



Republic of the Philippines  
**National Electrification Administration**

14 September 2006

**INSTITUTIONAL ADVISORY NO. 06**  
Series of 2006

**TO : ALL ELECTRIC COOPERATIVES**

**SUBJECT: ADDENDUM ON EC GENERAL MANAGERS RETIREMENT PLAN**

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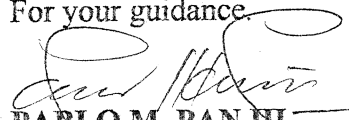
A year ago, NEA issued the "Revised Retirement Plan for Electric Cooperative General Managers" through Memorandum dated 23 May 2005 which provides granting of benefits for retiring GMs, and to express appreciation to all GMs who opt to retire or resign from the service.

One salient feature of said policy requires the EC to pass a Board Resolution accepting GM's application for retirement or resignation to be submitted to NEA for approval. The resolution shall include the clearances and proposed computation of corresponding benefits.

In order to avert problems that may arise in the payment of retirement benefits as to whether the funds shall be paid either through coop or trustee bank, the EC must secure an **EXPLICIT APPROVAL** from NEA prior to the release of retirement and/or separation pay. This is to ensure that a GM has cleared himself/herself of all money, property accountabilities and administrative case/s (if there is any) with NEA and the coop.

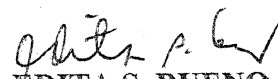
The Finance Services Manager and Internal Auditor of the coop concerned shall be responsible for the proper implementation of this advisory. Likewise, they shall be held accountable for the grant of any benefit and allowance which is outside of those provided for under this retirement guidelines.

For your guidance.

  
**PABLO M. PAN III**

Deputy Administrator  
Electric Distribution Utilities Services

Noted:

  
**EDITA S. BUENO**  
Administrator

NATIONAL ELECTRIFICATION  
ADMINISTRATION

IN REPLYING, PLS. CITE: HOR009348



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