

[ **GSIS RESOLUTION NO. 49, May 23, 2013** ]

**PPG ON THE CLEANSING OF ACCOUNTS UNDER THE BAHAY KO PROGRAM (BKP)**

WHEREAS, in 2001, the GSIS offered financial assistance to its members for the purpose of acquiring low-cost housing units under the "Bahay Ko Program" (BKP);

WHEREAS, the GSIS processed applications and loan documents from public school teachers for the acquisition of houses and lots in Teresa, Monteverde, and Jaraville Homes in Tarlac City and released the loan proceeds to the JQG Home Development Corporation, the developer of these housing projects;

WHEREAS, the GSIS was deluged with complaints from teachers who denied having signed the housing loan documents or who admitted that they were enticed by the developer to sign the housing loan documents but were assured that their applications will not be approved without notice to them;

WHEREAS, the GSIS conducted an investigation and discovered that there was basis to the allegations and complaints of the teachers;

WHEREAS, in order that the outstanding balances of these alleged housing loans will not be deducted from the retirement and pension benefits of the teachers and at the same time safeguard the Fund by enabling the GSIS to recover the cost of its investment and other expenses for these housing loans under the BKP, the Vice President, Real Estate Asset Disposition and Management Office (READMO), in his Memorandum dated 9 May 2013, submitted the proposed Policy and Procedural Guidelines (PPG) on the *Cleansing of Accounts under the Bahay Ko Program (BKP)*;

WHEREAS, the proposed PPG will provide the implementing guidelines for Board Resolution No. 51, issued on 22 March 2012;

RESOLVED, to **APPROVE** and **CONFIRM** the PPG on the *Cleansing of Accounts under the Bahay Ko Program (BKP)*, as recommended by the Vice President, READMO;

RESOLVED FURTHER, that this PPG shall likewise cover other similarly situated accounts developed and sold under the BKP;

RESOLVED FINALLY, that Board Resolution No. 51, dated 22 March 2012, is hereby **SUPERSEDED**;

A copy of the above-mentioned PPG<sup>[\*]</sup> is attached and made an integral part of this Resolution.

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[\*] Text available at the Office of the National Administrative Register, U.P. Law Complex, Diliman, Quezon City.