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

Circular No. 493

TO: **ALL CONCERNED**

SUBJECT: **GUIDELINES ON THE Pag-IBIG SPECIAL ASSISTANCE FOR FINANCIAL EMERGENCIES (SAFE) LOAN PROGRAM**

Pursuant to the approval of the Pag-IBIG Fund Board of Trustees on 11 May 2026, the following **Guidelines on the Pag-IBIG Special Assistance for Financial Emergencies (SAFE) Loan Program** is hereby issued:

1. COVERAGE

The Pag-IBIG Special Assistance for Financial Emergencies (SAFE) Loan Program shall be open only upon occurrence of economic crisis based on approval of the Pag-IBIG Fund Board of Trustees.

This Guidelines shall apply to all Pag-IBIG SAFE Loan transactions.

2. OBJECTIVE

To provide immediate assistance to Pag-IBIG members experiencing financial difficulties due to the economic crisis resulting from the US-Israel-Iran conflict.

3. DEFINITION OF TERMS

For purpose of implementing this program, the following terms shall be defined as follows:

3.1. **Active Local Member** shall refer to a member with at least one (1) monthly Membership Savings (MS) within the last six (6) months prior to loan application.

3.2. **Active Overseas Filipino Worker (OFW) Member** shall refer to an OFW member with at least one (1) monthly Membership Savings (MS) within the last twelve (12) months prior to loan application

3.3. **Aggregate Short-Term Loan (STL) Amount** shall refer to the total STL (Pag-IBIG Multi-Purpose Loan (MPL), Pag-IBIG Calamity Loan, Pag-IBIG Health and Education Loan Programs (HELPs), and Pag-IBIG Special Assistance for Financial Emergencies (SAFE) Loan) amount a borrower can avail of from the Pag-IBIG Fund.

3.4. **Authorized Deductions** shall refer to deductions from the salaries, emoluments, or other benefits accruing to any government employee, as expressly allowed under the General Appropriations Act (GAA), and other applicable laws, rules, and regulations.

3.5. **Desired Loan Amount** shall refer to the amount indicated in the loan application form.

3.6. **Grace Period** shall refer to the period in addition to the loan term, reckoned from the Disbursement Voucher (DV) date of the SAFE Loan, during which no penalty shall be imposed. It allows the member reasonable time to prepare for and begin loan payments, in consideration of fund release and payroll processing timelines.

3.7. **Monthly Amortization** shall refer to the installment amount to be paid by the borrower which shall cover the principal and interest.

3.8. **Net Take Home Pay (NTHP)** shall refer to the member's monthly compensation net of statutory deductions, computed monthly repayment of monthly amortizations for loan applied for, and authorized deductions.

3.9. **Outstanding Loan Obligation** shall consist of the outstanding principal, interest, and penalties, if any.

3.10. **Short-Term Loan (STL)** shall refer to loan programs offered by Pag-IBIG Fund such as but not limited to: MPL, Calamity Loan, HELPs, and SAFE Loan.

3.11. **Statutory Deductions** shall refer to income tax withheld as well as contributions/premiums for GSIS/SSS, Pag-IBIG Fund and PhilHealth.

3.12. **Sufficient Proof of Income** shall refer to any document that establishes the existence of income from employment, self-employment, or other lawful sources, as required by the Fund for loan evaluation and approval.

3.13. **Total Accumulated Value (TAV)** shall refer to the aggregate amount of a Pag-IBIG Fund member's mandatory Membership Savings (MS), comprising the member's monthly MS, any upgraded MS, the employer's counterpart contributions, if applicable, and the dividends credited thereon.

3.14. **Total Savings** refers to the sum of the monthly MS, including the upgraded MS, if such is the case, and the employer's counterpart, if any.

3.15. **TAV Offsetting** shall refer to the process of deducting from the member's TAV the outstanding SAFE loan obligation.

4. BORROWER'S ELIGIBILITY

The program shall be open to a Pag-IBIG member who satisfies the following requirements:

4.1 Has made at least twelve (12) monthly membership savings;

4.1.1 A member who has withdrawn his MS due to membership maturity, or who has optionally withdrawn his MS, shall be allowed to apply for a SAFE loan provided said member has subsequently accumulated 12 monthly MS or at least its equivalent from the cut-off date of membership maturity or optional withdrawal.

4.1.2 A member who does not meet the required 12 monthly MS may nevertheless be allowed to avail of a SAFE loan, provided that the total accumulated savings is at least equivalent to 12 monthly MS, based on the rate applicable to the member.

4.2 Is an active Pag-IBIG Fund member at time of loan application; and

4.3 If with existing short-term loan, the account/s must not be in default as of date of application.

5. AVAILMENT PERIOD

The Pag-IBIG member may avail of the Pag-IBIG SAFE Loan within a period of ninety (90) days from the effectivity of this Guidelines.

6. LOAN AMOUNT

A qualified Pag-IBIG member shall be allowed to borrow an amount up to Ten Thousand Pesos (P10,000.00), which shall be based on the lowest of the following:

6.1. **Desired Loan Amount**

Based on the actual need of the member-borrower.

6.2. **Loan Entitlement**

6.2.1. Equivalent to ninety percent (90%) of TAV.

6.2.2. However, if the borrower has an existing MPL/Calamity Loan/HELPs, the loanable amount shall be the difference between the ninety percent (90%) of the borrower's TAV and the outstanding balance of his MPL/Calamity Loan/HELPs.

6.3. **Capacity-to-Pay**

The loanable amount shall be limited to an amount which will not render the borrower's Net Take Home Pay (NTHP) to fall below the minimum requirement as prescribed by the General Appropriations Act (GAA) or company policy, whichever is applicable.

Any excess loanable amount from the member's TAV may be utilized through the availment of other Pag-IBIG Fund Short-Term Loan (STL) program, subject to the terms and conditions in the prevailing guidelines.

7. INTEREST RATE

The loan shall be charged with an interest rate of 5.95% p.a., with interest during the grace period and shall be amortized over the term of the loan.

8. LOAN TERM

The loan shall be repaid over a period of one (1) year, two (2) years or three (3) years, at the option of the member upon loan application, with a grace period of three (3) months.

However, in the event that the borrower does not indicate the chosen loan term upon loan application, the default term shall be two (2) years.

9. LOAN RELEASE

The loan proceeds shall be released through any of the following modes:

9.1. Crediting to the borrower's disbursement card or Loyalty Card Plus;

9.2. Crediting to the borrower's bank account through LANDBANK's Payroll Credit Systems Validation (PACSVAL);

9.3. Other acceptable modes of disbursement.

10. LOAN PAYMENTS

10.1. The loan shall be repaid in equal monthly payments in such amounts as may fully cover the principal and interest over the loan period. Said amortization shall be made, whenever feasible, through salary deduction.

10.2. For self-employed individuals, OFWs, or other types of individual payors, monthly payments shall be paid through any other modes of payment approved by the Fund.

10.3. Payments shall be remitted to the Pag-IBIG Fund on or before the fifteenth (15^{th}) day of each month, commencing on the fourth (4^{th}) month from the date indicated on the Disbursement Voucher.

10.4. If the due date falls on a non-working day, the monthly amortization shall be paid on the first working day after the due date.

10.5. The borrower may fully pay the outstanding balance of the loan prior to loan maturity.

10.6. The borrower shall pay directly to the Pag-IBIG Fund, primarily through its authorized digital payment platforms and accredited collecting partners, in cases where payment via salary deduction is not possible, for any of the following circumstances, such as but not limited to:

10.6.1. Suspension from work;
10.6.2. Leave of absence without pay;

10.6.3. Insufficiency of take-home pay at any time during the term of the loan; or
10.6.4. Other circumstances analogous to the foregoing.

11. PENALTIES

11.1. A penalty of one-twentieth of one percent (1/20 of 1%) of any unpaid amount shall be charged to the borrower for every day of delay.

11.2. For borrowers paying through salary deduction, penalties shall only be reversed upon presentation of proof that non-payment was due to the fault of the employer. In such case, penalties due from the borrower shall be charged to the employer.

Non-remittance of the total loan amortization shall likewise subject the employer with a penalty of one-tenth of one percent (1/10 of 1%) per day of delay of the amounts payable from the date the loan amortizations or payments fall due until paid.

12. APPLICATION OF PAYMENTS

12.1. Payments shall be applied according to the following order of priorities:

12.1.1. Penalties; if any
12.1.2. Interest; and
12.1.3. Principal.

12.2. Any amount in excess of the required monthly amortization shall be applied to succeeding amortizations which will be posted on the next due date.

13. DEFAULT

The borrower shall be in default in any of the following cases, without need for demand:

13.1. Any willful misrepresentation made by the borrower in any of the documents executed in relation hereto;

13.2. Failure of the borrower to pay any three (3) consecutive monthly amortizations;

13.3. Failure of the borrower to pay any three (3) consecutive Pag-IBIG monthly savings;

13.4. Violation by the borrower of any of the membership/STL/housing loan policies, rules, regulations and guidelines of Pag-IBIG Fund.

14. EFFECTS OF DEFAULT

In the event of default, the outstanding loan obligation shall become due and demandable. Without the need for demand, the Fund shall offset the outstanding loan obligation from the borrower's TAV.

15. OTHER PROVISIONS

15.1. The MPL/ Calamity Loan/HELPs or SAFE Loan shall be treated as separate and distinct from one another. Accordingly, a member may avail of SAFE Loan even with an existing MPL/ Calamity Loan/HELPs, and vice versa. Loan applications under these programs shall be governed by their respective guidelines.

15.2. In no case shall the aggregate STL exceed 90% of the borrower's TAV.

15.3. Multiple Employers

15.3.1. An eligible member who is an active member under more than one employer shall only have one outstanding SAFE loan at any given time.

15.3.2. At point of application, the member shall choose which employer shall deduct and remit his/her monthly amortizations.

15.4. Membership Termination

15.4.1. In the event of membership termination prior to loan maturity, the outstanding balance shall be deducted from the borrower's TAV, and/or any amount due the member or the member's beneficiaries that is in the possession of the Fund.

15.4.2. In case of the borrower's death, the outstanding balance shall be computed up to the date of death. Any payments received after date of death shall be refunded to the borrower's beneficiaries.

15.5. Immediate Offsetting against Borrower's TAV

Borrower may request for the immediate offsetting of an outstanding SAFE loan balance against the borrower's TAV. The offsetting shall be effected upon approval of the request, provided, that it is based on any of the following justifiable reasons:

15.5.1. Total disability or insanity;

15.5.2. Separation from service by reason of health;

15.5.3. Death of member's immediate family member;

15.5.4. Distressed member due to unemployment limited to layoff and/or closure of company;

15.5.5. Critical illness of the borrower or any of his/her immediate family member, as certified by a licensed physician under any of the following categories, subject to the approval of the Fund:

- Cancer
- Organ Failure
- Heart-Related Illness
- Stroke
- Neuromuscular-Related Illness

15.5.6. Repatriation of OFW borrower from host country; and

15.5.7. Other meritorious grounds as may be approved for by the Board.

16. AMENDMENTS

Amendments to this 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.

17. 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.

18. SEPARABILITY CLAUSE

If any provision, section, or part of this Guidelines is declared invalid, illegal, or unconstitutional, the remaining provisions, sections, or parts not affected thereby shall continue to be in full force and effect.

19. EFFECTIVITY

This Circular takes effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation.

MARILENE C. ACOSTA
Chief Executive Officer

Makati City,

10 June 2026