

9. **Loan Pre-Termination:** The member-borrower may pre-pay the loan anytime during its term without penalty by paying off the remaining outstanding principal and any unpaid interest up to the time of termination.
10. **Loan Cancellation:** Borrowers shall be allowed to cancel the loan agreement within a period of thirty (30) calendar days from the date of loan granting. In cases of cancellation of the loan upon the behest of the borrower, the principal amount (of the face value in the loan contract), plus the pro-rata interest covering the days from loan granting up to the actual cancellation of the loan, shall be paid in full.
11. **Maturity of the Loan:** The loan shall mature at the end of the payment term of thirty-six (36) months or upon retirement, subject to existing policies and guidelines on Choice of Loan Amortization Schedule for Pensioners (CLASP), separation, permanent disability or death of the borrower, whichever comes first. In which case, the entire principal amount of the loan including all interest and other charges payable, shall be due and payable without need of demand or further notice.

In the event of death of the member-borrower during the term of the loan and the account is not in default, the insurance proceeds from the member's LRI benefits shall be applied as payment to the current outstanding balance of the loan.
12. **Policy on Default:** An account is considered in default when the total unpaid obligation is equivalent to more than six (6) monthly amortizations. In the event of default, the outstanding balance of the loan becomes due and demandable without need of demand. In case of failure to pay the outstanding balance declared in default, the outstanding balance shall be charged with an interest equivalent to 12% per annum compounded monthly (p.a.c.m.) and a penalty of 6% p.a.c.m., from the date of default until the date of full payment.
13. **Application of Payment:** Every payment shall be initially applied to the amount due, following this order of priority:
 - a. Penalty, if any,
 - b. Interest
 - c. Principal
 The "move-up" policy shall also be adopted wherein the payments are first applied to the earliest unpaid month until the month's full amount due has been fully collected.
14. **Authority to Apply Payment:** If this loan remains wholly or partially unpaid during its designated maturity date, the GSIS is authorized to collect, deduct or withhold from whatever benefits that may be due the borrower, his/her heirs, beneficiaries, assignees or successors-in-interest, the amount equivalent to the outstanding balance of this loan, including the interest, penalties and surcharges. Such authorization shall remain effective until full payment of the loan or any other outstanding obligation of the borrower to the GSIS. It is expressly understood that any unpaid balance or outstanding obligation of the borrower to the GSIS, by virtue of this loan and/or other obligation, shall constitute a lien over any benefits/claims that may be due the borrower. Should such benefits/claims from the GSIS be insufficient to cover the remaining balance, GSIS shall not be prevented from filing the necessary civil and administrative action(s) for recovery either against the borrower or his/her estate.
15. **CLASP:** Effective June 1, 2011, retiring GSIS members who opt for a retirement scheme with an immediate pension benefit as provided under RA 660, PD 1146 and RA 8291 may avail of the Choice of Loan Amortization Schedule for Pensioners (CLASP) where the member-retiree may choose to settle their outstanding balance of the loan in whole (100%) or a percentage thereof (75%, 50% or 25%) which shall be deducted from their retirement proceeds. For those who choose to pay a percentage of the outstanding balance of the loan (75%, 50% or 25%), the remaining unpaid balance shall be restructured as a loan with a rate of 10% per annum compounded annually, payable over a maximum period of three (3) years.
16. **Recovery of amount/s credited in the eCard:** GSIS shall have the right to recover by any legal means, any amount in the UMID/eCard account credited thereon by the GSIS due to fraud, misrepresentation or error on account of any transaction which the member-borrower may have with the GSIS.
17. **Attorney's Fees:** Should the GSIS be compelled to refer the Loan or any portion thereof to an Attorney-at-Law for collection or to enforce any right hereunder against the Member-Borrower or avail of any remedy under the law or this Agreement, the Member-Borrower shall pay an amount equivalent to twenty five (25%) per cent of all amounts outstanding and unpaid as and for attorney's fees and litigation expenses.
18. **Venue:** Any legal action, suit, or proceeding arising out or relating to this Agreement, shall be brought or instituted in the appropriate courts in the City of Pasay or such other venue at the exclusive option of GSIS. In the event the borrower initiates any legal action arising from or under this agreement, for whatever causes, the member-borrower agrees to initiate such action only in the City where the principal office of GSIS is located.
19. **Transfer/Change of Office:** The borrower shall immediately notify the GSIS in case the borrower transfers to any government office/agency. This application shall be a sufficient authority for GSIS to effect collection through salary deduction from the new office/agency.
20. **Notices:** All notices required under this Agreement or for its enforcement shall be sent to the Office Address indicated in the Personal Data portion of this loan application. The notices sent to the said office address shall be valid and shall serve as sufficient notice to the Member-Borrower for all legal intents and purposes.

I, _____, (complete name of borrower) confirm that I have read and fully understood the foregoing **GSIS COMPUTER LOAN** Terms and Conditions and undertake to comply with them. I hereby authorize the GSIS, through my employer (government agency), to deduct from my terminal leave benefits any remaining outstanding loan obligations I may have with the GSIS upon my separation or retirement. I understand that the remittance thereof by my employer to the GSIS shall first be undertaken before the issuance of a GSIS clearance for the release of my remaining terminal leave benefits, if any.

Furthermore, I commit that the proceeds of this loan is for the sole purpose of purchasing a computer (desktop/laptop) unit which shall be used primarily to fulfill my Work-from-Home duties with my Agency and/or the online education/personal development of my family or my person.

I confirm my understanding of the Privacy Policy of the GSIS pursuant to the requirements of Republic Act (R.A.) No. 10173, otherwise known as the Data Privacy Act, and consent to the manner of collection, use, access, disclosure and processing of my personal and sensitive personal data by the GSIS.

Finally, pursuant to R.A. No. 9510, otherwise known as the "Credit Information System Act", and its Implementing Rules and Regulations IRR, I hereby acknowledge and consent to: 1) the regular submission and disclosure of my basic credit data and updates thereon to the Credit Information Corporation (CIC); and 2) the sharing of my basic credit data with lenders authorized by the CIC, and credit reporting agencies and outsourced entities duly accredited by the CIC, subject to the provisions of R.A. No. 9510, its IRR and other relevant laws and regulations.

SIGNATURE OF MEMBER-BORROWER

TIN

DATE SIGNED

TO BE FILLED UP BY THE AAO

This is to certify that the member-borrower indicated above:

1. Is in active service with our agency;
2. Has no pending administrative case and/or criminal charge;
3. Has provided information that is true and correct based on the records of our agency;
4. Is not on leave of absence without pay; and
5. Has a net take home pay sufficient to cover the regular monthly amortization due for this loan amount applied for after all the required monthly obligations have been deducted

Furthermore, the monthly amortization shall be deducted from the member-borrower's monthly salary and that in case of separation from service of the member-borrower, clearance shall first be obtained from the GSIS before any document and/or final payment of benefits shall be released in favor of the member-borrower.

SIGNATURE OVER PRINTED NAME OF AAO

AAO'S BP NO.

DATE SIGNED