



Republic of the Philippines
SOCIAL SECURITY SYSTEM

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CIRCULAR NO. 2022-022

TO : ALL SSS MEMBERS

**SUBJECT : GUIDELINES ON THE CONSOLIDATED LOAN PROGRAM WITH
CONDONATION OF PENALTY**

Pursuant to Social Security Commission (SSC) Resolution No. 383-s.2022 dated 08 June 2022 approving the Consolidation of Past Due Short-Term Member Loans with Condonation of Penalty, the following Consolidated Loan Program Guidelines are hereby issued:

I. COVERAGE OF THE PROGRAM

All past due SS Short-Term Member Loan (STML) account/s as follows:

1. Salary Loan including Salary Loan Early Renewal Program (SLERP)
2. Calamity Loan
3. Emergency Loan
4. Restructured Loan

Also included in the Program are the other Short-Term Member Loans as may be determined by the SSS.

"Past due" shall mean that 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

II. EFFECTIVITY OF THE PROGRAM

Availment of this Program shall start on 30 September 2022.

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III. TERMS AND CONDITIONS

A. ELIGIBILITY REQUIREMENTS

To be eligible, the member-borrower must satisfy all of the following requirements:

1. With loan account/s that is/are past due as of the time of the Consolidated Loan application;
2. Has not been granted any final benefit, i.e. permanent total disability or retirement;
3. Has not been disqualified due to fraud committed against the SSS; and
4. With active My.SSS account.

B. CONSOLIDATED LOAN AMOUNT

All outstanding principal and interest of the member-borrower's past due loan/s shall be combined into one (1) Consolidated Loan.

The unpaid penalties shall be consolidated separately and shall be subject to conditional condonation.

C. PAYMENT TERMS

Member shall be allowed to pay in full or installment.

1. One-time Payment

Full payment of the Consolidated Loan within thirty (30) calendar days from receipt of the notice of approval of the Consolidated Loan Program Application.

Consolidated Loan amount of up to Five Thousand Pesos (P5,000.00) shall be for One-Time Payment only.

2. Installment Plan

2.a. Downpayment of at least ten percent (10%) of the Consolidated Loan amount within thirty (30) calendar days from receipt of the notice of approval of the Consolidated Loan Program Application. However, a higher percentage of the Consolidated Loan may be elected as downpayment.

2.b. The remaining balance shall be payable in equal monthly amortization based on loan range below:

Consolidated Loan Remaining Balance	Maximum Term
Above ₱ 5,000 to ₱ 10,000	6 months
₱ 10,001 to ₱ 18,000	12 months
₱ 18,001 to ₱ 36,000	24 months
₱ 36,001 to ₱ 54,000	36 months
₱ 54,001 to ₱ 72,000	48 months
More than ₱ 72,000	60 months

The member may pay earlier than the Maximum Term by choosing a shorter payment term specified by the system or may choose to pay in full at any given time during the installment period.

In the event that the member applies for retirement or total disability benefit claim, or death benefit claim application by his/her beneficiary/ies, any unpaid Consolidated Loan balance, consisting of principal and interest with the applicable amount of penalty condoned, shall be deducted from the benefit proceeds.

D. INTEREST RATE AND PENALTY OF THE CONSOLIDATED LOAN UNDER INSTALLMENT PLAN

1. Ten percent (10%) per annum to be charged on a diminishing principal balance and shall be amortized over the approved term of the Consolidated Loan until the account is fully paid.
2. Late payment of the monthly amortization shall be charged a penalty of one percent (1%) per month after its due date until fully paid.

E. CONDITIONAL CONDONATION

The consolidated penalties shall be condoned as follows:

1. Under One-time Payment Term – one hundred percent (100%) of the consolidated penalty shall be condoned upon full payment of the Consolidated Loan within the approved payment period.
2. Under Installment Plan – penalty proportionate to the amount paid shall be condoned as follows:

- 2.a. Upon payment of the required downpayment within the approved period, penalty proportionate to the percentage of downpayment shall be condoned.
- 2.b. The remaining amount of penalty shall be fully condoned after full payment of the outstanding Consolidated Loan within the approved terms and conditions.

The balance of the Consolidated Loan should be zero at the end of the term. Otherwise, the Consolidated Loan account shall be deemed a defaulted account. Likewise, the uncondoned portion of the penalty shall be reimposed and shall become due and demandable.

F. DEFAULT

The Consolidated Loan shall be in default in any of the following instances:

1. Failure to pay in full the agreed one-time payment or downpayment within the approved period;
2. Non-payment of obligation equivalent to more than six (6) accumulated monthly amortizations;
3. Failure to pay in full the installment plan within the approved term;
4. Commission of any fraudulent acts against or violation of any regulations and guidelines of the Social Security System (SSS).

The full amount of the defaulted Consolidated Loan, including the uncondoned portion of the penalty, shall become due and demandable and must be paid in full without need for demand or notice.

The member-borrower shall be allowed to re-apply to Consolidated Loan Program to continuously enjoy waiver of penalty, subject to applicable sanction on loan renewal. In case of re-application, the defaulted account shall be closed, and a new Consolidated Loan account shall be setup.

G. DEDUCTION OF A DEFAULTED CONSOLIDATED LOAN FROM BENEFITS

In the event of default, the outstanding balance of the Consolidated Loan, composed of unpaid principal and interest, shall be collected from the member-borrower through deduction from any benefit that may now or hereinafter be due to him/her, or his/her beneficiary/ies, that shall include short-term benefits (sickness, maternity and partial disability) and final benefit (retirement, total disability or death), as authorized by the SSC.

Any remaining unpaid balance of the defaulted Consolidated Loan shall continue to accrue applicable interest and penalties until fully settled.

H. LOAN RENEWAL

Member shall be allowed to avail of a new loan program after three (3) months from the date of full payment of the Consolidated Loan.



Member-borrower with defaulted Consolidated Loan shall be allowed to avail of a new loan program after two (2) years from the date of full payment of the defaulted Consolidated Loan.

I. OTHER CONDITIONS

Submission of Consolidated Loan Application shall be through the member-borrower's My.SSS account.

For inquiries, members are advised to log on to www.sss.gov.ph or call at 1455 for assistance.

Please be guided accordingly.


MICHAEL G. REGINO
President and CEO 

26 AUG 2022

Date

(Policy - Loans Repayments)
Prepared by: Member Loans Department