



**APPLICATION FOR PENALTY CONDONATION**  
**(For Financially Distressed Employers Due to Covid-19 Pandemic)**

*(Print this form back to back on one single sheet of paper)*

EMPLOYER/BUSINESS NAME	Pag-IBIG EMPLOYER ID No
EMPLOYER/BUSINESS ADDRESS	DATE FILED
PAYMENT SCHEME <input type="checkbox"/> FULL PAYMENT <input type="checkbox"/> PLAN OF PAYMENT <i>(24 months required period of settlement)</i>	TELEPHONE NUMBER

**APPLICATION AGREEMENT**

I hereby certify that I have read and understood the contents hereof, including the guidelines and instructions indicated at the back portion of this form. I further certify that all information I have indicated herein and statements declared in the documents submitted to the Fund are true and correct to the best of my knowledge and belief, and that my signature appearing herein is genuine and authentic. Likewise, I hereby authorize Pag-IBIG Fund to collect record, organize, update/modify, consult, use, consolidate, block, delete or destroy my personal data as part of my information. I hereby affirm my right to: (a) be informed; (b) object to processing, (c) access, (d) rectify, suspend or withdraw my personal data; (e) damages; and (f) data portability pursuant to the provision of R.A. No. 10173 (Data Privacy Act of 2012).

I shall abide with the applicable Guidelines on penalty condonation, and those that the Pag-IBIG Fund may promulgate from time to time. In case of non-compliance with said Guidelines, or in case of any misrepresentation or falsification in my application and/or documents submitted. I understand that the Pag-IBIG Fund shall automatically disapprove my application, forfeit its approval, and/or terminate the Plan of Payment. Thereupon, I shall be liable to pay the total Membership Savings (MS), deprived dividends, and the penalties. Further, I shall be criminally liable for violation of Republic Act No. 9679 and other relevant laws.

\_\_\_\_\_  
HEAD OF OFFICE/AUTHORIZED REPRESENTATIVE  
*(Signature over Printed Name)*

\_\_\_\_\_  
Designation/Position

\_\_\_\_\_  
Date

**THIS PORTION IS FOR Pag-IBIG FUND USE ONLY**

RECEIVED BY	DATE	REMARKS
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**COMPUTATION OF TOTAL PROVIDENT OBLIGATION**

DETAILS	AMOUNT	COMPUTED BY:	DATE:
PERIOD COVERED <i>(From _____ To _____)</i>			
TOTAL UNREMITTED MEMBERSHIP SAVINGS <i>(EE and ER SHARE)</i>		REVIEWED BY:	DATE:
DEPRIVED DIVIDENDS			
TOTAL ASSESSED PENALTIES		APPROVED BY:	DATE:
LESS: TOTAL ASSESSED PENALTIES			
<b>TOTAL</b>			

## GUIDELINES AND INSTRUCTIONS

### A. Who May File

1. All financially distressed employers who are operational from 17 March 2020 to 31 December 2020 and are affected by the COVID-19 pandemic and that were not able to remit their Mandatory Monthly Savings (MS) which may include the following:
  - a. Did not deduct MS.
  - b. Deducted MS but did not remit
2. Employers with approved plan of payment, provided they are current on their installment prior to the Enhanced Community Quarantine (ECQ) declaration.

### B. How to File

The applicant shall:

1. Secure and accomplish the Application for Penalty Condonation (*For Financially Distressed Employers Due to Covid-19 Pandemic*) (HQP-PFF-384) from the Pag-IBIG Branch. The application form may be downloaded from the Pag-IBIG Fund website at [www.pagibigfund.gov.ph](http://www.pagibigfund.gov.ph).
2. Submit application and required supporting documents (*refer to Checklist of Requirements below*) to any Pag-IBIG Fund Branch.

### C. Period of Availment for Penalty Condonation

1. Eligible employers may avail this program beginning 11 March 2021 up to 11 September 2021.
2. Only applications with complete documents shall be accepted and processed.

### D. Mechanics

1. All penalties on MS due from 17 March 2020 to 31 December 2020 of employers whose application for penalty condonation has been approved shall be condoned.
2. No interest or deprived dividends for the unremitted MS shall be collected for the period from 17 March 2020 to 31 December 2020.
3. Eligible employers with existing plan of payment may avail of this penalty condonation program.
  - 3.1 There will be no re-imposition of penalties for employers who were not able to pay their scheduled dues under their approved plan of payment after March 17, 2020 only.
  - 3.2 Penalties shall be re-imposed upon those employers who have failed to pay their dues/obligations prior to March 17, 2020.
  - 3.3 The Fund, upon its approval of the employer's application for penalty condonation, shall give a new schedule for the unpaid installments under the employer's original schedule of plan of payment, which the employer should comply with.
  - 3.4 Employers who did not comply with their previous plan of payments but are now currently paying are still covered by this program.
4. Employers, whose application for penalty condonation are disapproved, shall be required to pay all membership contribution arrearages including applicable penalties, interests, and dividends, if any. Otherwise, the corresponding legal actions shall be instituted and pursued.
5. For the payment options, the employer may refer to the terms and conditions below:
  - **Full Payment**
    - Employers shall be required to pay all employer counterpart arrearages within thirty (30) days from approval of application for penalty condonation. Otherwise, said approval shall be forfeited.
    - An employer who signified intent to pay in full but later on opted for a plan of payment must submit his plan of payment not later than the 25<sup>th</sup> day from the date of approval of application for penalty condonation. Failure to do so renders the approval automatically revoked and ineffective.
  - **Plan of Payment**
    - If full remittance cannot be made, an employer may submit a plan of payment upon application for penalty condonation. Said plan of payment shall be subject to the Fund's approval in accordance with the approved level of authorities.
    - Eligible employers with an approved plan of payment shall be granted full condonation of penalties. However, the condonation shall be automatically revoked, and the penalties re-imposed once the employer fails to comply with said plan of payment.
    - The period of settlement shall not exceed twenty-four (24) months.
    - Payments shall commence exactly one month from the date of approval of application for penalty condonation.
    - The employer shall issue the corresponding number of post-dated checks to cover the approved plan of payment.
    - Appropriate civil and/or criminal actions shall be filed against the delinquent employers who violate their approved plan of payment. Should the employers fail to collect and/or remit the employee and employer contributions due to the current period, the same shall be charged a penalty of 1/10 of 1% of the amount due per day of delay

## CHECKLIST OF REQUIREMENTS

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|---|---|
| 1. Application for Penalty Condonation ( <i>For Financially Distressed Employers Due to COVID-19 Pandemic</i> ) (HQP-PFF-384) | 4. If filing through an <i>Authorized Representative</i> , submit the following:  |
| 2. Photocopy of at least one (1) valid ID card and signature of the applicant and authorized representative.                  | a) For Sole Proprietorships and Partnerships,<br>- Special Power of Attorney (SPA)  |
| 3. Membership Savings Remittance Form (MSRF, HQP-PFF-053) in softcopy   | b) For Corporations:<br>- Notarized Board Resolution/Secretary's Certificate designating the representative to transact/negotiate with the Fund and to execute/sign documents submitted |