



Republic of the Philippines
SOCIAL SECURITY SYSTEM

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CIRCULAR NO. 2020-013

TO : ALL SSS MEMBERS

SUBJECT : GUIDELINES ON CALAMITY LOAN ASSISTANCE PROGRAM (CLAP) FOR SSS MEMBERS AFFECTED BY THE CORONA VIRUS DISEASE 2019 (COVID-19) SITUATION

Pursuant to Social Security Commission (SSC) Resolution No. 205-s.2020 dated 25 March 2020 as amended by SSC Resolution Nos. 235-s.2020, 236-s.2020 and 237-s.2020 dated 19 May 2020, approving the recommendation to provide loan assistance for SSS members affected by the Corona Virus Disease 2019 (CoViD-19) situation, the following guidelines are hereby issued:

A. COVERAGE OF THE PROGRAM

Members who are residents of the entire Philippines affected by the strict community quarantine to manage the CoViD-19 situation, in pursuance to Proclamation No. 929 by the President of the Philippines dated 16 March 2020 declaring a State of Calamity throughout the Philippines due to CoViD-19.

B. AVAILMENT PERIOD

The availment period for CLAP shall start on 15 June 2020 until 14 September 2020.

C. ELIGIBILITY

To avail of the program, the members:

1. Must be registered in the SSS website (My.SSS facility) to facilitate filing of online application.
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 be residents of the Philippines. A resident, for the purpose of CLAP, is one who has a home or work address within the Philippines.
4. Have not been granted any final benefit, i.e. permanent total disability or retirement.

5. Must not have an outstanding Loan Restructuring Program (LRP) or Calamity Loan Assistance Program (CLAP).

D. 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.

E. PAYMENT TERM AND DEADLINE OF PAYMENT

1. The loan shall be payable in twenty-seven (27) months inclusive of three (3) months moratorium period.
2. The loan amortization shall start on the 4th 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.

F. SERVICE FEE, INTEREST RATE AND PENALTY

1. A service fee of 1% of the loan amount shall be charged and deducted from the proceeds of the loan.
2. The loan shall be charged an interest rate of 6% per annum commencing on the 4th month, computed on a diminishing principal balance and shall be amortized over the remaining twenty-four (24) months.
3. No advanced interest shall be charged for this loan.
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.

G. FILING OF APPLICATION

The members must apply for CLAP through the SSS website by accessing his/her My.SSS account.

H. OTHER CONDITIONS

1. The member's home or work address as reflected in the SSS database must be within the Philippines.

2. This calamity loan must be fully paid before the member can avail of future calamity loans of the SSS.
3. Any overpayment on a previous loan shall be subject to validation of SSS, and if valid, shall be applied to the active loan, if any. If there is no active loan, it shall be refunded to the member-borrower upon his/her request.
4. Aggregate unpaid obligation equivalent to more than six (6) monthly amortizations shall result to loan default. The full balance of a defaulted loan shall become due and demandable. A defaulted account is subject to 10% interest per annum charged on the outstanding principal balance and 1% penalty per month on unpaid principal and interest until fully paid.
5. Other terms and conditions in the existing salary loan guidelines, not inconsistent with the above provisions shall be applicable in this program.

I. RELEASE OF LOAN PROCEEDS

Through Check:

The generated calamity loan check shall be sent to the member's preferred mailing address.

Through Unified Multi-Purpose Identification (UMID) – Automated Teller Machine (ATM) Card

If with activated UMID-ATM, the loan proceeds shall automatically be credited to member's account.

Through Union Bank of the Philippines (UBP) Quick Card:

For UBP Quick Card, the member-borrowers may opt to avail the card at selected SSS Branches with UBP Kiosk. The corresponding account number of UBP Quick Card must be enrolled in the Bank Enrollment Module by accessing the member's My.SSS account. The loan proceeds shall be credited to member-borrower's account within three (3) to five (5) working days from the approval date of the loan.

Through Development Bank of the Philippines (DBP) Philippine Electronic Fund Transfer System and Operations Network (PESONet) Accredited/Participating Banks once available and implemented in the system:

Active single account in any PESONet accredited banks in the name of the member-borrower shall be enrolled in the Bank Enrollment Module and shall be used as mode of disbursement for CLAP application by accessing the member's My.SSS account. Joint account is not acceptable. The loan proceeds shall be credited to member-borrower's account within one (1) to two (2) working days from the approval date of the loan.

The program implementation is subject to the limits of the budget allocated for the purpose by the SSC in relation to Section 26 (e) of Republic Act No. 11199.

For inquiries, members are advised to log on to www.sss.gov.ph or call at 8920-6446 to 55 for assistance. Please be guided accordingly.

Original Signed
AURORA C. IGNACIO
President and CEO

13 JUN 2020

Date

(Policies - Loans Granting)

Prepared by: Member Loans Department