

Pag-IBIG FUND PROGRAMS AND SERVICES FOR OVERSEAS FILIPINOS

1. Membership Coverage

With the implementation in January 2010 of Republic Act No. 9679 (RA 9679), also known as the Home Development Mutual Fund Law of 2009 (HDMF Law of 2009), mandatory Fund Coverage has been expanded to include overseas Filipino workers (OFWs). Voluntary membership is also open to all Filipino immigrants, Filipinos naturalized in other countries, and permanent Filipino residents abroad.

2. Membership Savings

2.1 Pag-IBIG I Savings Program

The Pag-IBIG I Savings Program allows Overseas Filipinos to grow their hard-earned money bigger than what it would earn in banks. In 2018, Pag-IBIG declared 6.91% dividend earnings, or amounting to PhP28.23 Billion which were credited proportionately to the members' accounts, *tax-free*.

Sample Computation of Pag-IBIG I Savings (PhP)

Monthly Savings	Savings in 20 Yrs	Total Dividends Earned @6.09%*	Total Accumulated Savings in 20 Yrs with 6.09% Dividend Rate
200.00	48,000.00	44,085.00	92,085.00
600.00	144,000.00	132,254.99	276,254.99
1,200.00	288,000.00	264,509.97	552,509.97
2,000.00	480,000.00	440,849.96	920,849.96
3,000.00	720,000.00	661,274.93	1,381,274.93

*6.09% was based on average dividend rates from 2014-2018. Actual dividend rate is based on the yearly income of the Fund.

Pag-IBIG Fund guarantees the refund of member's savings or Total Accumulated Value (TAV), which consists of the member's personal savings, employer counterpart (if any), and all dividend earnings upon occurrence of any of the following grounds:

- a. Membership maturity after 20 years and 240 monthly membership savings
- b. Retirement at the age of 65 or Optional retirement upon occurrence of any of the the following events, provided the member is not a housing loan borrower:
 - b.1 Actual retirement from SSS and/or GSIS
 - b.2 Actual retirement from government service by provision of law
 - b.3 Retirement under a private employer's provident/retirement plan, provided that the member is at least 45 years of age at the time of retirement
 - b.4 Reaching the age of 60

- c. Permanent total disability or insanity
- d. Termination from service by reason of health
- e. Permanent departure from the country
- f. Death
- g. Critical illness (cancer, organ failure, heart-related illness, stroke, neuromuscular-related illness) of the member or any of his immediate family member, as certified by a licensed physician, subject to approval
- h. Other meritorious grounds as may be approved by Board

2.2 Modified Pag-IBIG 2 (MP2) Savings Program

The Modified Pag-IBIG 2 (MP2) Savings Program is a voluntary savings program with higher annual dividend rate than that of Pag-IBIG I. In 2018, the dividend rate for MP2 was 7.41%. The dividend earnings are free from 20% withholding tax. Under this program, members may save a minimum of PhP500 each month over a period of only 5 (five) years. An MP2 saver may have the option for annual dividend pay out or compounded dividend earnings.

Monthly Remittance:

Monthly Savings	Savings in 5 Yrs	Total Dividends Earned @6.59%*	Total Accumulated Savings in 5 Yrs with 6.59% Dividend Rate
500.00	30,000.00	5,444.90	35,444.90
1,000.00	60,000.00	10,889.79	70,889.79
5,000.00	300,000.00	54,448.96	354,448.96
10,000.00	600,000.00	108,897.91	708,897.91

One-time Remittance:

Remittance	Total Dividends Earned @6.59%*	Total Accumulated Savings in 5 Yrs with 6.59% Dividend Rate
30,000.00	11,276.57	41,276.57
60,000.00	22,553.13	82,553.13
300,000.00	112,765.67	412,765.67
600,000.00	225,531.33	825,531.33
1,000,000.00	375,885.55	1,375,885.55

*6.59% was based on average dividend rates from 2014-2018. Actual dividend rate is based on the yearly income of the Fund.

Upon membership maturity of five (5) years, should the member decide to continue his/her availment of MP2 program, there is a need to apply for a new MP2 account.

Pre-termination or withdrawal of MP2 savings by Pag-IBIG I members, prior to maturity, shall be allowed under any of the following circumstances, as applicable:

- a. Total disability or insanity
- b. Separation from service by reason of health
- c. Death of the member or any of his/her immediate family member
- d. Retirement
- e. Permanent departure from the country
- f. Distressed member due to unemployment limited to layoff and/or closure of company
- g. Critical illness (cancer, organ failure, heart-related illness, stroke, neuromuscular-related illness) of the member or any of his immediate family members, as certified by a licensed physician, subject to approval
- h. Repatriation of OFW member from host country
- i. Other meritorious grounds as may be approved by the Board

Pre-termination of MP2 membership for reason other than those allowed, the member shall only be entitled to the following:

- a. 50% of the total dividend earned as penalty for the pre-termination of MP2 savings of members who opted for compounded dividends; or
- b. Only contributions of members who opted for the annual dividend payout

3. Short-Term Loan Programs

Multi-Purpose Loan (MPL) Program

Pag-IBIG Fund answers to the member's immediate financial needs such as minor home improvements, additional capital in small business, tuition/educational expenses, etc. through the Multi-Purpose Loan Program. This loan will be repaid over a maximum period of twenty-four (24) months and bears an interest rate of 10.5% per annum.

Calamity Loan Program

The Calamity Loan Program aims to provide financial assistance to Pag-IBIG Fund members who have been victims in calamity-stricken areas, pursuant to the directive of the President of the Philippines. It has a reduced interest rate of 5.95% from the previous 10.75% and a loanable amount of 80% of the total savings.

4. Home Lending Programs

Home-ownership has also been made simpler and more economical for Pag-IBIG Fund members. Under the **End-User Home Financing Program**, the Fund increased the maximum loan amount from the previous P3 million to P6 million. The interest rates will be re-priced periodically depending on the chosen re-pricing period of the borrower. Effective January 2019, the interest rates for each re-pricing period are 5.375% for 1-year period, 6.375% for 3-year period, 7.270% for 5-year period, 8.035% for 10-year period, 8.585% for 15-year period, 8.800% for 20-year period, 9.050% for 25-year period

and 10.000% for 30-year period. The Pag-IBIG housing loan may be used to finance any one or combination of the following:

- a. Purchase of fully-developed residential lot or adjoining residential lots not exceeding 1,000 square meters
- b. Purchase of a residential house & lot, townhouse, or condominium unit, inclusive of a parking lot
- c. Construction or completion of a residential unit on a residential lot owned by the borrower or a relative of the borrower (up to the second civil degree of consanguinity or up to the first civil degree of affinity)
- d. Home improvement on the house owned by the borrower or a relative of the borrower (up to the second civil degree of consanguinity or up to the first civil degree of affinity), or on a property currently secured under a Contract-to-Sell (CTS) or Deed of Conditional Sale (DCS) between Pag-IBIG Fund and the buyer
- e. Refinancing of an existing housing loan; provided that the borrower must be regularly paying without any payment made beyond thirty (30) days past due for the last six (6) months from the date of application
- f. For retail housing loan applications, purchase of residential lot or unit plus cost of transfer of title

Meanwhile for minimum wage earners, the Fund has come up with the **Affordable Housing Loan Program** in which the interest rates are 3% and 6.5% annum, depending on the gross monthly income and place of residence of the borrower.

5. Enhanced e-Services

To reach out to a greater number of Filipino workers in every corner of the world, Pag-IBIG Fund has enhanced its e-services to include:

- Membership Registration (Pag-IBIG I)
- MP2 Enrollment System
- Online Payment (Pag-IBIG I) Facility (using Visa/MasterCard issued credit cards)
- Housing Loan Application
- Housing Loan Payment Verification

Access www.pagibigfundservices.com for the above-mentioned e-Services.

Pag-IBIG Fund established a 24/7 contact center to attend to queries of members, including OFWs. Services cover the following contact points: calls at the Pag-IBIG hotline (63-2)724-4244 (call charges apply), chat at the chat link located at www.pagibigfund.gov.ph, and email to contactus@pagibigfund.gov.ph. A dedicated email address, ofwcontactus@pagibigfund.gov.ph, was also created to ensure that all email queries from OFWs are likewise attended to immediately.

Likewise, Pag-IBIG Fund has forged and implemented collection servicing agreements with banks and remittance companies worldwide. Recently, the online payment via Visa and MasterCard credit cards was launched. This facility conveniently allows members to remit their monthly Pag-IBIG Fund savings anytime, anywhere. The e-services complement Pag-IBIG Fund's 23 overseas desks in countries with high concentration of overseas Filipinos, and 124 branches in the Philippines.

6. Payment Facilities

Over-The-Counter Payment Facilities

- Asia United Bank collecting agents
- CashPinas collecting agents
- iRemit, Inc. offices and its collecting agents
- Philippine National Bank
- Ventaja International Corporation collecting agents (including PayPilipinas)

Electronic Payment Facilities

- Online Payment via Credit Card powered by Visa or MasterCard
- Globe GCash Mobile Application

Access www.pagibigfund.gov.ph/payments/paymentfacilities.html for the complete list and guide for Pag-IBIG payment facilities.

7. Pag-IBIG Overseas Member Services Desks

Presently, Pag-IBIG Fund has a total of twenty-three (23) overseas posts in Asia Pacific, Europe, Middle East and North America with operations in Philippine Embassies, Philippine Overseas Labor Offices (POLOs) or Philippine Consulate General Offices to extend frontline services on membership registration, facilitate remittance of membership savings and loan amortizations, and assist in the availment of provident claims and loan benefits.

Access <https://www.pagibigfund.gov.ph/directory/overseas.html> for the directory of Pag-IBIG overseas posts.