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PRIMER ON SLAGA

I. INTRODUCTION

The Savings and Loan Association of Government Auditors, Inc. (SLAGA) has been in existence for 64 years, having been registered with the Securities and Exchange Commission (SEC) on August 1, 1951. Under its original Articles of Incorporation, it was to exist for fifty (50) years from the said date of incorporation.

The amendment of Article IV of the Articles of Incorporation extending the life of the Association for another fifty (50) years or until July 23, 2051 was approved by the Bangko Sentral ng Pilipinas (BSP) and the registration thereof was approved by the SEC under an Order dated February 17, 2006 which lifted the Order of Revocation earlier imposed on the SLAGA for failure to renew its registration on time.

SLAGA is *not* a part of the Commission on Audit although its membership comprises solely the active officials and employees of the Commission, and retired COA employee-members who retain their membership upon timely signification in writing of their desire to do so. It is a private entity, its employees covered by the Social Security System. It is under the Supervision of the Bangko Sentral ng Pilipinas and its operation is examined periodically by the Integrated Supervision Department I.

Not too many COA employees, however, know about the SLAGA, much less the services it renders to them. To address this, the members of the SLAGA Board of Directors (Trustees) envisioned and directed the preparation of this Primer.

II. THE ASSOCIATION

Q. What is SLAGA?

- A. Formerly known as the Savings Association of Government Auditors, Inc. (SAGA), the SLAGA came into being on July 23, 1951 when a group of officials and employees of the then General Auditing Office (GAO), forerunner of COA, voluntarily associated themselves to form the said Association. The change in its name was later done to better represent the purposes of the association which under its Articles of Incorporation are:
1. To encourage savings and promote thrift among its members, who are required to make periodic deposits in the Association in accordance with its By-Laws;
 2. To extend financial assistance to its members in any such legal form as the association *may be able to give*; and
 3. To educate its members in the wise use of money and to emphasize the importance of punctuality in meeting obligations.

III. MEMBERSHIP

Q. Who may become members of SLAGA?

- A. Under the provisions of Sections 1 and 2 of the SLAGA By-Laws the following may become members of the Association:
1. A COA or SLAGA employee who applies for membership and continues to contribute to his capital to the extent authorized by the Board.
 2. A retired COA or SLAGA employee who, within the prescribed period, signifies his intention in writing to continue his membership.

Active employees of the COA are classified as regular members while SLAGA employees and retired COA employees are special members.

Procedures for Becoming a Member

Q How may a COA employee become a SLAGA member?

- A. The prospective member shall file with the SLAGA office the duly accomplished Application for Membership and Member's Info Card. These shall be supported with a copy of his attested appointment, latest payslip, COA ID and an ID picture. He shall then pay the membership fee of P100 and ***initial (minimum) capital contribution of P3000***,

The application shall be taken up by the SLAGA Board in a regular meeting. Thereafter, monthly deductions may be authorized by the member to be made from his salary, to constitute his capital contributions. These deductions are remitted by the COA Accounting Division to SLAGA. Over-the-counter payments may also be made during business hours.

- Q. Is there a limit to the amount that a member is allowed to put up for his capital contribution?***

A. The monthly increments to capital contributions range from P25 to P200 (the latest maximum approved by the Board of Directors). The maximum capital contributions that a member may accumulate is P900,000, *subject to limitations that the Board may promulgate.*

Q. May a member be allowed to make partial withdrawals from his capital?

A. A member may make partial withdrawals from his accumulated capital contribution subject to the limitations under BSP Circular No. 789, series of 2013 which requires that capital contributions be classified as either fixed/non-withdrawable or withdrawable, as defined below;

“a. *Fixed/non-withdrawable capital* refers to the member’s capital contribution in the NSSLA which he must maintain for the duration of his membership therein.

(1) *Minimum Amount* – Every member of an NSSLA shall be required to maintain a fixed/non-withdrawable capital contribution of at least P1000 *unless* a higher minimum is prescribed under the NSSLA’s by-laws. (The minimum was increased to P3000 under Board Resolution No 2014-430 dated December 28, 2012.)

(2) *Ceiling* – An NSSLA shall encourage all its members to increase their fixed/non-withdrawable capital over time beyond the minimum amount prescribed under item (1).

“b. *Withdrawable capital* refers to the amount of capital contributions which may be withdrawn by a member pursuant to the terms and conditions prescribed under the NSSLA’s by-laws, or as approved by the board of trustees.

(1) *Ceiling.* At no time shall the total withdrawable capital contributions of a member exceed ten times (10x) his fixed-non-withdrawable capital contributions.

(2) *Restrictions on Withdrawability* – Notwithstanding the capital contributions’ withdrawability, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the withdrawal of the members’ withdrawable capital contributions, such as, when the NSSLA is under liquidity stress.”

Circular No. 789 further provides that amounts held in excess of the prescribed ceiling upon its effectivity (February 2013) shall be allowed to continue as such but *once reduced shall not thereafter be increased beyond the prescribed ceiling.*

Cessation of Membership

Q. How is membership in the Association terminated?

A. Membership is terminated in any of the following instances:

1. Resignation from the Association
2. *Separation* from the service of the Commission on Audit, except retirement as specified in Item III, Membership.
3. Death of the member

Q What happens to the capital contribution, investment, dividends and other moneys of the member under the foregoing instances?

- A. 1) Under the first instance, the member will write a letter addressed to the Board of Directors stating that he is resigning from the Association, and forthwith his account will be settled by deducting from his capital contribution his outstanding obligations and preparing a check for the balance. However, if he is a co-maker of a loan which is still outstanding, he will be required to find another member to replace him as such co-maker. The replacement should be acceptable to SLAGA in terms of qualification and responsibilities as discussed under Item X hereof.
- 2) Under the second instance, when his application for clearance is routed to SLAGA, the member will be apprised of the status of his account to be settled and he will, likewise, be required to find a suitable replacement as co-maker in case he is co-maker of an outstanding loan.
- 3) When a SLAGA member dies, his capital contribution, investments, deposits, dividends and other moneys in SLAGA, *minus any outstanding obligation at the time of death*, shall be paid to his legal heirs.

IV. MEETINGS OF SLAGA MEMBERS

Q. Where and when are meetings of the members held?

- A. All meetings of the members of the SLAGA shall be held in the Commission on Audit, Quezon City or any other place as the Board may determine (Section 4 of the By-Laws, as amended on November 27, 1990 and November 27, 1992).

The annual general meeting of the members for the purpose of electing the members of the Board of Directors and for other purposes shall be held on the last working day of November of each year, or on such date as the Board may determine but not later than December 31. (Section 5 of the By-Laws as amended on November 27, 1990 and November 27, 1992)

Special meetings may be held at such times as the Board may deem necessary and convenient, or whenever ten percent (10%) of the members of the SLAGA so request in writing.

Notices of both annual general and special meetings shall be published **or** delivered by the Secretary of the Board to the members of the SLAGA not later than two days before the time fixed for such meeting (Section 6, By-Laws).

V. OFFICERS

Q. Who are the officers of the Association?

- A. The officers are the President and the Vice-President who are elected from among the members of the Board of Directors, the Treasurer and the Secretary who are appointed by the Board, and the Compliance Officer, also appointed by the Board and whose position is a requirement of the Bangko Sentral ng Pilipinas.

VI. THE BOARD OF DIRECTORS (TRUSTEES)

Q. How many are elected as members of the Board and who may be elected for the position?

- A. There are seven (7) members of the Board who are elected at every other annual general meeting of the SLAGA. Any regular member who is in the active service of the COA may be elected as member of the Board of Directors. One member of the Board shall come from among the SLAGA members who are retired COA employees. (Sec. 12, Art. III, By-Laws).

In the election of the members of the Board of Directors, each SLAGA member shall be entitled to vote for as many positions to be filled and he may cumulate his votes in favor of one or several candidates. Election shall be by secret ballot and shall be conducted by a special board of three (3) members to be appointed by the President. (Sec 11. Art. II, By-Laws)

Q. How do members cast their votes in the annual general and special meetings of the Association?

- A. Any vote may be represented and may be cast in person or by proxy which shall be acknowledged before a Notary Public or witnessed by the Secretary.

Q. How are votes in the elections counted?

- A. In the transaction of the business of the SLAGA, each member is entitled to one vote for every ten pesos of his **capital contribution** outstanding as of September 30 of every year; **Provided:** That he has invested the required minimum capital contribution (P3000) required under Board Resolution No. 2012-430 dated December 28, 2012.

Q. How long is the term of the members of the Board?

- A. The directors elected shall serve for a term of two years commencing on January 1 of the year following their election.

VII. FUNDS OF THE ASSOCIATION

Q. What are the sources of funds of the SLAGA?

- A. The funds of the Association come from membership fees, capital contributions, interest on loans granted to members, interest on time deposits with depository banks, and such other miscellaneous receipts as service fees on loans, certification fees and surcharges on delinquent loans.

VIII. SERVICES/BENEFITS ACCRUING FROM MEMBERSHIP

Q. What services and benefits can members avail of from the Association?

A. a) Services:

1. The principal service that the SLAGA offers its members is granting of loans to those who are eligible at the time of availment thereof.
2. At times when a large volume of cash is needed within a short span of time as during the payment of dividends, the Board of Directors may authorize the acceptance of special deposits/ investments from members in limited amounts for a specified term and interest rate.

b) Benefits:

1. Dividends
2. Interest on Time Certificates of Deposits (TCDs)
3. Death Assistance

Dividends

After the close of the fiscal year on *September 30*, when the net income and surplus have been determined and reserves required by the Bangko Sentral ng Pilipinas (BSP) have been set up, the Board of Directors may declare dividends on capital contributions *outstanding* as of said date, at a rate that is dependent on the net surplus for the fiscal year. The board resolution declaring dividends at the rate indicated therein, together with the supporting financial statements and other documents, is submitted to the BSP for approval. No announcement may be made pending the approval of the dividend rate by the BSP.

For capital contributions withdrawn prior to the cut-off date and consequently not entitled to dividend, interest shall be computed at the bank rate on savings deposits prevailing at the time of withdrawal.

Q. When and how are dividends paid to members?

- A. Depending on how soon the dividend rate proposed by the Board of Directors is approved by the BSP, release of dividends usually takes place during the second week of the following December. For convenience, dividends of P3000 or less are paid in cash while those in excess of P3000 are paid through individual checks. For members under regional payrolls, payment is made at a later date through payrolls

covered by a check drawn in the name of the regional director or his authorized representative.

Interest on Time Certificates of Deposits (TCDs)

Q. What are time certificates of deposit?

A. Time Certificates of Deposit represent investments made by members at the time a call is made, when additional cash is needed by the Association—as when the available cash is deemed inadequate to meet the initial payout of dividends. These bear annual interest at the rate specified in the board resolution calling for such investment. The investment may be returned as the Association’s cash position improves, or the interest rate may be reduced, upon maturity of the term in consideration of financial trends.

Q. Who may make such investments?

A. When there is immediate need for a large volume of cash, the Board may decide to accept investments from members who are able to come up with the cash at the time the call is made. The rates had been gradually reduced in the past several years and thereafter, the investments were refunded upon maturity.

Death Assistance

Q. What is death assistance and who are entitled to it?

A. This is the assistance given to the family of a deceased member. It is in the amount of P2000 which is taken from the operating funds of the Association since members are not required to make any contribution to its funding. The amount is paid to the **legal heirs when the deceased member’s account with SLAGA is liquidated.**

Q. What documents are required in claiming the death assistance?

A. The documents are the same as those needed to support the settlement of claim of the legal heirs, discussed under Item XIV hereof, and the amount may be claimed at the same time as the other moneys of the deceased member.

IX. LOANS

Loans may be granted from the funds of the SLAGA to any member thereof, the term of which shall not exceed sixty (60) months, at the discretion of the Board of Directors, at such rate of interest as allowed by the Bangko Sentral ng Pilipinas. (Sec. 33, Art. II, By-Laws)

Q. What are the types of loan that the Association grants to members?

A. The following are the types of loan that qualified SLAGA members may avail of:

1. Long term loan – equivalent to thirteen (13) months salary, payable in 12 or 24 months at the option of the borrower.
2. Short term loan – equivalent to 75% of capital contribution, net of any outstanding obligation, for regular members and 50% of capital contribution, net of outstanding obligation, for special members.
3. Other types – other types of loan may also be granted to a member of SLAGA, in addition to the long and short term loans –

Consumption loans are loans for health care cards, pension plans, etc., contracted by members for financing their plans from the service providers. These are payable in two (2) to five (5) years.

Consumption loans may also be availed of for other needs of a member in addition to his other loans provided he has not reached his maximum loanable limit and has available net pay for the required amortizations thereon.

Equity Loans - represent loans on the expected dividends of the member-borrowers for the fiscal year. These become available only when the Board of Directors so declares in a board resolution, usually in the month of May, to run for five months up to September which is the end of the fiscal year. The maximum loanable amount is computed at a percentage indicated in the board resolution, which is lower than the projected dividend rate for the period. The amount loaned bears a *monthly interest* of one percent (1%) reckoned from the month of availment (from May to September), which is deducted from the proceeds of the loan. The gross amount of the equity loan will be deducted from the member-borrower's dividend at the end of the fiscal year.

Q. What are the requirements and conditions for availment of a loan?

A. a) The requirements are:

1. Employment Status – the borrower must be an active permanent employee of the Commission on Audit, or a special member of SLAGA as defined under Item III, Membership.
2. Loan Application – the borrower must fully accomplish the Loan Application form.
3. Co-makers – when the loan applied for is more than the capital contribution of the borrower (net of all his outstanding obligations), he shall sign a promissory note, together with at least two co-makers to stand as his *solidary* co-debtors, whose

borrowing capacity monthly shall not be less than the loan amortization.

Numbers 1 and 3 do not apply in the case of retired COA employee-members.

b) The conditions are:

1. Borrowing Capacity (Single Borrower's Limit) – the maximum loanable amount for each borrower is equivalent to 13 months of his salary and the fixed monthly allowance (PERA) plus capital contribution.
2. Paying Capacity – availability of monthly net take-home pay over and above the mandatory amount per the current General Appropriations Act, to cover the monthly amortizations on the loan applied for.
3. Age Limit – the term of the loan should be such that the loan will be fully paid one year prior to the date of the borrower's mandatory retirement.
4. Interest and Other Charges – corresponding interest rates—computed on the monthly diminishing principal balance of long-term and consumption loans are amortized together with the principal over the term of the loan. For short-term loans, the interest for each three-month term is deducted from the loan. Minimal Service charges and collection fees are imposed on all types of loan.

Current interest rates (these are subject to review by the Board every now and then) are: one percent (1%) a month for short term loans; twelve percent (12%) per annum for all types of loan.

5. Co-maker's undertaking – Being a solidary co-debtor under the promissory note, the co-maker undertakes, and he may be legally obligated, to pay an amortization on its due date, or the past due outstanding balance. However, in practice and as a matter of policy, it is only when the principal borrower defaults in his obligation that the co-maker is given formal notice, at the same time as the borrower, to settle the amortization(s) due or the outstanding past due loan.
6. Surcharges and additional interest – unpaid amortizations incur surcharges and additional interest when the term of the loan has lapsed.

Loan Insurance Coverage

Q. Are loans insured and if so how may member-borrowers benefit from it?

A. In the past, insurance for loans was done in-house. In early 2012, the SLAGA Board entered into an agreement with an insurance provider whereby in the event of death or permanent and total disability of the borrower, the insurance provider shall pay off the outstanding balance on loans contracted starting on July 1, 2012. This will extinguish the liability of the deceased and his co-makers for the outstanding balance of the loan.

One-time Premium at the Rate of P3.43/P1000 computed on the diminishing balance of the loan, multiplied by the term, is deducted from the proceeds of the loan.

X. QUALIFICATIONS AND RESPONSIBILITIES OF A CO-MAKER

Q. What are the qualifications for a member to become a co-maker? What are his responsibilities?

A. a) Qualifications:

- 1) Permanent COA employee
- 2) SLAGA member in good standing – has no arrears in the payment of his obligation to SLAGA upon signing as co-maker;
- 3) Is not a member of the SLAGA Board nor an employee of SLAGA
- 4) Has no pending administrative charge which carries the penalty ranging from one-month suspension or dismissal from the service, if found guilty, in accordance with the rules and regulations of the Civil Service Commission;
- 5) Has not been serving penalty of suspension at the time of the application for loan.
- 6) His total borrowing capacity should not be less than the loan of the borrower net of the capital contribution of the latter.
- 7) A member cannot be a co-maker of more than four loans at any one time.
- 8) Must fully accomplish the “Co-Maker’s Information” section of the Salary Loan Application form.

b) Responsibilities:

- 1) The co-maker shall be jointly and solidarily liable with the principal borrower;

After due notice, he shall pay SLAGA the unpaid amount due from the borrower less the capital contribution and other moneys of the borrower.

- 2) If he retires, resigns or is separated from COA ahead of the principal borrower, or is declared AWOL, he must provide a replacement before his clearance from accountability can be approved;
- 3) If he goes on travel aboard, he must, likewise, find a replacement acceptable to SLAGA.

The co-maker can be cleared only if the replacement is approved by SLAGA.

XI. REPAYMENT AND RENEWAL OF LOANS

Q. In what way may loans be repaid?

A. Loans may be repaid thru the following:

- 1) Salary Deduction – this is the basic mode of payment for active employees whereby SLAGA sends monthly to the Accounting Division a schedule of deductions for the amortizations due, to start in the third month following the release of the loan. These deductions, in turn, are remitted monthly to the SLAGA office.
- 2) Direct Payment (Over-the-Counter) – this is the mode through which retired members make their payments.

For active members, when the request for deduction is not effected, as when the borrower is on leave, AWOL, or without sufficient net pay, the borrower is expected to make payments directly to the SLAGA cashier

- 3) Charges to Capital Contribution – this is resorted to when no payments or insufficient payments are made for the monthly amortizations. Part of the capital contribution is then applied to the amount due, priority being given to the interest due and unpaid.

Q. May a loan be renewed before it is fully paid? If so, at what point during the term of a loan may it be renewed?

A. No renewal of a loan shall be granted unless thirty percent (30%) of the existing loan shall have been paid. (Sec. 34, Art. VII, By-Laws)

Interest Rebates

Q. When may a borrower be entitled to interest rebate?

- A. In case of full settlement of a loan before the *first year* of the term expires, the rebate is computed for the unexpired portion of the year.

Refund of Overpayments

Q. How do overpayments arise?

- A. Overpayments may arise due to continued deduction and remittance of payments after the borrower has renewed his loan and the scheduled deduction for the month on the old loan was not considered in the computation of the loan renewal.

Q. May the overpayment be refunded?

- A. The overpayment may be refunded or it may be applied as payment to the new loan at the option of the borrower.

XII. ADDITIONAL INTEREST AND SURCHARGES/PENALTIES ON PAST DUE ACCOUNTS

Q. When do additional interest and surcharges/penalties accrue on loans?

A. a) Additional Interest

Additional interest accrues on a loan when amortizations are not paid at the time they are due. However, this is computed only when the loan has become past due and an offer is made for the settlement of the past due loan.

b) Surcharges/Penalties

Surcharges/penalties arise at the same time as additional interest when amortizations are not paid when they are due. These, together with the additional interest, are computed and added to the outstanding past due loan at the time that an offer is made for the loan balance to be paid in full.

Q. How are the additional interest and surcharges on past due loans computed?

- A. Additional Interest and Surcharges, depending on the interest rate on the original loan, are computed as follows:
- 1) For one-year loans, **additional interest** is computed on the outstanding balance after the lapse of the loan term, for the total number of months that such balance remained unpaid. The **surcharge** is computed on a monthly basis on each amortization due up to the time it is paid.

- 2) For loans with terms of two to five years, **additional interest and surcharges** are computed on a monthly basis on the amortization *due and unpaid* up to the time the amortization is paid.

Under certain conditions and in meritorious cases, the surcharges *or portion thereof* may be condoned, depending on the length of time the delinquent account had remained outstanding.

XIII. CONDONATION

Q. What is condonation?

- A. It is the relief granted by the SLAGA Board on the payment of unpaid surcharges after a delinquent account including all interest due thereon is settled in full.

Q. Who may avail of condonation?

- A. 1. A delinquent borrower or his/her legal heir(s) or successor(s)-in-interest
2. A co-maker of a delinquent member-borrower who is made to pay on behalf of such delinquent borrower

Q. Who is a delinquent borrower?

- A. A delinquent borrower is a member-borrower with at least three (3) consecutive unpaid loan amortizations or whose total unpaid amortizations reaches twenty percent (20%) of the total outstanding balance of the loan regardless of the number of unpaid amortizations.

Q. What are the conditions for availment of condonation?

- A. 1. The borrower must have paid the outstanding balance of the principal and applicable interest in full at the time of the request for condonation.
2. The borrower may apply for condonation only *once* during his/her entire membership in SLAGA.
3. The period within which the request is filed must not exceed two (2) years from the time the account becomes delinquent.
4. The reason(s) must be valid.

Q. What is the rate of availment of, or entitlement, to condonation?

- A. The borrower shall be entitled to the rate of availment/entitlement, if he/she pays the loan including interest in full, in accordance with the following schedule:

Payment Period	Availment/Entitlement
Within 3 months from being delinquent	100% of surcharges
Within 12 months from being delinquent	75% of surcharges
Within 18 months from being delinquent	50% of surcharges
Within 24 months from being delinquent	25% of surcharges
Beyond 24 months	No condonation allowed

Q. How may condonation of surcharges be availed of?

- A. The borrower, co-maker or their legal heir(s) or successor(s)-in-interest shall submit a letter-request to the SLAGA Board indicating the reason(s) for the request. A Special Power of Attorney (SPA) shall be accepted only in cases where the party: (a) is now residing in a foreign country; or, (b) is physically incapacitated as evidenced by a medical certificate.

Q. When will the condonation take effect?

- A. Condonation shall take effect as soon as the request for condonation is approved by the Board of Directors. The request shall be deliberated on during a board meeting and the approval/disapproval thereof shall be embodied in a board resolution.

XIV. CLAIMS OF LEGAL HEIRS

Q. Who are the legal heirs of a deceased member?

- A. They are:
- a) Legitimate children and their descendants (by representation)
 - b) In default of a) above, legitimate parents and their ascendants (by representation)
 - c) Widow or widower
 - d) Natural children and other illegitimate children
 - e) In the absence of a) to d) above, collateral relatives (brothers,/sisters, nephews/nieces, uncles/aunts)

Q. How will the share of the heirs be determined?

- A. The share of each legal heir shall be determined as follows:
- a) in accordance with an **Affidavit of SLAGA Claim and Settlement** to be executed by the heirs if the deceased **died without a Will**.

If the share of each heir is not indicated in the Affidavit, or if the heirs cannot reach an agreement on the amounts, the share of each heir shall be computed in accordance with the provisions of the New Civil Code of the Philippines (NCCP).

- b) in accordance with the provisions of the Will—which must be probated—if the decedent left a Will.

Q. How will the computation of the share of the legal heirs be done under the NCCP?

A. Under the NCCP the shares of the legal heirs are computed as follows:

- a) If only legitimate children/descendants survive the deceased, they divide the money equally. If non-legitimate children survive together with legitimate children/descendants, the former get $\frac{1}{2}$ the share of a legitimate child/descendant.
- b) If both widow/widower and children survive the deceased, the former gets one-half initially. The other half is divided among the children and spouse, with the spouse getting a share equal to that of a legitimate child and the non-legitimate child getting $\frac{1}{2}$ the share of a legitimate child/descendant.
- c) If only the widow/widower survives the deceased, she/he gets the entire money.
- d) If both widow/widower and parents survive the deceased, the former gets one-half and the latter, the other half.
- e) If only the widow/widower and collateral relatives survive the deceased, the former gets one-half and the latter, the other half.
- f) Other instances shall be resolved in accordance with the applicable provisions of the NCCP.

Q. What documents are needed to support the SLAGA claim of the legal heirs?

A. The documentary requirements are:

- a) Affidavit of Claim and Settlement (Form 1)
- b) Death Certificate – Original/Certified true copy
- c) Photocopy of valid IDs of deceased SLAGA member and the legal heirs-claimants
- d) Original/Certified true copy of birth certificates of children-claimants
- e) Original/Certified true copy of marriage certificate of widow/widower-claimant
- f) Original/Certified true copy of birth certificate of deceased, if claimant is his/her parent. In the case of ascendant as claimant, the birth certificate of the deceased and that of the parent of such deceased shall be submitted.

Procedures for Settlement of SLAGA Claim of Legal Heirs

Q. What are the steps for settlement of SLAGA claim of legal heirs?

A. They are:

- a) The legal heir(s) or representative shall file an Affidavit of Claim and Settlement with the SLAGA Office, COA Compound, Commonwealth Ave., Quezon City, supported with the documentary requirements enumerated above;
- b) The receiving officer shall ensure the completeness of the documents submitted and inform the claimant/representative of the time of completion of the processing and of the release of the check-payments, which should be within ten (10) business days from receipt of the claim;
- c) If additional documents are necessary to verify information in the submitted documents, such shall be communicated to the claimant within two (2) business days from receipt of the claim;
- d) The total amount of capital contributions, deposits, investments, dividends and other moneys of the decedent shall be verified/computed by the concerned officer and approved by the Manager. The Board of Directors shall be informed accordingly;
- e) The check(s) shall be prepared and issued in the name of each heir-claimant in the amount corresponding to his share as stated above;
- f) The checks shall be released to the individual claimants unless authority in writing is submitted to the SLAGA for a representative to receive the check(s) on their behalf.

Cases not covered by the foregoing shall be referred to the Board of Directors for disposition.

The New Civil Code of the Philippines shall apply in a suppletory capacity to the above guidelines.

XV. UNCLAIMED CAPITAL CONTRIBUTIONS, INVESTMENTS, DIVIDENDS AND OTHER MONEYS

Q. What happens to the capital contributions, dividends, investments and other moneys of a member if these are not withdrawn after he retires (without letter of continuance), resigns or is separated for any other reason?

- A. The capital contribution, if not withdrawn, will cease to earn dividend and will be transferred to accounts payable. When this is subsequently withdrawn by the member or his duly authorized representative or

successor-in-interest, interest at the prevailing bank savings interest rate shall be computed on the amount; the investment will be returned with the interest computed at the rate specified for the particular period. The unclaimed dividends, if any, and other moneys which had been credited to accounts payable will be returned to the member or his duly authorized representative.

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