



Private Education Retirement Annuity Association

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Office of the President

CIRCULAR 2013-2014 NO. 004

6 January 2014

TO : ALL PARTICIPATING INSTITUTIONS

SUBJECT : **MPL & E-MPL Renewal Policy**

We are pleased to announce that effective January 2014, a borrower can already renew his Multi-Purpose Loan (MPL) or Expanded Multi-Purpose Loan (E-MPL) after completing at least fifty percent (50%) of the total loan amortizations. The outstanding balance, together with any accrued interests, penalties, if any, shall be deducted from the proceeds of the new loan. However, member-borrowers will still have to conform with the existing policies/conditions of the school, if any, as co-borrower.

This Amendment to the Terms and Conditions of the MPL/E-MPL Program supersedes the existing Loan Renewal conditions where 75% of total MPL amortizations or full payment in case of E-MPL is required before renewal of the loan. However, the other terms and conditions of the loan programs as of *Circular 2013 No. 002* will still be applied.

We take this opportunity to encourage all PIs to continue remitting employees' loan amortization on time so that the employees can easily apply for loan renewal, if they so desire, with the school's approval as co-borrower. Submission of payment slip or proof of on-line payment together with Loan Remittance List is also important for immediate posting of the loan payment to avoid deduction of the non-posted loan payment from the proceeds of the new loan. May we also reiterate the need for Participating Institution to maintain its up-to-date payment status so that the contributing employees can avail of this benefit anytime.

We value our partnership for your employees' benefit and we thank you sincerely for your confidence in PERAA. We will appreciate it very much if you would post this circular on your employee's bulletin board. For inquiries, you may email us at memberservices@peraa.org or contact us at 02-8174531 and look for Ms. Shiela Lumbao.

Bernadette M. Nepomuceno
BERNADETTE M. NEPOMUCENO
President

Note:

This supplemental benefit is given/applicable to members with up-to-date payment and personal contribution.