



OPTIONAL LIFE INSURANCE POLICY LOAN APPLICATION

IMPORTANT: Before applying for this Policy Loan, the borrower must: (a) secure tentative computation of the loan proceeds and (b) read carefully the terms and conditions below.

Name of Applicant		
<i>Last Name</i>	<i>First Name</i>	<i>Middle Name</i>
Birth Date	Policy No.	BP No. E-Card/UMID Card No. E-Card/UMID Bank Account No.
Mailing/Residential Address		
Present Office		
Telephone No.	Cell Phone No.	Email Address
For DEPED Personnel		
<i>Division No.</i>	<i>Station No.</i>	<i>Employee No.</i>

TYPE OF LOAN: New Renewal

I undertake to pay the loan with the payment scheme selected below:

- a.) Monthly payments through salary deduction in the amount of P _____ per month until the loan is or any other additional policy loan is fully paid, inclusive of interest.
- b.) Payment of principal and interest upon maturity, lapse or termination of my existing life insurance policy.

TERMS AND CONDITIONS

1. Amount of the Loan

The amount of the loan shall be the sum total as approved by the GSIS and as reflected in its disbursement voucher.

2. Application of the Loan Proceeds

The borrowers authorize the GSIS to deduct from the proceeds of this loan any outstanding obligations that they may have with the GSIS in order to update them or settle them in accordance with the GSIS policies, existing or hereafter promulgated.

3. Change of Payment Term

The borrowers have the option to shift to another mode of payment anytime during the term of the loan by giving written notice to the GSIS.

4. Due Date of First Monthly and Succeeding Monthly Installments

In case the borrowers opted for a monthly payment of the loan on a chosen term for principal and interest, the payment shall be due on or before the tenth (10th) of the following month if the loan is granted before the tenth (10th) of the month and every month thereafter until the loan is fully paid; if the loan is granted after the tenth (10th) of the month, the payment shall be due on or before the tenth (10th) of the next following month and every month thereafter until the loan is fully paid.

5. Interest Rate

The loan shall incur interest at the rate of eight percent (8%) per annum compounded annually, unless a different rate is expressly provided under the terms and conditions of the existing policy contract.

6. Maturity of the Loan

Despite the term chosen by the borrowers, the loan automatically matures, without need of demand or further notice, upon retirement, separation, permanent disability, death of the borrowers or surrender of the policy for cash value.

Upon the maturity of the loan, the entire principal amount including all interest and other charges payable, shall be due and payable without need of demand or further notice.

7. Loan Pre-termination

The borrowers 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.

8. Loan Cancellation

Once the loan is approved and the loan proceeds have been released through check or through any other mode of disbursement, the borrowers have 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 service fee and such other fees that might have been collected under such loan.

9. Authority to Apply Payment

In case of maturity of the loan and it remains outstanding either in whole or in part, both for the amount of principal and interest, the GSIS is authorized to collect, deduct or withhold from whatever benefits that may be due the borrowers, their heirs, beneficiaries, assignees or successors-in-interest, the amount equivalent to the outstanding balance of the 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 borrowers to the GSIS.

It is expressly understood that any unpaid balance or outstanding obligation of the borrowers 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 borrowers. Should such benefits/claims from the GSIS be insufficient to cover the remaining balance, the GSIS shall not be prevented from filing the necessary civil and administrative action(s) for recovery either against the borrowers or their estate.

10. 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 R.A. No. 660, P.D. No. 1146 and R.A. No. 8291 MAY AVAIL OF THE CHOICE OF LOAN AMORTIZATION SCHEDULE FOR PENSIONERS (CLASP) WHERE THE MEMBER-RETIREEs MAY CHOOSE TO SETTLE THEIR OUTSTANDING BALANCE OF THE LOAN IN WHOLE (100%) OR A PERCENTAGE THEREOF (75%, 50% OR 25%) WHICH SHALL BE DEDUCTED FROM THEIR 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.

11. Recovery of Amount/s Credited in the eCard

The 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 borrowers may have with the GSIS.

12. Attorney's Fees

Should the GSIS be compelled to file a case for collection or to enforce any right hereunder against the borrowers or avail of any remedy under the law or this Agreement, the borrowers 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.

13. 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 borrowers initiate any legal action arising from or under this Agreement, for whatever causes, the borrowers agree to initiate such action only in the City where the principal office of the GSIS is located.

14. Transfer/Change of Office

The borrowers shall immediately inform the GSIS of their transfer to any government office/agency. In case the borrowers opted to pay through monthly payment via salary deduction, this application shall be sufficient authority for the GSIS to effect collection through salary deduction from their new office/agency.

15. 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 shall be valid and sufficient for all legal intents and purposes.

*I confirm that I have read and fully understood the **OPTIONAL LIFE INSURANCE POLICY 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.

SIGNATURE OF MEMBER/BORROWER

TIN

DATE SIGNED

