

Republic of the Philippines
SOCIAL SECURITY SYSTEM

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CIRCULAR NO. 2024-002

TO : ALL SSS MEMBERS

**SUBJECT : CALAMITY LOAN ASSISTANCE PROGRAM FOR SSS MEMBERS
AFFECTED BY MAGNITUDE 7.4 EARTHQUAKE IN TAIWAN**

I. PURPOSE

Pursuant to Social Security Commission (SSC) Resolution No. 178-s. 2024 dated 08 April 2024, the Circular on the Calamity Loan Assistance Program for SSS Members Affected by Magnitude 7.4 Earthquake in Taiwan is hereby issued.

II. SCOPE

This Circular shall cover all members who are living/residing/working in Taiwan during the time of calamity and at the time of Calamity Loan Assistance Program Application. The availment period for the assistance shall start on 21 May 2024 until 20 August 2024.

III. DEFINITION OF TERMS

TERM	DEFINITION
A. Active Loan	A loan account that has a positive balance in either the principal, interest, or penalty on the member's My.SSS statement of account.
B. Calamity Loan Assistance Program	A type of Short-term Member Loan Program granted to eligible members affected by calamity.
C. Calamity Loan Reference Number (CLRN)	A unique 12-alphanumeric identifier provided to SSS members as one of the eligibility requirements for the loan program.
D. Loan Program	The Calamity Loan Assistance Program for Taiwan, initiated by SSS, aims to provide financial assistance to Overseas Filipino Worker (OFW) members adversely affected by the Magnitude 7.4 Earthquake in Taiwan on 03 April 2024.
E. Overpayment	The amount paid by the member in excess of the required amount determined after thorough evaluation by the Processing Center.

TERM	DEFINITION
F. Past Due	The loan has an unpaid obligation consisting of principal, interest, and penalties equivalent to more than three (3) monthly amortizations, or the loan has remaining unpaid balance after its maturity.
G. Short-Term Member Loans	Refers to Salary, Calamity Loan Assistance Program, Emergency, Educational Assistance, Old Educational, Stocks Investment, Privatization Fund, Special Educational Loan for VocTech Students, Special Educational Loan for Y2K, Commercial and Industrial Loan – Investment Incentive, or Study Now Pay Later Plan.

IV. POLICIES/GUIDELINES

A. ELIGIBILITY

To avail of the loan program, the SSS member:

1. Must be registered on the SSS Website (My.SSS facility).
2. Must have at least thirty-six (36) monthly contributions, six (6) of which should be posted within the last twelve (12) months prior to the month of filing of application.
3. Must have a current membership type of OFW.
4. Must be living/residing/working in Taiwan during the time of calamity and at the time of loan program application.
5. Must not be more than 65 years old at the time of loan program application.
6. Must not have been granted any final benefit (i.e., Permanent Total Disability, Retirement).
7. Must have no past due SSS Short-Term Member Loans.
8. Must not have an outstanding Restructured Loan or Calamity Loan Assistance Program.

B. LOAN AMOUNT

The loan amount shall be equivalent to one (1) Monthly Salary Credit (MSC) computed based on the average of the last twelve (12) MSC (rounded up to the nearest thousand) or the amount applied for, whichever is lower.

C. PAYMENT TERM AND DEADLINE OF PAYMENT

1. The loan shall be payable within two (2) years in twenty-four (24) equal monthly installments.
2. The loan amortization shall start on the 2nd month following the date of the approval of the loan.
3. Payment deadline shall be on or before the last day of the month following the applicable month.
4. In case the payment deadline falls on a Saturday, Sunday, or holiday, payment may be made on the next working day.

D. SERVICE FEE, INTEREST RATE AND PENALTY

1. The service fee of 1% of the loan amount shall be waived.
2. The loan shall be charged an interest rate of 10% per annum until fully paid, computed on a diminishing principal balance, and shall be amortized over a period of twenty-four (24) months.
3. Pro-rated interest from the date of loan granting up to the end of the month prior to 1st amortization month shall be deducted in advance from the loan proceeds.

Sample Illustration:

Loan date: 15 April 2024

First amortization month: June 2024

Loan amount: Php 16,000.00

Interest from 16 April to 31 May 2024

$\text{Php } 16,000.00 \times 10\% \times 46 \text{ days} / 365 = \text{PhP } 201.64$

Php 201.64 shall be deducted from loan proceeds.

4. Any excess in the amortization payment shall be applied to the outstanding principal balance.
5. Loan amortization not remitted on the due date shall bear a penalty of 1% per month. A delay of a fraction of a month shall be charged a full month penalty.

E. FILING OF APPLICATION

To obtain the CLRN, the SSS member shall:

1. be required to personally visit the Taiwan Foreign Office to present any of the following:
 - a. Passport
 - b. any other document that contains the Date of Arrival in the country
2. update their contact information, if necessary.

Once the SSS member has been issued the CLRN, the SSS member shall file the application for the loan program through the My.SSS member's portal.

F. RESPONSIBILITIES OF THE MEMBER

1. The member shall update his/her contact information by logging in to his/her My.SSS account through the SSS website or mobile application or visiting the Taiwan Foreign Office.
2. In case the member fails to immediately pay the outstanding balance, the arrearages/unpaid loan, as well as the interest and penalty thereon, shall be deducted from the benefits being claimed by the member.

G. OTHER CONDITIONS

1. This loan program must be fully paid before the member can avail of any future Calamity Loan Assistance Program of SSS.
2. Any overpayment on a previous loan shall be automatically applied to the active loan, if any.
3. Aggregate unpaid obligation equivalent to more than six (6) monthly amortizations shall result in loan default. The full balance of a defaulted loan shall become due and demandable. A defaulted account is subject to 10% interest per annum to be charged on the outstanding principal balance and 1% penalty per month on unpaid principal and interest until fully paid.

H. RELEASE OF LOAN PROCEEDS


The loan proceeds of the loan program may be released through any of the following:

1. Unified Multi-Purpose Identification (UMID) – Automated Teller Machine (ATM) Card:
 - If with activated UMID-ATM, the loan proceeds shall automatically be credited to the member's account.
2. Development Bank of the Philippines Philippine Electronic Fund Transfer System and Operations Network (PESONet) Accredited/Participating Banks:
 - Active single account in any PESONet accredited banks in the name of the member enrolled in the Disbursement Account Enrollment Module and used as mode of disbursement for the loan program application.

V. EFFECTIVITY CLAUSE

This Circular shall take effect immediately following its publication in a newspaper of general circulation and the registration and filing of three (3) copies of the published Circular with the Office of the National Administrative Registrar (ONAR).

Please be guided accordingly.


ROLANDO LEDESMA MACASAET ✓
President and CEO
npa

21 MAY 2024

Date

(Policy – Loans Granting)