



REPUBLIC OF THE PHILIPPINES
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CIRCULAR NO. 31-V

TO : ALL EMPLOYERS, EMPLOYEES, UNEMPLOYED, VOLUNTARY AND SELF-EMPLOYED MEMBERS

SUBJECT : IMPLEMENTING GUIDELINES ON THE PROCESSING OF RETIREMENT, DEATH AND DISABILITY CLAIMS PURSUANT TO RA 1161, AS AMENDED BY RA 8282

Pursuant to the provisions of Republic Act No. 1161 as amended by Republic Act No. 8282, the following guidelines and requirements on the processing of retirement, death and disability claims are hereby issued.

1. GENERAL PROVISIONS

1.1 Computation of the Monthly Pension

The monthly pension shall be the highest of the following:

- a. The sum of:
 - Three hundred pesos (P300.00); plus
 - Twenty percent (20%) of the average monthly salary credit; plus
 - Two (2%) percent of the average monthly salary credit for each credited year of service in excess of ten (10) years; or
- b. Forty percent (40%) of the average monthly salary credit; or
- c. One thousand pesos (P1,000.00).

1.2 Dependents' Pension

1.2.1 The dependents' pension shall be paid, in addition to the monthly pension, in cases of death, permanent total disability or

to receive his subsequent monthly pension on the 19th month and every month thereafter.

2.3.4 If a retiree-pensioner is re-employed within the 18-month period, the excess of the monthly pension paid in advance shall be deducted from his future benefits.

2.3.5 The option to receive the first 18 monthly pension in advance can be exercised only once, upon filing of his first retirement claim.

2.3.6 The prospective retiree shall be required to fill-up the "option to receive the first 18 monthly pension" portion of the Application for Retirement Benefit.

2.4 Re-employment before the age of sixty-five (65)

2.4.1 The monthly pension of a retiree-pensioner who is less than sixty-five (65) years old shall be suspended upon his re-employment or resumption of self-employment, if he is a self-employed member.

the following:

3.2.1 When a member, has paid at least thirty six (36) monthly contributions prior to the semester of contingency, dies without primary beneficiaries, his secondary beneficiaries shall be entitled to 36 times the monthly pension;

3.2.2 Upon the death of a member who has not paid thirty-six (36) monthly contributions prior to the semester of contingency, his primary or secondary beneficiaries shall be entitled to a lump sum benefit equivalent to the higher of:

- Monthly pension times the number of monthly contributions; or
- Twelve (12) times the monthly pension.

3.3 Share of Illegitimate Dependent Child/ren in the Monthly Pension

3.3.1 The illegitimate dependent children, as primary beneficiaries, are entitled to fifty percent (50%) of the share of the legitimate, legitimated or legally

comes permanently disabled, either partially or totally.

4.1 Permanent Total Disability

4.1.1 A member who suffers permanent total disability and has paid at least 36 monthly contributions prior to the semester of contingency shall be entitled to the monthly pension, which in no case be less than:

- P1,000.00 if with less than 10 credited years of service (CYS)
- P1,200.00 if with 10 (CYS)
- P2,400.00 if with 20 (CYS)

4.1.2 If said member has paid less than 36 monthly contributions prior to the semester of contingency, he shall be entitled to a lump sum benefit equivalent to the higher of:

- Monthly pension times the number of monthly contributions; or
- Twelve (12) times the monthly pension.

4.1.3 The monthly pension of a total permanent disability pensioner shall be suspended upon;

- b. Forty percent (40%) of the average monthly salary credit; or
- c. One thousand pesos (P1,000.00).

1.2 Dependents' Pension

1.2.1 The dependents' pension shall be paid, in addition to the monthly pension, in cases of death, permanent total disability or retirement.

1.2.2 The dependents' pension shall be the higher of 10% of the monthly pension or P250.00

1.2.3 It shall be paid to each of the legitimate, legitimated, legally adopted and illegitimate dependent children of the member but not exceeding five (5) beginning with the youngest and without substitution.

1.2.4 If there are more than five (5) dependent children, the legitimate, legitimated or legally adopted dependent children shall be preferred over illegitimate dependent children.

2. RETIREMENT BENEFIT

It is a cash benefit paid either in monthly pension or lump sum to a member who can no longer work due to old age.

Eligibility

2.1 Monthly Pension

A member is qualified for retirement pension if he has paid at least one hundred twenty (120) monthly contributions prior to the semester of retirement and;

- a. has reached the age of sixty (60) and is separated from employment or in the case of the self-employed, has ceased his self-employment; or
- b. has reached the age sixty-five (65).

The monthly pension shall in no case be less than the ff:

- P1,200.00 if member has 10 credited years of service (CYS)
- P2,400 if member has 20 CYS

2.4 Re-employment before the age of sixty-five (65)

- 2.4.1 The monthly pension of a retiree-pensioner who is less than sixty-five (65) years old shall be suspended upon his re-employment or resumption of self-employment, if he is a self-employed member.

Requirements

The prospective retiree shall submit the following:

A. Forms

- Form BPN-101 - Application for Retirement Benefit
- Form BPN-108 - Employment History

B. Supporting Documents

- Photocopy of passbook indicating the savings account number
- Certification of Separation from last employer for members who are less than 65 years old and with 120 contributions
- Form E-47 - Affidavit of Separation, in the absence of employer's certification of separation (if last employer no longer exists)
- For self-employed members who are less than 65 years old, a certification of cessation of business or practice of profession is required.
- Marriage Certificate, if with dependent children (if wife is not in E-1/E-4)
- Birth/Baptismal Certificate of dependent children, if any (if dependent is not in E-1/E-4)

If member is claiming for dependent's pension for his illegitimate child/ren, he shall likewise submit the following proof of filiation.

- records of birth
- will
- statement before a court of record.
- any authentic writing/document

2.5 Advance Filing of Retirement Claim

2.5.1 Advance filing of retirement

twelve (12) times the monthly pension.

3.3 Share of Illegitimate Dependent Child/ren in the Monthly Pension

3.3.1 The illegitimate dependent children, as primary beneficiaries, are entitled to **fifty percent (50%)** of the share of the legitimate, legitimated or legally adopted children in the basic pension.

3.3.2 If there are no legitimate, legitimated or legally adopted children, the illegitimate dependent children shall be entitled to **one hundred percent (100%)** of the share of the legitimate child (as if present) in the monthly pension.

Requirements

The claimant shall submit the following:

A. Forms

- Form BPN-104 - Death Claim Application
- Sinumpaang Salaysay or Filer's Affidavit
- Photocopy of passbook indicating the savings account number (if entitled to pension)
- Form BPN-108 - Employment History; and any of the following, whichever is applicable:
 - Form CLD-1.3A - Affidavit for Death Claim, if claimant is a secondary beneficiary
 - Form CLD-1.3 - Joint Affidavit, if claimant is a legal heir
 - Form CLD-15 - Application for Appointment as representative payee, if claimant is a guardian
 - Form BPN 107 - Guarantor's Form, if claimant is a guardian
 - BPN-105 - Report of Death, if cause of death is work-connected

B. Supporting Documents (original and photocopy)

B.1 Primary beneficiaries (refers to the dependent spouse until he or she remarries, the dependent legitimate, legitimated or legally adopted, and illegitimate children):

- Monthly pension times the number of monthly contributions; or
- Twelve (12) times the monthly pension.

4.1.3 The monthly pension of a total permanent disability pensioner shall be suspended upon;

- his re-employment or resumption of self-employment; or
- recovery of the disabled member from his permanent total disability; or
- failure to present himself for annual physical examination.

4.2 Permanent Partial Disability

4.2.1 A member who suffers permanent partial disability and has paid 36 monthly contributions prior to the semester of contingency shall be entitled to the monthly pension for permanent total disability not longer than the period prescribed by the law or rules issued by the Social Security Commission.

4.2.2 If the member has paid less than 36 monthly contributions prior to the semester of contingency, he shall be entitled to a benefit equivalent to such percentage of the lumpsum benefit prescribed for total permanent disability with due regard to the degree of disability as the SSS may determine.

4.2.3 If with deteriorating and related permanent partial disability, the percentage degree of disability of the previously granted claim shall be deducted from the percentage degree of disability of the present claim.

4.2.4 The monthly pension benefit of a permanent partial disability pensioner shall be paid in lump sum if it is payable for less than twelve (12) months.

4.2.5 The payment of the monthly pension of a permanent partial disability pensioner shall cease upon approval of a death or retirement claim.

Requirements

The monthly pension shall in no case be less than the ff:

- P1,200.00 if member has 10 credited years of service (CYS)
- P2,400 if member has 20 CYS

2.2 Lump Sum Benefit

A member-retiree who does not qualify for the monthly pension shall be entitled to a lump sum benefit equal to the total contributions paid by him and his employer.

2.3 Pension for 18 Months in Lump Sum

2.3.1 The retiree may opt to receive his pension for the first eighteen (18) months in lump sum discounted at a preferential rate of interest.

2.3.1.1 The interest rate to be used in computing the discount factor for a particular month will be the simple average of one-year T-bill rates auctioned during the previous month, excluding the result of the last auction month.

2.3.1.2 Only advance payments shall be discounted on the date of payment.

2.3.1.3 Should there be an increase in the monthly pension within the 18-month period, the same shall be subject to a discounted interest rate.

2.3.2 The dependents' and 13th month pensions are excluded from the 18-months lump sum pension.

2.3.3 The retiree-pensioner shall start

- will
- statement before a court of record,
- any authentic writing/document

2.5 Advance Filing of Retirement Claim

2.5.1 Advance filing of retirement claim is allowed for **technical retirement** (when a member reached the age of sixty-five (65) years.)

Requirements

1. The prospective retiree must be **64.5 years old** at the time of filing.
2. He has paid at least 120 monthly contributions prior to the semester of his retirement.
3. He shall submit the duly accomplished application forms and complete supporting documents six (6) months before his actual date of retirement.

3. DEATH BENEFIT

It is a cash benefit paid to the beneficiaries of a deceased member.

Eligibility

3.1 Monthly Pension

Upon the death of a covered member who has paid at least thirty-six (36) monthly contributions prior to the semester of death, his primary beneficiaries shall be entitled to the monthly pension.

The monthly pension shall in no case be less than:

- P1,000 if member has less than 10 CYS
- P1,200 if member has 10 CYS
- P2,400 if member has 20 CYS

3.2 Lump Sum Benefit

A lump sum death benefit shall be paid under

copy)

B.1 Primary beneficiaries (refers to the dependent spouse until he or she remarries, the dependent legitimate, legitimated or legally adopted, and illegitimate children):

- Certified true copy of death certificate of deceased member
- Certified true copy of marriage certificate (if not in E-1/E-4)
- Certified true copy of birth/baptismal certificate of dependent children (if not in E-1/E-4)

B.2 Secondary beneficiaries (refers to the dependent parents or in their absence, any person designated by the member as his/her secondary beneficiaries)

- Certified true copy of death certificate of member
- Marriage certificate of parents of deceased member
- Certified true copy of birth certificate of member (if parents are not in E-1 or E-4)
- Proof of dependency upon the deceased member (if parents are not in E-1/E-4)
 - any authentic writing/document
 - joint affidavit of two disinterested persons

If claimant is the illegitimate dependent child of the deceased member, he shall likewise submit any of the following proofs of filiation.

- records of birth
- will
- statement before a court of record
- any authentic writing/document

4. DISABILITY BENEFIT

It is a cash benefit paid to a member who be-

4.2.5 The payment of the monthly pension of a permanent partial disability pensioner shall cease upon approval of a death or retirement claim.

Requirements

The member shall submit the following:

A. Forms

- Form BPN-102 - Claim for Disability Benefit
- Form BPN-108 - Employment History

B. Supporting Documents: (original and photocopy)


- Operating Room record (if member has undergone an operation)
- X-ray report, etc.

If member is claiming for dependents' pension of illegitimate dependent children, he shall also submit any of the following proof of filiation:

- records of birth
- will
- statement before a court of record
- any authentic writing/document

These guidelines shall take effect on **24 May 1997**. All existing guidelines or Circulars not covered herewith shall remain in force and effect.

Please be guided accordingly.


RENATO C. VALENCIA
President and CEO