PRE-TERMINATION.** The MPL may be pre-terminated by paying the outstanding balance of the loan before the end of the loan term.

10. **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 the claims of the borrower, or of his or her heirs, or through appropriate legal action. Retiring borrowers may opt to avail of the Choice of Loan Amortization Schedule for Pensioners (CLASP), subject to existing policies and procedures.

11. **COLLECTION IN THE EVENT OF RESIGNATION, SEPARATION, RETIREMENT, DEATH OR PERMANENT TOTAL DISABILITY.** After the date of execution of this loan application, the employer/agency shall withhold the release of any or all benefits due to the borrower until after the requisite clearance and/or statement of account, if any, shall have been duly secured from the GSIS, pursuant to GSIS Memorandum Circular No. 005, Series of 2018. The GSIS, upon receipt of the request, shall issue the appropriate clearance and/or statement of account to the duly authorized representative of the employer/agency. The employer/agency, upon receipt of the statement of account from the GSIS, shall deduct and/or withhold from any or all benefits that may accrue to the borrower, the total amount corresponding to the outstanding loan accounts and arrearages, if any, and remit the same to the GSIS to liquidate the loan.

12. **CANCELLATION.** 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 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, including waived penalties, if any. These loans shall be restored back to active status, and shall be computed corresponding interests and surcharges that have accrued from the time they were liquidated under the MPL.

13. **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 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.

14. **APPLICATION OF PAYMENTS.** The order of priority for the application of payment shall be as follows: RI premium, surcharge (if any), interest and principal.

15. **RENEWAL.** The MPL may be renewed anytime as long as there are net proceeds on the loan renewal, after deducting the outstanding balances of the previous MPL and other loans enumerated under Item 2 of this application, with the penalties if any. The maximum loanable amount and applicable interest rate and loan term shall be determined based on the PPP of the member-borrower at the time of application for loan renewal.

16. **RECOVERY OF AMOUNTS 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.

17. **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.

18. **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.

19. **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.

20. **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 MULTI-PURPOSE LOAN AND CONSOLIDATION OF DEBTS WITH LOWER INTEREST RATE (MPL) 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.*

MEMBER/BORROWER (Signature over Printed Name)

DATE SIGNED

BIR TIN