



National Transmission Corporation

04 November 2009

MEMORANDUM

FOR : **MR. ARTHUR N. AGUILAR**
President and CEO

FROM : *Melinda T. Nuique*
MS. MELINDA T. NUIQUE
Vice President, Corporate Services Group

SUBJECT : **PROPOSED AMENDMENT TO ANNEX A OF THE
TRANSCO SEPARATION PROGRAM**

Respectfully submitted for the President's consideration and approval is the proposed amendment to Annex A of the TransCo Separation Program in relation to requirements in support of Terminal Leave Claims.

The GSIS clearance serves as TransCo's clearance from GSIS to release terminal and other benefits to separated employees.

Per Annex A of the TransCo Separation program, GSIS clearance is required in the processing of Terminal Leave Claims for employees with less than fifteen (15) years of government service. It is for the reason that the benefits they could claim with GSIS may not be sufficient to cover whatever loans they have availed therefrom.

It is our belief then that those employees who are qualified to retire under the GSIS law are issued with GSIS clearance together with the approval of their retirement claims. However, in the course of the processing of separation benefits, there are cases where an employee with fifteen or more years of service and is qualified to retire is still not issued a GSIS clearance because the retirement benefit he/she received from the GSIS is still not sufficient to cover his/her outstanding liabilities with the GSIS. It is because most Transco employees have availed of different kinds of loans from GSIS a few months before their separation from the service while others have availed of the maximum loanable amount from GSIS. In such cases, it is indicated in the approval of retirement claim that the same does "not serve as clearance from GSIS for payment of terminal leave and other benefits payable by the last employer".


PROPOSED AMENDMENT TO ANNEX A OF,
THE TRANSCO SEPARATION PROGRAM
X-----X

It is for the above circumstance that there is the need to amend Annex A of the TransCo Separation Program insofar as requiring the submission of GSIS clearance in the processing of Terminal Leave Claims by all TransCo separated employees.

Attached is Annex A-1 which provides for the requirements in the Terminal Leave Claims where GSIS clearance is required to all claimants.

For the President's consideration and approval.

- Approved**
- Disapproved**


ARTHUR N. AGUILAR
President & CEO

**NATIONAL TRANSMISSION CORPORATION
CHECKLIST OF REQUIREMENTS FOR THE TERMINAL LEAVE BENEFITS**

1. Terminal Leave Application
2. Updated Service Record
3. Employee Leave Sheet and Computation of Terminal Leave
4. New TransCo Clearance Certificate
5. Affidavit of Undertaking
6. GSIS Clearance
7. Statement of Assets and Liabilities as of December 31, 2008
8. Fiscal's Clearance (Place of Work and place of residence)
9. RA 3019
10. Employee Leave Sheet certified by NGCP