

**[ GSIS RESOLUTION NO. 98, September 26, 2013 ]**

**AMENDMENTS TO SECTION III OF PPG NO. 201-09**

WHEREAS, the Senior Vice President, Luzon Operations Group, in her Memorandum dated 24 September 2013, proposed the following amendments to Section III of Policy and Procedural Guidelines (PPG) No. 201-09 on the GSIS Consolidated Salary Loan Plus (Conso-Loan Plus) Program.

<b>FROM</b>	<b>TO</b>
<p>Third Paragraph, Item No. 4, Consolidation of Loan and Waiver of Penalties</p> <p>It shall be a 'one-time' waiver of outstanding penalties applicable only on the initial consolidation of loans. Penalties and surcharges incurred on the succeeding renewal and/or restructuring of Conso-loan shall not be waived.</p>	<p><b>No penalties/surcharges shall be collected on the succeeding renewal and/or restructuring of the Conso-loan account.</b></p>
<p>Item No. 15, Penalty Charges</p> <p>Arrearages on the amount due for the month shall be charged 1% per month, compounded monthly, until the arrears are paid.</p> <p>The amount due for the month is the monthly amortization including arrearages from previous month/s and corresponding penalties, if any. The arrearages for the month is the difference between the amount due for the month and the actual amount paid.</p> <p>15.1 A fraction of a month of delay is considered as one (1) month. There shall be a three (3) month grace period from the due date.</p> <p>For purposes of the Statement of Account (SOA), penalty shall</p>	<p><b><u>For Active Member:</u></b></p> <p><b>No penalties/surcharges shall be collected on the Conso-loan account while the member is in active service.</b></p> <p><b>A loan account that is already due and demandable shall not earn penalty/surcharge for as long as the member is in active service.</b></p> <p><b><u>For Retiring/Separating Member:</u></b></p> <p><b>Penalty/surcharge shall be computed if the last Conso-loan account of the member is due and demandable (i.e. with</b></p>