



Republic of the Philippines  
**SOCIAL SECURITY SYSTEM**

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**CIRCULAR NO. 2022-011**

**TO : ALL RETIREE-PENSIONERS**

**SUBJECT : REVISED GUIDELINES ON THE SSS PENSION LOAN PROGRAM**

Pursuant to SSC Resolution No. 212-s.2022 dated 06 April 2022 approving the revised implementing guidelines on the pension loan program for SSS retiree-pensioners, the following are hereby issued:

**A. COVERAGE**

1. All SSS retiree-pensioners who meet the qualifying conditions for the availment of the loan are eligible to apply.
2. SSS retiree-pensioners whose retirement claims were settled under the Special Pension System, or under the care and custody of a guardian, or receiving their monthly pension through checks shall be excluded from this program.

**B. ELIGIBILITY**

1. The retiree pensioner must be registered in the SSS Website (My.SSS) to facilitate filing of pension loan.
2. To qualify, the retiree-pensioner:
  - 2.1 must be eighty-five (85) years of age or below at the end of the month of loan term;

*Note: The age of the retiree-pensioner at the time of loan application should not exceed eighty-five years. An illustration is shown below:*

Payment Term	Age at Time of Availment
6 months	84 years and 4 months
12 months	83 years and 10 months
24 months	82 years and 10 months

- 2.2 must have no deductions, such as outstanding loan balance, benefit overpayment payable to SSS, etc. from his/her monthly pension;

*Handwritten initials/signature*

2.3 must have no existing advance pension under the SSS Calamity Loan Package; and

2.4 must be receiving his/her regular pension for at least one (1) month and the status of pension is "Active".

*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.*

### C. LOANABLE AMOUNT

The loan amount that may be availed is based on the basic monthly pension (BMP) together with the ₱1,000.00 (1K) additional benefit. Dependent's pension, if any, is not included.

The retiree-pensioner has the option to choose the loanable amount from any of the following, but not to exceed the maximum loan limit of ₱200,000.00:

1. 3x (BMP + 1K additional benefit);
2. 6x (BMP + 1K additional benefit);
3. 9x (BMP + 1K additional benefit); or
4. 12x (BMP + 1K additional benefit)

### D. LOAN REPAYMENT TERM

The monthly amortization of the pension loan shall be deducted from the monthly pension of the pension loan borrower, as follows:

Loanable Amount	Loan Repayment Term
3x (BMP + 1K additional benefit)	6 months
6x (BMP + 1K additional benefit)	12 months
9x (BMP + 1K additional benefit)	24 months
12x (BMP + 1K additional benefit)	

The first (1st) monthly amortization shall become due on the second (2nd) month after the loan was granted. For example, if the loan is granted in May, the first (1st) monthly amortization shall be deducted from the monthly pension for the month of July.

The Net Take Home Pension should at least be 47.25% of the BMP + 1K Additional Benefit.

### E. 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.

## **F. CREDIT LIFE INSURANCE (CLI)**

All pension loan borrowers shall be covered by CLI. The premium shall be borne by the pension loan borrower through a one-time deduction from the proceeds of the loan.

In the event of death of the pension loan borrower before full payment of the pension loan, the outstanding balance shall be considered fully paid and shall not be deducted from the death benefit of the pension loan borrower.

The Insurer shall cover the original principal loan amount of the pension loan borrower and shall pay SSS the said amount.

Any excess in the insurance proceeds after payment of the outstanding balance of the loan shall be paid to the rightful beneficiary of the pension loan borrower.

In any case that should there be no identified or nominated survivor/beneficiary, excess insurance shall be forfeited for the benefit of SSS or shall be for the account of SSS. Implementation of which, shall be two (2) years after the date of insurance claim.

## **G. FILING OF PENSION LOAN**

1. Pension Loan Borrower shall file/submit loan applications through the My.SSS facility, SSS Mobile application, SSS Self Service Express Terminal, and Over-the-Counter loans granting facility.

2. Pension Loan application shall be part of the E-services.

3. The retiree-pensioner must agree to the terms and conditions of the program before he/she can complete the submission of his/her application.

4. Applications submitted after 5:00 PM (Local Philippine Time) shall be processed on the next working day.

5. The retiree-pensioner shall receive an email and/or SMS confirmation of his/her pension loan application and watermarked PDF copy of the Disclosure Statement.

## **H. PROCESSING AND RELEASE OF PENSION LOAN**

Pension loan shall be processed within the day of filing. The proceeds of the loan shall be credited to the pension loan borrower's nominated bank account.

## **I. DISBURSEMENT OF PENSION LOAN PROCEEDS**

The Pension Loan proceeds shall be released through Electronic Funds Transfer Facilities and shall be credited to any of the following accounts of the pension loan borrower:

1. Pension account enrolled in Disbursement Account Enrollment Module (DAEM);
2. Unified Multi-Purpose Identification (UMID) ATM enabled account;
3. UnionBank Quick Card with Savings Account Number registered with SSS; and
4. Other intermediaries' accounts accredited by the disbursing bank.

## **J. SERVICE FEES OF DISBURSING BANK**

Service fees charged by the disbursing bank shall be borne by the pension loan borrower through deduction from the pension loan proceeds.

## **K. LOAN RENEWAL**

Pension loan borrowers shall be allowed to re-apply for pension loan only after full payment of the current loan.


## **L. OTHER CONDITIONS**

1. In case the monthly pension of the pension loan borrower is cancelled due to re-employment/ resumption of self-employment under Sec. 12-B (c) of the Social Security Act of 2018, the outstanding pension loan balance shall be due and demandable.
2. In case the monthly pension of the pension loan borrower is suspended due to non-compliance with the Annual Confirmation of Pensioners (ACOP), the outstanding balance of the pension loan shall be deducted upon resumption of the pension loan borrower's monthly pension, without any penalty charge.
3. A pensioner with a pending request for re-adjudication or adjustment of pension shall not be granted a pension loan. On the other hand, request for re-adjudication or adjustment of pension loan borrower's benefit shall be allowed only after the full payment of the availed pension loan.

Pension loan borrowers may now file their initial pension loan online upon implementation of these revised guidelines on 30 May 2022 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 Register. Borrowers may still apply over-the-counter until further notice.

This supersedes Circular No. 2019-015 dated 08 October 2019 and 2020-022 dated 15 September 2020.

Please be guided accordingly.

  
MICHAEL G. REGINO  
President and CEO

24 MAY 2022

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Date

*(Policy - Loans Granting)*

Prepared by: Business and Development Loans Department