

TERMS OF REFERENCE

Selection of Group Credit Life Insurance Provider  
For SSS Pension Loan (PL) Borrowers

I. GENERAL INFORMATION

Pursuant to Social Security Commission (SSC) Resolution No. 36-s.2024 dated 31 January 2024 approving the expansion of the SSS Pension Loan Program (PLP) to include the surviving spouse pensioners and revision of the existing policies and guidelines for PLP, the Social Security System (SSS) is offering PL to provide economic assistance by way of low interest loan to its qualified retiree pensioners and surviving spouse pensioners. The salient features of the revised policies and guidelines are as follows:

COVERAGE	RETIREE PENSIONERS	SURVIVING SPOUSE PENSIONERS																	
Eligibility	<ul style="list-style-type: none"><li>➤ Must be registered in the My.SSS portal of the SSS website</li><li>➤ With updated contact information and enrolled disbursement account</li></ul>	<ul style="list-style-type: none"><li>➤ Must have an SS number</li><li>➤ Must be registered in the My.SSS portal of the SSS website</li><li>➤ With updated contact information and enrolled disbursement account</li></ul>																	
	Must be at least sixty (60) years old, fifty (50) years old for retired underground or surface miner and fifty-five (55) years old for retired racehorse jockeys <sup>1</sup> but not more than eighty-five (85) years of age at the end of the month of loan term.	At least eighteen (18) years of age at the time of filing of loan but not more than eighty-five (85) years old at the end of the month of the loan term.																	
	Must be receiving his/her regular pension for at least one (1) month and the status of pension is “Active”.  <i>Note: If the retiree pensioner availed the 18 months advance pension, he/she must be receiving his/her regular monthly pension for at least one (1) month</i>																		
	N/A	Must be sole payee as surviving spouse and at the same time guardian of the dependent child/children, if any, to the death benefit.																	
	Retiree and surviving spouse pensioners whose claims were settled under the Special Pension System, or who are under the care and custody of a guardian or receiving their monthly pension through checks shall be excluded from this program.																		
Loanable Amount and Repayment Term	The loan amount is based on the Basic Monthly Pension (BMP) together with the P1,000.00 additional benefit (Aggregate Monthly Pension) multiplied by 3,6,9 or 12 but not to exceed the maximum loanable amount of P300,00.00 with repayment term as follows: <table><tr><th>Loan Amount</th><th>Repayment Term</th></tr><tr><td>3x AMP</td><td>6 months</td></tr><tr><td>6x AMP</td><td>12 months</td></tr><tr><td>9x AMP</td><td rowspan="2">24 months</td></tr><tr><td>12x AMP</td></tr></table>	Loan Amount	Repayment Term	3x AMP	6 months	6x AMP	12 months	9x AMP	24 months	12x AMP	The loan amount shall be equivalent to 50% of the AMP multiplied by 3,6,9 or 12 but not to exceed the maximum loan amount of P150,000.00 with repayment term as follows: <table><tr><th>Loan Amount</th><th>Repayment Term</th></tr><tr><td>3 x (50% of AMP)</td><td rowspan="2">6 months</td></tr><tr><td>6 x (50% of AMP)</td></tr><tr><td>9 x (50% of AMP)</td><td rowspan="2">12 months</td></tr><tr><td>12 x (50% of AMP)</td></tr></table>	Loan Amount	Repayment Term	3 x (50% of AMP)	6 months	6 x (50% of AMP)	9 x (50% of AMP)	12 months	12 x (50% of AMP)
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12 x (50% of AMP)																			
Dependent’s pension, if any, is not included.																			
The monthly PL amortization shall be deducted from the AMP. The first (1 <sup>st</sup> ) monthly amortization shall become due on the second (2 <sup>nd</sup> ) month after the loan was granted.																			
Interest Rate	The loan shall incur an interest rate of ten percent (10%) per annum until fully paid, computed on a diminishing balance, which shall become part of the monthly amortization. Any principal balance after the repayment term, if any, shall continue to incur an interest of 10% per annum until fully paid.																		

Credit Life Insurance (CLI)	<p>The PL shall be covered by a CLI with the SSS as the sole designated beneficiary. The premium shall be borne by the Borrower through a one-time deduction from the proceeds of the loan.</p> <p>In the event of death of the Borrower before full payment and end of the loan term, the PL balance shall be considered fully paid and shall not be deducted from the member's death benefit/s, if any.</p> <p>The Insurer shall cover the PL balance of the Borrower and shall pay SSS the said amount regardless of the cause of death (e.g. self-destruction)</p> <p>PL balance not covered by insurance shall be deducted from the Borrower's SSS benefit/s or member loan overpayment proceeds payable to him/her or to his/her rightful beneficiary/ies, if any.</p>	
Filing of PL	<p>All PL application must be filed online and shall require either of the following undertakings:</p> <ul style="list-style-type: none"><li>• Compliance to the Annual Confirmation of Pensioners (ACOP) Program and filing of the PL application within five (5) calendar days from ACOP compliance; and</li><li>• In case the filing of the PL is not within the mandated schedule of ACOP compliance under the existing guidelines for the ACOP Program, the Borrower shall be required to request an appointment for visual confirmation/video conferencing through the Appointment System menu of his/her MY.SSS account or to personally report at the Member Services Section of the SSS Branch or Service Office nearest his/her place.</li></ul> <p>All Borrowers shall receive an email and/or SMS confirmation of his/her PL application.</p>	
Disbursement of PL Proceeds	<p>The proceeds of the loan shall be released through Electronic Funds Transfer Facilities and shall be credited to the Borrower's existing pensioner disbursement account, or any other nominated disbursement account enrolled through the Disbursement Account Enrolment Module (DAEM) per applicable policies and guidelines.</p> <p>Any fees charged by the disbursing bank, shall be borne by the Borrower through deduction from the PL proceeds by the disbursing bank.</p>	
Loan Renewal	<p>All Borrowers shall be allowed to re-apply for PL only after full payment of the current loan.</p>	
Other Conditions	<p>A surviving spouse pensioner who is also a retiree pensioner may avail 2 PLs at the same time, one as surviving spouse pensioner and one as a retiree pensioner.</p>	
	N/A	<p>The surviving spouse pensioner must provide the SS Number of the deceased member and other information as determined by the SSS for his/her existing pension records to be validated and linked to his/her SS Number.</p>
	<p>In case the monthly pension is cancelled due to reasons stated below, any PL balance, consisting of the principal, interest, and penalty, if any, shall become due and demandable to be paid within fifteen (15) working days from the successful transmittal of a Collection Letter/Notice. PL balance not paid on due date shall bear a penalty of one percent (1%) per month. A delay of a fraction of a month shall be charged a full month penalty.</p> <p>1. remarriage, cohabitation or "live-in" relationship of the surviving spouse pensioner borrower;</p> <p>2. re-employment/resumption of self-employment of the retiree pensioner under Sec. 12-B (c) of the Social Security Act of 2018.</p> <p>Payments shall be applied to the PL balance according to the following priority: penalty obligation, if any, interest then principal.</p> <p>PL balance collected through the re-adjudication of the retirement or death claim shall not be subject to any penalty.</p>	
	<p>In case the monthly pension of the PL borrower is suspended due to non-compliance with the Annual Confirmation of Pensioners (ACOP) Program, the withheld PL amortization/s, shall be deducted upon resumption of the Borrower's monthly pension, without any penalty charge, but the PL principal balance, if any, if not paid within the loan term, shall continue to incur additional interest at the rate of 10% per annum starting on the month following the end of the loan term.</p>	

	A retiree pensioner or a surviving spouse pensioner with a pending request for re-adjudication or adjustment of pension shall cause the termination of the PL. Hence, any balance shall become due and demandable and to be deducted from the proceeds of the re-adjudicated benefit until the PL balance is fully paid.
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As of December 2023, there are 2.1 million retiree pensioners and 1.1 million surviving spouse pensioners with an average AMP<sup>2</sup> of ₱4,956.00 and ₱4,000.00, respectively. The distribution of retiree pensioners and surviving spouse pensioners by age, sex and average pension<sup>3</sup> is hereto attached as Annexes “A” and “B”.

The loanable amount shall range from Six Thousand Six Hundred Pesos (₱6,600.00) but not to exceed Three Hundred Thousand Pesos (₱300,000.00) for retiree pensioners and Three Thousand Three Hundred Pesos (₱3,300.00) but not to exceed One Hundred Fifty Thousand Pesos (₱150,000.00) for surviving spouse pensioners. The net-take-home pension should be at least 40% of the AMP.

II. EFFECTIVITY OF INSURANCE COVERAGE

The effectivity of insurance coverage shall commence on the date of loan approval by SSS **and** upon receipt by the INSURER of the list of approved Borrowers submitted by SSS, until the end of the loan term.

III. SCHEDULE OF INSURANCE PREMIUM

The Insurer shall provide the insurance premium rates per One Thousand Pesos (P1,000.00) of the insurance coverage for the three (3) loan repayment term options, at different age brackets, and shall be for a period of two (2) years.

Age Bracket	REPAYMENT TERM (In Months)					
	Year 1			Year 2		
	6	12	24	6	12	24
18-24						
25-29						
30-34						
35-39						
40-44						
45-49						
50-54						
55-59						
60-64						
65-69						
70-74						
75-79						
80-84						

*\*Insurance premium rates for age bracket 18-49 are applicable to surviving spouse Borrowers only.*

IV. INSURANCE COVERAGE

The Insurer shall cover the outstanding balance of the loan of the Borrower and shall pay SSS the said amount in case of death of the Borrower regardless of the cause thereof.

V. EVIDENCE OF INSURABILITY

The evidence of insurability shall not be required from all qualified Borrowers.

VI. ELIGIBILITY AND SELECTION OF INSURER

A. Eligibility Requirements – Compliance and submission of the following:

- 1. Registration Certificate with the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI), or Cooperative Development Authority (CDA), whichever may be appropriate under existing laws of the Philippines;
- 2. Mayor's/Business Permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- 3. Audited financial statements for the year 2023, stamped "received" by the Bureau of Internal Revenue (BIR);
- 4. Certificate of Authority (CA) issued by the Insurance Commission (IC) and must be included in the List of Insurance Companies whose CA remains valid and existing as of 29 December 2023;
- 5. The Insurer must have an unimpaired net worth of at least One Billion Three Hundred Million Pesos (₱1,300,000,000.00) as of 29 December 2023 or the minimum net worth prescribed by the IC, whichever is higher. Further, SSS reserves the right to request additional proof/s of financial capacity.

B. Selection, Rating Process and Criteria for Selection of Insurer

To determine the qualified bidders, the qualification/ eligibility requirements as set forth in the Terms of Reference must be complied with. All proposals /offers / quotations of initially qualified bidders shall be evaluated. To determine the bidder with the highest total points, calculation shall be based on the two (2)-year bid in terms of insurance premium per age bracket and loan repayment term, the length of company's existence and company's financial strength based on Risk-Based Capital Ratio (RBCR).

The selection of GCLI provider shall be determined thru ranking of the bidders based on the numerical ratings from the highest, otherwise known as the "Highest Rated Bid", to the lowest. Each bidder shall be rated based on benchmark score of **100 points**. The bidder which garnered the highest point calculation shall be deemed the Highest Calculated and Responsive Bid, based on the following:

Criteria	Requirements	Points	Scoring
1. Length of Company's Existence	<ul style="list-style-type: none"><li>• Bidder must be duly registered and authorized by the appropriate agency to perform the function of offering insurance products</li><li>• Bidder must provide copy of licenses/certificates issued by the appropriate regulatory agency in the Philippines including but not limited to SEC/ Articles of Incorporation and By-Laws and Insurance Commission (IC) papers</li><li>• The document submitted should show the length of time the bidder is connected in life insurance business</li></ul>	5 points	Score = 5 Pts x Actual length of company's existence / Maximum length of company's existence among all bidders
2. Company's Financial Strength	<p>Bidder must submit its 2023 Audited Financial Statements showing equity position and the computation of Risk-Based Capital Ratio (RBCR).</p> <p>Based on IC Circular Letter (CL) No. 2016-38, RBC Ratio is computed as follows:</p> <p><u>Total Available Capital (TAC)</u> RBC Requirement</p>	5 points	Score = 5 Pts x Actual RBCR / Maximum RBCR among all bidders

	<p>The minimum RBC ratio shall be 100%.</p> <p>Note: Detailed composition of TAC and RBC Requirement are stipulated under Section 2.3 -2.4 of IC CL No. 2016-38.</p>																																															
3. Financial Bid for Pension Loan (PL) with Repayment Term of 6 months	For PL repayment terms of 6 months, bidder must submit financial bid per thousand pesos loan amount for the period of two (2) years. Financial bid is defined as premium charged for every Php 1,000 loan amount aggregated per age bracket.	9 points	<p>There will be thirteen (13) age brackets and shall have the highest point as follows:</p> <table><tr><th>Age Bracket</th><th>Financial Bid/ P1,000</th><th>Point/s</th></tr><tr><td>18-24</td><td>Php</td><td>0.1</td></tr><tr><td>25-29</td><td></td><td>0.1</td></tr><tr><td>30-34</td><td></td><td>0.1</td></tr><tr><td>35-39</td><td></td><td>0.1</td></tr><tr><td>40-44</td><td></td><td>0.1</td></tr><tr><td>45-49</td><td></td><td>0.1</td></tr><tr><td>50-54</td><td></td><td>0.2</td></tr><tr><td>55-59</td><td></td><td>0.3</td></tr><tr><td>60-64</td><td></td><td>2.3</td></tr><tr><td>65-69</td><td></td><td>2.4</td></tr><tr><td>70-74</td><td></td><td>1.7</td></tr><tr><td>75-79</td><td></td><td>1.0</td></tr><tr><td>80-84</td><td></td><td>0.5</td></tr><tr><td colspan="2">Total</td><td>9 points</td></tr></table> <p>For each age bracket, the Actual Financial Bid (AFB) shall be computed, which is equivalent to the average of the 2-year bid of a given bidder.</p> <p>Score (S) = Points per age bracket X (Lowest Financial Bid (LFB) among all bidders / AFB)</p>	Age Bracket	Financial Bid/ P1,000	Point/s	18-24	Php	0.1	25-29		0.1	30-34		0.1	35-39		0.1	40-44		0.1	45-49		0.1	50-54		0.2	55-59		0.3	60-64		2.3	65-69		2.4	70-74		1.7	75-79		1.0	80-84		0.5	Total		9 points
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4. Financial Bid for Pension Loan (PL) with Repayment Term of 12 months	For PL repayment terms of 12 months, bidder must submit financial bid per thousand pesos loan amount for the period of two (2) years. Financial bid is defined as premium charged for every Php 1,000 loan amount aggregated per age bracket	21 points	<p>There will be thirteen (13) age brackets and shall have the highest point as follows:</p> <table><tr><th>Age</th><th>Financial Bid/ P1,000</th><th>Point/s</th></tr><tr><td>18-24</td><td>Php</td><td>0.1</td></tr><tr><td>25-29</td><td></td><td>0.1</td></tr><tr><td>30-34</td><td></td><td>0.1</td></tr><tr><td>35-39</td><td></td><td>0.1</td></tr><tr><td>40-44</td><td></td><td>0.2</td></tr><tr><td>45-49</td><td></td><td>0.3</td></tr><tr><td>50-54</td><td></td><td>0.5</td></tr><tr><td>55-59</td><td></td><td>0.7</td></tr><tr><td>60-64</td><td></td><td>5.5</td></tr><tr><td>65-69</td><td></td><td>5.7</td></tr><tr><td>70-74</td><td></td><td>4.1</td></tr><tr><td>75-79</td><td></td><td>2.4</td></tr><tr><td>80-84</td><td></td><td>1.2</td></tr><tr><td colspan="2">Total</td><td>21 points</td></tr></table> <p>For each age bracket, the AFB shall be computed, which is equivalent to the average of the 2-year bid of a given bidder.</p> <p>S = Points per age bracket X (LFB among all bidders / AFB)</p>	Age	Financial Bid/ P1,000	Point/s	18-24	Php	0.1	25-29		0.1	30-34		0.1	35-39		0.1	40-44		0.2	45-49		0.3	50-54		0.5	55-59		0.7	60-64		5.5	65-69		5.7	70-74		4.1	75-79		2.4	80-84		1.2	Total		21 points
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5. Financial Bid for Pension Loan (PL) with Repayment Term of 24 months*	For PL repayment terms of 24 months, bidder must submit financial bid per thousand pesos loan amount for the period of two (2) years. Financial bid is defined as premium charged for every Php 1,000 loan amount aggregated per age bracket	60 points	<p>There will be seven (7) age brackets and shall have the highest point as follows:</p> <table><tr><th>Age</th><th>Financial Bid/ P1,000</th><th>Point/s</th></tr><tr><td>50-54</td><td>Php</td><td>0.1</td></tr><tr><td>55-59</td><td></td><td>0.1</td></tr><tr><td>60-64</td><td></td><td>26.1</td></tr><tr><td>65-69</td><td></td><td>19.9</td></tr></table>	Age	Financial Bid/ P1,000	Point/s	50-54	Php	0.1	55-59		0.1	60-64		26.1	65-69		19.9																														
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			70-74		9.4	<p>For each age bracket, the AFB shall be computed, which is equivalent to the average of the 2-year bid of a given bidder.</p> <p><math>S = \text{Points per age bracket} \times (\text{LFB among all bidders} / \text{AFB})</math></p>
			75-79		3.4	
			80-84		1.0	
			Total		60 points	

The bid amount shall also be inclusive of all applicable taxes and fees.

Insurer/s of the PLP with past due financial obligation/s to SSS as of submission and opening of bids, such as unsettled SSS PLP claim/s beyond the agreed payment terms and refund of insurance premiums due to cancelled PLs, is/are automatically disqualified to join the bidding process.

VII. TERM OF THE MOA WITH THE INSURER

The Memorandum of Agreement (MOA) between SSS and the Insurer shall be for a period of two (2) years to take effect upon signing thereof and/or upon impementation of the enhanced Pension Loan Program subject to automatic extension in order to cover the remaining loan term of the Borrowers. The maximum repayment term of the PL is two (2) years starting on the 2nd month after the loan was granted. The MOA is renewable at the option of SSS.

VIII. OBLIGATIONS OF THE PARTIES

A. The SSS shall:

1. Require the Borrowers to be insured with the Insurer under the Loan Program.
2. Submit a list of approved Borrowers for insurance coverage to the Insurer thru the web upload facility on a daily basis, as applicable, containing, among others, the following information of the Borrower: Full name, Birthdate, Gender, Amount and Terms of the Loan. The Borrower will no longer submit an application form to the Insurer.
3. Remit daily, as applicable, to the INSURER the payment for insurance premium deducted from the loan proceeds of the Borrower. The payment shall be net of withholding tax.
4. Claim from the Insurer the insurance proceeds as beneficiary of the insurance coverage within thirty (30) calendar days from receipt of report of the death of the Borrower. SSS shall submit to the INSURER a scanned copy of the Death Certificate of the Borrower through electronic means.

Failure to claim within the time provided in the Policy shall not invalidate or reduce any insurance benefit if it can be shown that it was not reasonably possible to file such claim and that the claim was submitted as soon as it was reasonably possible.

B. The Insurer shall:

1. Issue one (1) master insurance policy containing the Terms and Conditions for the GCLI coverage of Borrowers who availed of the Loan Program.
2. Provide SSS with a confirmation of insurance coverage of all Borrowers upon receipt of the list of approved Borrowers submitted by SSS.

3. The Insurer shall check the list of approved PL transactions and payment of SSS and provide feedback immediately if there is discrepancy.
4. Provide SSS an acknowledgement within five (5) working days upon receipt of the insurance claim application for deceased Borrower/s.
5. Pay SSS the insurance proceeds of the Borrower/s and provide proof of payment within fifteen (15) working days from receipt of the claim application from SSS. The Insurer shall pay SSS even if the claims are filed beyond the term of the MOA, including its extension to cover the remaining loan term.
6. Pay liquidated damages due to SSS within the agreed period, if any.
7. Ensure that the data it obtains from SSS will be handled in accordance with the provisions of Republic Act (RA) No. 11199 (Social Security Act of 2018), RA No. 8792 (e-Commerce Law of 2000) and its Implementing Rules and regulations, RA No. 9510 (Credit Information System Act) and its Implementing Rules and Regulations and RA No. 10173 (Data Privacy Act of 2012) and its Implementing Rules and Regulations, including but not limited to the following:
  - 7.1 Ensure that the personal data of Borrower/s obtained from SSS shall be retained only for (standard disposal period, if any) and shall be disposed or discarded in a secure manner that would prevent further processing. (19.d Rule IV of the IRR of R.A. 10173).
  - 7.2 Implement reasonable and appropriate organizational, physical, and technical security measures for the protection of personal data against unlawful disclosure or usage, and unauthorized access through an electronic network.
  - 7.3 Ensure that any person acting under its authority and who has access to the personal data of SSS Borrower/s, does not process the personal data except upon its instructions, or as required by law.
  - 7.4 Ensure the confidentiality, integrity and availability of the personal data processed and prevent its use for unauthorized purposes.

## **IX. INDIVIDUAL INSURANCE TERMINATION**

The coverage of an insured Borrower shall be terminated on either one of the following dates, as applicable:

1. Death of Borrower
2. End of the loan term
3. Re-employment/self-employment of a retiree pensioner
4. Remarriage/cohabitation of surviving spouse pensioner

## **X. PRE-TERMINATION OF MOA**

SSS or the Insurer may pre-terminate the MOA prior to the expiration of the term or extension thereof, if any based on the following grounds:

1. In case of voluntary termination – Either Party may voluntarily terminate the MOA by providing a written notice of termination by a Party to the other at least ninety (90) calendar days prior to the intended date of termination.
2. Upon agreement of the parties - The termination shall take effect on the date agreed upon by the Parties which should not be less than ninety (90) calendar days from the date of the consummation of the agreement of the parties;
3. Upon a breach of obligation by any of the parties - If either Party is in breach of any of its obligations under the MOA, and such breach, if remediable, continues un-

remedied for thirty (30) calendar days after receipt of written notice from the other Party specifying such breach, the offended Party may thereupon terminate the MOA without prejudice to its rights to recover damages in respect of the breach. The termination shall take effect upon receipt by the offending Party of the offended Party's written notice of termination;

4. In case of Insolvency or Merger - In case the Insurer enters into liquidation whether compulsory or voluntary, or if a winding-up petition is filed against the Insurer or it assigns its assets for the benefit of a creditor or creditors, or if the Insurer enters into a merger or consolidation with another entity and the Insurer is not the surviving entity, SSS may immediately terminate the MOA by notice in writing but without prejudice to the rights which may have accrued to either Party prior to the date of termination. The termination shall take effect upon receipt by a Party of a written notice of termination from the other Party;
5. In case of Force Majeure - A condition of Force Majeure, as defined in the MOA, which extends for more than one (1) month experienced by either Party, shall result in the termination of the MOA without prejudice to any right which may have accrued to either Party prior to the date of termination. The termination shall take effect upon receipt by a Party of a written notice of termination from the other Party.

## **XI. OTHER CONDITIONS**

The submission of the list of insured Borrowers, insurer's billing statement, insurance premium payments, insurance claims, feedback from the insurer shall be made through the existing secured electronic systems of the SSS.

## **XII. MISCELLANEOUS PROVISIONS**

1. **CONSENT TO DATA SHARING** – SSS shall secure the consent of the Borrower as to the processing and sharing of their personal data to the Insurer in accordance with the Data Privacy Act of 2012. A Data Privacy Consent Clause shall be provided in the Borrower's Pension Loan Application and Disclosure Statement (PLADS) and insurance coverage.
2. **LIQUIDATED DAMAGES** – In case the Insurer fails to pay SSS the insurance proceeds within fifteen (15) working days from receipt of the claim application from SSS, inclusive of granted time extensions, if any, it shall be liable for damages for the delay and shall pay SSS for liquidated damages, and not by way of penalty, an amount equivalent to one-tenth (1/10) of one (1%) percent (0.001) of the amount unpaid for every day of delay.

Once the cumulative amount of the liquidated damages reaches One Hundred Million Pesos (P100,000,000.00), SSS may rescind or terminate the MOA, without prejudice to other courses of action and remedies available under the circumstances.

SSS need not prove that it has incurred actual damages to be entitled to the liquidated damages. Such amount shall be deducted from any money due, or which may become due to the Insurer.

3. **CONFIDENTIALITY** – SSS and the Insurer shall not, without the prior written consent of the other, disclose or make available to any person, make public, or use directly or indirectly, except for the performance and implementation of the MOA, any confidential information acquired from the Borrower or an information holder in connection with the performance of its obligations under the MOA, unless: (I) the information is known to the disclosing party, as evidenced by its written records, prior to obtaining the same from the information holder and is not otherwise subject to disclosure restrictions on the disclosing party, (ii) the information is disclosed to the disclosing party by a third party who did not receive the same, directly or indirectly, from an information holder, and who has no obligation of secrecy with respect thereto, or (iii) required to be

disclosed by law. The obligation of confidentiality by both parties, as provided herein, shall survive the termination of the MOA.

4. **MERGER AND CONSOLIDATION** - In case of merger, consolidation or change of ownership of the Insurer with another company, it is the responsibility of the surviving company/consolidated company/acquiring entity to inform SSS of the change in corporate structure/ownership. Failure to do so shall translate in such company assuming all liabilities of the acquired/merged company under this MOA.
5. **FORCE MAJEURE** - SSS and the Insurer shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that Insurer's delay in performance or other failure to perform its obligations under this Agreement is the result of a force majeure.

For purposes of this Agreement the terms "force majeure" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or force majeure shall be interpreted to mean an event which the Insurer could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Insurer. Such events may include, but not limited to, acts of SSS in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

If a force majeure situation arises, the Insurer shall promptly notify SSS in writing of such condition and the cause thereof. Unless otherwise directed by SSS in writing, the Insurer shall continue to perform its obligations under this MOA as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure.

6. **NON-ASSIGNMENT** - SSS and the Insurer shall not assign the MOA in whole or in part without the consent of the other party. The Insurer shall not subcontract in whole or in part its obligations in the MOA without the written consent of SSS.
7. **SEPARABILITY** - If any one or more of the provisions contained in the MOA or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect under any applicable law, then: (i) the validity, legality and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired and shall remain in full force and effect; and (ii) the invalid, illegal or unenforceable provision shall be replaced by the parties immediately with a term or provision that is valid, legal and enforceable and that comes closest to expressing the intention of such invalid, illegal or unenforceable term or provision.
8. **WAIVER** - Failure by either party to insist upon the other the strict performance of any of the terms and conditions of the MOA shall not be deemed a relinquishment or waiver of any subsequent breach or default of the terms and conditions thereof, which can only be deemed made if expressed in writing and signed by its duly authorized representative. No such waiver shall be construed as a modification of any of the provisions of the MOA or as a waiver of any past and future default or breach hereof, except as expressly stated in such waiver.
9. **CUMULATIVE REMEDIES** - Any and all remedies granted to the parties under the applicable laws and the MOA shall be deemed cumulative and may, therefore, at the sole option and discretion, be availed of by the aggrieved party simultaneously, successively or independently.
10. **AUTHORITY** - The Parties warrant that the persons signing in behalf of each Party has full power and authority to bind the Party it represents.
11. **NO EMPLOYER-EMPLOYEE RELATIONSHIP** - It is expressly and manifestly understood and agreed upon that all employees of the Insurer assigned to handle the

account of SSS, for and on behalf of the Borrowers, are not employees of SSS. Neither is there an employee-employer relationship between SSS and the Insurer.

12. **COMPLIANCE WITH SOCIAL SECURITY LAW** – The Insurer shall report all its employees to SSS for coverage and their contributions, as well as, all amortizations for salary/education/calamity and other SSS loans shall be updated. Should the Insurer fail to comply with its obligation under the provisions of the SS Law and Employees' Compensation Act, SSS shall have the authority to deduct any unpaid SS and EC contributions, salary, educational, emergency and/or calamity loan amortizations, employer's liability for damages, including interests and penalties from Insurer's receivables under this MOA.

Further, prescription does not run against SSS for its failure to demand SS contributions or payments from the Insurer. Moreover, the Insurer shall forever hold in trust SS contributions or payments of its employees until the same is fully remitted to SSS.

13. **COMPLIANCE WITH LABOR LAWS** – The Insurer, as employer of the personnel assigned to perform its obligations, shall comply with all its obligations under existing laws and their implementing rules and regulations on the payment of minimum wage, overtime pay, and other labor-related benefits as well as remittances or payment of the appropriate amount or contributions/payment (SSS, EC, Pag-IBIG, PhilHealth and taxes) with concerned government agencies/offices.
14. **COMPLIANCE WITH TAX LAWS** - The Insurer shall, in compliance with tax laws, pay the applicable taxes in full and on time and shall regularly present to the SSS within the duration of the MOA, tax clearance from the Bureau of Internal Revenue (BIR) as well as copy of its income and business tax returns duly stamped by the BIR and duly validated with the tax payments made thereon. Failure by the Insurer to comply with the foregoing shall entitle the SSS to suspend any payment due to it.

As required under Executive Order (EO) 398, s. 2005, the Insurer shall submit income and business tax returns duly stamped and received by the BIR, before entering and during the duration of MOA. The Insurer, through its responsible officer, shall also certify under oath that it is free and clear of all tax liabilities to the government. The Insurer shall pay taxes in full and on time and that failure to do so will entitle SSS to suspend or terminate the MOA.

15. **HOLD FREE AND HARMLESS** - The Insurer agrees to defend, indemnify, and hold SSS free and harmless from any and all claims, damages, expenses, fines, penalties and/or liabilities of whatever nature and kind, whether in law or equity, that may arise by reason of the implementation of this MOA. In addition, the Insurer agrees to indemnify SSS for any damage as a result of said implementation.

The Insurer hereby assumes full responsibility for any injury, including death, loss or damage which may be caused to SSS' employees or property or third person due to the Insurer's employees' fault or negligence, and further binds itself to hold SSS free and harmless from any of such injury or damage. SSS shall not be responsible for any injury, loss or damage which the Insurer or any of its employees may sustain in the performance of Insurer's obligations under this MOA.

16. **DISPUTES** - If any dispute or difference of any kind whatsoever shall arise between SSS and Insurer in connection with or arising out of this MOA, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

If after thirty (30) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either SSS or Insurer may give notice to the other Party of its intention to commence arbitration, in accordance with RA No. 876, otherwise known as the "Arbitration Law" and RA No. 9285, otherwise known as the "Alternative

Dispute Resolution Act of 2004,” in order to settle their disputes. No arbitration in respect of this matter may be commenced unless such notice is given.

Notwithstanding any reference to arbitration herein, the Parties shall continue to perform their respective obligations under the MOA unless they otherwise agree.

17. **GOVERNING LAW** - The terms and conditions of the MOA shall be governed by and interpreted in accordance with the laws of the Philippines.
18. **VENUE OF ACTIONS** - Any suit or proceeding arising out of or relating to the MOA including court action to promote arbitration shall be instituted in the appropriate court of Quezon City to the exclusion of all other venues.
19. **BINDING EFFECT** - The MOA shall be binding upon the parties hereto, their assignees, if any, and successors in interest.
20. **PROVISION FOR AMENDMENTS** - Any and all amendments to the MOA shall be implemented only after duly authorized representatives of both Parties mutually signified their conformity in writing. Such amendments shall form an integral part of the MOA.
21. **NON-PUBLICITY** - No press release in oral, written or electronic form shall be issued covering the transaction without prior written approval of SSS. Inclusion in any reference list shall also be undertaken only upon prior written approval of SSS.

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<sup>1</sup> SSS Circular No. 2017-004 dated April 5, 2017 and SSS Circular No. 2018-005 dated March 12, 2018

<sup>2</sup> AMP includes the BMP and ₱1,000 additional benefit

Annex A

Table 1.  
Distribution of SSS Retirement<sup>1</sup> Pensioners by Age and Sex  
as of 31 December 2023

Age <sup>2</sup>	Number of Pensioners				Average BMP <sup>3</sup>			
	Male	Female	Unspecified Sex <sup>4</sup>	Total	Male	Female	Unspecified Sex <sup>4</sup>	Total
50	22			22	7,238	-	-	7,238
51	33			33	7,461	-	-	7,461
52	43			43	7,554	-	-	7,554
53	45			45	7,619	-	-	7,619
54	58			58	7,195	-	-	7,195
55	83			83	7,188	-	-	7,188
56	119			119	7,240	-	-	7,240
57	175	1		176	7,031	10,101	-	7,049
58	236	3		239	7,191	7,904	-	7,200
59	327	6		333	6,779	6,308	-	6,770
60	61,264	45,580	19	106,863	6,107	5,302	5,183	5,763
61	82,176	61,648	30	143,854	5,914	5,136	4,756	5,581
62	79,545	60,408	28	139,981	5,808	5,035	4,124	5,474
63	88,301	66,500	21	154,822	5,634	4,836	4,173	5,291
64	86,548	65,142	14	151,704	5,503	4,716	3,630	5,165
65	86,369	66,641	21	153,031	5,522	4,770	3,725	5,194
66	82,150	63,918	15	146,083	5,463	4,741	3,973	5,147
67	80,500	63,455	9	143,964	5,343	4,639	3,370	5,033
68	74,130	59,188	6	133,324	5,202	4,584	3,166	4,928
69	69,999	56,403	6	126,408	5,145	4,544	2,695	4,877
70	61,746	50,509	6	112,261	5,140	4,560	3,001	4,879
71	58,179	47,692	5	105,876	5,014	4,474	2,622	4,771
72	48,646	39,997	4	88,647	4,964	4,374	4,553	4,698
73	49,019	39,158	6	88,183	4,842	4,269	3,187	4,588
74	42,252	33,627	4	75,883	4,744	4,212	2,705	4,508
75	38,137	29,459	6	67,602	4,669	4,128	2,789	4,433
76	31,729	24,609	2	56,340	4,734	4,131	3,982	4,470
77	29,387	23,098	1	52,486	4,976	4,316	2,768	4,685
78	19,588	15,713	1	35,302	4,888	4,204	3,211	4,584
79	18,846	14,848	3	33,697	4,918	4,232	3,470	4,616
80	15,653	12,571		28,224	4,789	4,166	-	4,512
81	15,654	12,549		28,203	4,707	4,081	-	4,429
82	12,352	10,473		22,825	4,790	4,188	-	4,514
83	11,880	9,660		21,540	4,817	4,239	-	4,557
84	10,025	8,347	2	18,374	5,015	4,321	5,705	4,700
85 and above	39,064	31,665	2	70,731	4,731	4,267	6,144	4,523
Total/ Average	1,294,280	1,012,868	211	2,307,359	5,298	4,614	3,993	4,997

<sup>1</sup> Pensioners who received pension as of 31 December 2023

<sup>2</sup> Age of member as of 31 December 2023

<sup>3</sup> Basic Monthly Pension: Includes the ₱1,000 additional benefit

## Annex B

**Table 2.**  
**Number of Survivor Pensioners<sup>1</sup> by Age and Sex**  
**as of 31 December 2023**

Age <sup>2</sup>	Number of Pensioners				Average BMP <sup>3</sup>			
	Male	Female	Unspecified Sex <sup>4</sup>	Total	Male	Female	Unspecified Sex <sup>4</sup>	Total
21	-	2	-	2	-	4,562	-	4,562
22	-	1	-	1	-	7,643	-	7,643
23	1	15	-	16	5,502	4,320	-	4,394
24	6	47	-	53	4,973	4,858	-	4,871
25	9	90	-	99	4,335	4,622	-	4,596
26	15	146	-	161	4,486	4,826	-	4,794
27	25	227	-	252	5,254	4,627	-	4,689
28	40	344	-	384	4,906	4,627	-	4,656
29	71	441	-	512	5,145	4,727	-	4,785
30	82	574	-	656	5,189	4,748	-	4,803
31	125	750	-	875	5,242	4,744	-	4,815
32	148	961	-	1,109	4,736	4,746	-	4,744
33	212	1,206	-	1,418	4,984	4,733	-	4,770
34	243	1,471	-	1,714	4,949	4,599	-	4,648
35	307	1,747	-	2,054	4,873	4,629	-	4,665
36	359	2,122	1	2,482	4,870	4,689	2,050	4,714
37	433	2,395	1	2,829	4,538	4,592	3,600	4,583
38	486	2,694	-	3,180	4,637	4,585	-	4,593
39	598	3,264	-	3,862	4,614	4,494	-	4,512
40	760	4,011	1	4,772	4,456	4,512	2,050	4,503
41	877	4,738	-	5,615	4,456	4,410	-	4,417
42	978	5,237	3	6,218	4,419	4,407	2,047	4,407
43	1,203	6,307	-	7,510	4,271	4,350	-	4,337
44	1,281	7,000	2	8,283	4,225	4,299	2,624	4,287
45	1,430	7,759	-	9,189	4,097	4,313	-	4,279
46	1,632	8,577	2	10,211	4,069	4,281	2,640	4,247
47	1,736	9,386	4	11,126	4,120	4,237	3,275	4,219
48	1,763	10,118	6	11,887	3,937	4,177	2,325	4,140
49	1,797	10,288	8	12,093	4,067	4,205	2,823	4,184
50	1,990	11,910	11	13,911	3,947	4,147	3,598	4,118
51	2,203	13,489	11	15,703	3,829	4,082	2,232	4,045
52	2,309	13,560	14	15,883	3,867	4,089	2,720	4,055
53	2,460	15,370	23	17,853	3,806	4,066	2,963	4,029
54	2,763	17,212	15	19,990	3,792	4,057	2,767	4,019
55	2,758	17,875	16	20,649	3,781	3,979	2,578	3,951
56	2,784	17,644	21	20,449	3,787	3,979	3,169	3,952
57	2,828	19,424	23	22,275	3,719	3,966	3,030	3,934
58	3,056	20,445	28	23,529	3,735	3,958	2,973	3,928
59	3,209	22,261	25	25,495	3,678	3,952	3,254	3,917
60	3,264	23,193	23	26,480	3,712	3,909	2,591	3,884
61	3,497	25,641	15	29,153	3,608	3,910	2,621	3,873
62	3,429	23,819	10	27,258	3,692	3,926	2,615	3,896
65	4,016	30,505	12	34,533	3,597	3,858	3,580	3,828
66	3,943	30,432	13	34,388	3,617	3,886	2,918	3,855
67	4,084	32,008	10	36,102	3,599	3,895	2,955	3,861
68	4,054	31,853	7	35,914	3,697	3,869	2,641	3,850
69	3,944	33,191	12	37,147	3,614	3,877	3,281	3,849
70	3,568	31,591	8	35,167	3,704	3,881	2,357	3,863
71	3,659	32,741	7	36,407	3,645	3,866	2,391	3,844
72	3,067	28,330	6	31,403	3,702	3,917	2,485	3,896
73	3,337	31,858	12	35,207	3,597	3,898	2,740	3,869
74	2,922	29,455	6	32,383	3,737	3,910	2,739	3,894
75	2,819	28,728	10	31,557	3,640	3,943	2,754	3,916
76	2,404	25,898	8	28,310	3,744	3,996	2,762	3,974
77	2,159	25,704	7	27,870	3,718	4,055	2,712	4,029
78	1,563	20,076	4	21,643	3,652	4,025	2,704	3,998
79	1,520	19,668	4	21,192	3,764	4,087	3,177	4,064
80	1,340	17,204	3	18,547	3,588	4,076	2,445	4,040
81	1,450	19,438	5	20,893	3,619	4,063	3,362	4,032
82	1,109	15,176	3	16,288	3,728	4,151	3,469	4,122
83	1,097	15,813	2	16,912	3,716	4,115	2,346	4,089
84	977	14,113	-	15,090	3,793	4,138	-	4,115
85 and above	11,585	97,424	17	109,026	4,000	4,266	2,535	4,237
<b>Total/ Average</b>	<b>125,575</b>	<b>1,003,065</b>	<b>460</b>	<b>1,129,100</b>	<b>3,798</b>	<b>4,024</b>	<b>2,857</b>	<b>3,999</b>

<sup>1</sup> Classified as surviving spouse with pension payment as of 31 December 2023

<sup>2</sup> Age of surviving spouse as of 31 December 2023

<sup>3</sup> Basic Monthly Pension: Includes the P 1,000 additional benefit

<sup>4</sup> Unspecified Sex: due to erroneous or blank entries in "Sex" field