

## PRESIDENTIAL DECREE NO. 1909

### FURTHER AMENDING PRESIDENTIAL DECREE NO. 361 ESTABLISHING THE ARMED FORCES OF THE PHILIPPINES RETIREMENT AND SEPARATION BENEFITS SYSTEM.

WHEREAS, pursuant to Presidential No. 361, the Armed Forces of the Philippines Retirement and Separation Benefits System (AFP-RSBS) was established for the purpose of providing a self-reliant scheme which will guarantee continuous financial support to the AFP retirement plan;

WHEREAS, under prevailing laws and implementing regulations, certain groups of retired military personnel, particularly those who retired prior to September 10, 1979, are classified into various categories depending upon the respective dates of their retirement or separation from the active service, thereby inevitably resulting in inequities in the receipt of retirement pension;

WHEREAS, there is a necessity to upgrade the pension of the above-mentioned retired military personnel to enable them to meet the escalating cost of living and to equalize the entitlement to retirement pension of all military personnel and their beneficiaries;

WHEREAS, the inclusion of the group of retired military personnel mentioned in the AFP-RSBS will facilitate the equalization of retirement benefits previously stifled by enormous budgetary or funding constraints;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree:

SECTION 1. Any provision of law, rule or regulation to the contrary notwithstanding, all military personnel who retired from the active service prior to September 10, 1979 and are receiving annual retirement pension from the Armed Forces of the Philippines shall be considered as additional members of the Armed Forces of the Philippines Retirement and Separation Benefits System, hereinafter referred to as the System. They shall henceforth contribute an amount equivalent to five (5%) of their gross monthly pension as herein adjusted, which contribution shall be deducted from their said pension and paid to the System: Provided, That such contribution to the System shall be refunded in one lump sum to the retired military personnel or their beneficiaries concerned upon the termination of their entitlement to retirement pension from the Government.

SEC. 2. The system shall forthwith support the payment of the increment representing the difference between the existing pension rate and the adjusted pension rate computed on the basis of the prevailing scale of pay of officers and enlisted men in the active service; Provided, That payment thereof by the System and receipt of the adjusted pension shall be in accordance with the rate of pension and schedule of payment as shall be determined and fixed under the implementing rules and regulations promulgated by the Chief of Staff, Armed Forces of the Philippines, and approved by the Minister of National Defense: PROVIDED, Further, That nothing herein shall be construed as authorizing payment of back pension prior to the promulgation of this Decree.

SEC. 3. The initial sum of Two Hundred Million Pesos (P200,000,000.00) is hereby appropriated out of any saving of the Armed Forces of the Philippines under the General Appropriation Act, which shall be paid in lump sum as additional government contribution to the system: PROVIDED, That such additional sum necessary to fully implement the objectives of this Decree shall be provided for in the budget of the Armed Forces of the Philippines.

SEC. 4. Any provision of law, decree, order, rules and regulations, or part thereof, inconsistent with this Decree is hereby repealed, amended or modified accordingly.

SEC. 5. This Decree shall take effect immediately.

Done in the City of Manila, this 22<sup>nd</sup> day of March in the year of Our Lord, nineteen hundred and eighty-four.

(SGD) FERDINAND E MARCOS  
President of the Philippines

BY THE PRESIDENT:

(Sgd) JUAN C. TIVERA  
Presidential Executive Assistant

The following accounts shall be covered by this Program:

1. All AFP pensioners maintaining individual savings accounts with the different LBP-On-Line Branches nationwide; and
2. New Pension accounts may be covered after signing of this agreement, provided, that the pensioner complies with the requirements hereunder stated.

### III. GENERAL GUIDELINES:

1. One month before the applicable pension month, the funding check intended for the monthly pension of AFP pensioners shall be remitted by the AFP to the LBP-EDSA Greenhills Branch provided, the Notice of Cash Allocation (NCA) is already available.

2. At least five (5) banking days before the applicable pension month, AFP will forward to LBP the magnetic tape with a hard copy of the Pensioner's Remittance List to be credited On-Line by LBP with the following information:

2.1 Amount of remittance to the various LBP Branches;

2.2 List of pensioners under each Branch with the corresponding amount; and

2.3 Pensioner's Remittance Summary

3. The LBP shall then credit the individual pensioner's account maintained with the different On-line LBP Branches on the first (1<sup>st</sup>) banking day of the month. Said amount credited is withdrawable by the pensioner or their duly authorized representative on the 2<sup>nd</sup> banking day of the applicable month.

4. It is understood that the submission of the AFP of pension payroll covering the monthly pension remittance which contains pensioners' name and pension account number accompanied by the funding check shall be enough notice that the AFP is authorizing LBP to credit the pension to the individual pensioner's account.

5. LBP shall require the Pensioners to sign a Waiver on Secrecy of Bank Deposit, which relieves LBP and AFP from any liability, in case withdrawals are disallowed by reason of AFP's notice to LBP or debits from the account are made by LBP per AFP's request. (Format Attached as Annex A)

### IV. MISCELLANEOUS:

1. New accounts may be opened provided that the following requirements are met:

1.1 Presentation of a Letter of Introduction from the AFP