

Pag-IBIG Fund
Corporate Headquarters
Petron MegaPlaza Bldg.,
358 Sen. Gil Puyat Avenue,
Makati City

Circular No. 432

TO: ALL CONCERNED

SUBJECT: GUIDELINES ON THE GRANT OF MORATORIUM ON SHORT-TERM LOAN (STL) AMORTIZATION AND HOUSING AMORTIZATION/INSTALLMENT PAYMENTS TO Pag-IBIG FUND BORROWERS/BUYERS AFFECTED BY THE MANAGEMENT OF THE CORONA VIRUS DISEASE (COVID-19)

Pursuant to Proclamation Nos. 929 and 922, Declaring a State of Calamity and State of Public Health Emergency, and further reiterated in Joint Resolution Nos. 11 and 12 (s. 2020) of the Inter-Agency Task Force for the Management of Emerging Infectious Diseases and Republic Act No. 11469, otherwise known as the “Bayanihan to Heal as One” Act, the following **Guidelines on the Grant of Moratorium on Short-Term Loan (STL) Amortization and Housing Amortization/Installment Payments to Pag-IBIG Fund Borrowers/Buyers Affected by the Management of the Corona Virus Disease (COVID-19)** is hereby issued:

I. OBJECTIVES

This program aims to:

1. Partly alleviate the debt-burden of Pag-IBIG Fund borrowers/buyers affected by the management of COVID-19;
2. Address the immediate financial and/or economic concerns of Pag-IBIG Fund borrowers by allocating their resources to basic needs like food, medicines, etc.;
3. Provide employers a reasonable period to remit the required monthly amortization / installment payments; and
4. Give authority to the Senior Management Committee to implement the Moratorium Program on STL amortization and Housing amortization/installment payments as they deem necessary.

II. COVERAGE

1. This program shall cover eligible STL borrowers and Housing borrowers/buyers who are adversely affected by the management of COVID-19 or its after effects, subject to the terms and conditions provided in this Guidelines.
2. A borrower with multiple loans shall be granted moratorium for every loan, subject to terms and conditions provided in these guidelines.

III. FILING OF APPLICATIONS

1. Applications for moratorium on amortization/installment payments may be filed via the Virtual Pag-IBIG from 16 March 2020 to 15 June 2020.
 - 1.1. A borrower/buyer whose housing account is subject to staggered releases may apply for extension of construction/home improvement period.
 - 1.2. The application may be filed by the borrower/buyer, his/her spouse, or the duly authorized representative.
2. No processing fee shall be charged for the application for this moratorium program.

IV. ELIGIBILITY CRITERIA

To qualify for the moratorium program, the borrower must meet the following eligibility requirements:

1. The STL borrower's or Housing borrower's/buyer's source/s of income has been impaired due to the community quarantine, or to the temporary suspension/permanent closure of the employer/business pursuant to the Declaration of the State of Calamity and State of Public Health Emergency.
2. The borrower's STL/HL account meets the prescribed status of account:

Program Type	Status of Account
2.1. Short Term Loan	<ul style="list-style-type: none"> • Account already completed the grace period prior to declaration of ECQ • Not more than 6 months in arrears
2.2. Housing Loan	
a. For accounts taken-out under the Pag-IBIG Fund Affordable Housing Program	Regardless of status of account
b. For accounts under the Pag-IBIG Fund End-User Home Financing (EUF) Program with original loan amount not exceeding the Socialized Housing Ceiling	
c. Real and Other Properties Acquired (ROPA) accounts under Long-Term and Short-Term Installment amounting to not more than Php450,000.00	

Program Type	Status of Account
d. For accounts under the Pag-IBIG Fund EUF Program with original loan amount exceeding the Socialized Housing Ceiling	Updated as of date of 16 March 2020. However, accounts in arrears may likewise apply for this program, subject to justifiable reason/s and approval of the concerned Vice President.
e. Real and Other Properties Acquired (ROPA) under Long-Term or Short-Term Installment amounting to more than Php450,000.00	
f. Other housing loan accounts, e.g. accounts under remediation with approved plan of payment, restructured loans, NPARP accounts, installment payment under redemption period, etc.	

3. A housing borrower/buyer shall not exceed the age of seventy (70) at the end of the loan/installment term, inclusive of the extended period/s due to availment thereof.

V. TERMS AND CONDITIONS

1. For approved applications, STL amortization and/or Housing amortization / installment payments of borrowers shall be suspended from 16 March 2020 to 15 June 2020 at no additional cost to the borrower/buyer. Thus, no penalty or additional interest shall be charged during the moratorium period.

For HL accounts that are subject to staggered releases, interest shall still be deducted for every release. If the account is taken out at any time within 16 March 2020 to 15 June 2020, moratorium on HL amortization/installment payments shall be limited to the remainder of the moratorium period.

2. The borrower's / buyer's loan/repayment term shall be extended for the number of months corresponding to the applicable moratorium period, but the STL amortization and/or Housing amortization / installment, interest rate and other terms of the account shall remain the same.

For HL accounts that are subject to staggered release of loan proceeds, the construction/improvement period shall be extended for up to 3 months.

3. Housing borrowers/buyers shall pay the required premiums for the Sales/Mortgage Redemption Insurance, and Non-Life Insurance coverage upon the lifting of the Enhanced Community Quarantine. Insurance premiums corresponding to the moratorium period shall have priority over the amortization due.
4. Payment for STL amortization and/or Housing amortization / installment shall resume on the month following the last month of the borrower's/buyer's moratorium period.

5. The borrower/buyer may pay STL amortization and/or Housing amortization / installment even during the moratorium period. Said payment, however, shall be applied to the month when the borrower is slated to resume payment, subject to the required order of priority of payments.
6. The availment of the moratorium program shall not preclude the member-borrower/buyer from enjoying other Pag-IBIG Fund programs, which may be beneficial to him/her.

VI. MECHANISM ON RESOLUTION OF ISSUES

Any issue in the interpretation and implementation of this Guidelines shall, as much as possible, be resolved by the concerned officer. Matters that are not thereby satisfactorily resolved shall be escalated to the next higher approving authority.

VII. AMENDMENTS

Amendments to these guidelines shall be approved by the Senior Management Committee pursuant to the authority bestowed on it by the Fund's Board of Trustees to formulate and issue guidelines and procedures in furtherance of the objectives of this program consistent with the mandate of the Fund under its charter and existing laws.

VIII. EFFECTIVITY

This Circular takes effect immediately.



ACMAD RIZALDY P. MOTI
Chief Executive Officer

Makati City
March 27, 2020