

[GSIS RESOLUTION NO. 44, March 22, 2012]

POLICY ON THE TREATMENT OF PREMIUM CONTRIBUTIONS RECEIVED BY GSIS FROM MEMBERS BEYOND THE AGE OF 65 YEARS

WHEREAS, Section 3 of R.A. 8291 states that membership in the GSIS shall be compulsory for all employees receiving compensation who have not reached the mandatory retirement age, regardless of employment status, except members of the Armed Forces of the Philippines and the Philippine National Police, subject to the condition that they must settle first their financial obligation with the GSIS, and contractuels who have no employer and employee relationship with the agencies they serve;

WHEREAS, Section 13 (b) of R.A. No. 8291 states that unless the service is extended by appropriate authorities, retirement shall be mandatory for an employee at sixty-five (65) years of age with at least fifteen (15) years of service; Provided, that if he has less than fifteen (15) years of service, he may be allowed to continue in the service in accordance with existing civil service rules and regulations;

WHEREAS, in the absence of a clear policy on the treatment of members still in the service beyond 65 years of age, agencies still continue to remit premium contributions for said employees and GSIS continues to receive the remittances;

WHEREAS, there is a need to adopt a policy in order to ensure the uniform treatment of members still in the service beyond the mandatory retirement age of 65 years;

WHEREAS, the Senior Vice President, Corporate Services Group and Corporate Planning Office, in her report to the Corporate Governance Committee on 15 March 2012, proposed a policy on the treatment of premium contributions received by GSIS from members beyond the age of 65 years;

RESOLVED, to APPROVE and CONFIRM the proposal of the Senior Vice President of the Corporate Services Group and Corporate Planning Office, as follows:

Premium contributions remitted for due month May 2012 from members who have reached the mandatory retirement age of 65 years shall no longer be credited by the GSIS and shall be returned to the member through the remitting agency;

All premium contributions already collected by GSIS prior to the cut-off date above for service rendered beyond the mandatory retirement age of 65 and which have not yet been refunded by the GSIS shall be honored, and the years of service corresponding to said premium contributions shall be considered in the computation of the record of creditable service (RCS) unless the member opts for the refund of the premium contributions:

Exceptions: