

[GSIS RESOLUTION NO. 52, March 10, 2004]

IMPLEMENTATION OF A SUPPLEMENTAL LOAN FACILITY (SLF)

RESOLVED: That in anticipation of the financial needs of GSIS members particularly the opening of the school year, to APPROVE the implementation of a Supplemental Loan Facility (SLF) equivalent to one (1) month of the basic monthly salary to eligible members.

The SLF shall be adopted in accordance with the following guidelines:

1. Eligibility Requirements

Eligible to avail are all active members who have rendered at least thirty-six (36) months of government service, irrespective of appointment status.

However, those who do not qualify in accordance with the above-stated provisions shall be required to have a co-maker. For this purpose, the co-maker shall refer to an active GSIS member who is a permanent employee and has rendered at least ten (10) years of government service. Provided further that such co-maker can only guarantee one borrower.

2. Gross Amount of Loan

The gross amount of loan shall be equivalent to one month of basic monthly salary.

3. Repayment Period and Interest Rates

The SLF shall be repaid in a period of four (4) years at an interest rate of 12% per annum effective, based on the declining balance of the loan.

4. Monthly Installment

The formula for computing the Monthly Installment (MI) shall be as follows:

$$\text{Monthly Installment} = (\text{MIFt}) \times \text{Gross Loan}/1000$$

where MIFt = Monthly Installment Factor (Please see 1 Annex 1 for MIF)

t = duration from loan grant to the first due date (in months and days)

5. Due Date of First Monthly Installment

Due date of first monthly installment shall be as follows: