



Republic of the Philippines
Department of Education
OFFICE OF THE SECRETARY

October 9, 2020

ADVISORY

**To All Private Lending Institutions (PLIs) Under
the Department's Automatic Payroll Deduction System (APDS)**

Subject: Implementation of the 60-day Grace Period on Payment of Loans

1. Hereunder is the result of the negotiations/dialogue with DepEd and the PLIs and Government Financial Institutions (GFIs) as of October 9, 2020, relative to the implementation of the 60-day grace period on payment of loans, pursuant to Section 4(uu) of RA 11494 or the "Bayanihan to Recover as One Act."

PARTICULARS	NO. OF ENTITIES	REMARKS
a. PLIs and Government Financial Institutions (GFIs) which <u>will NOT</u> Impose any Additional Charges	89	Includes GSIS and DepEd Provident Fund This means that additional 2 months shall be extended in the payroll, after the end of the original loan term, and no further charges or fees on principal amount of loan shall be charged to borrowers.
b. PLIs and GFI which will COLLECT the Accrued Interests for the 60-Day Grace Period	30	Includes Land Bank of the Philippines This means that interest on Outstanding Principal Loan Balance as of September 30, 2020 until November 30, 2020 shall be charged by these lending institutions with the implementation of the 60-day grace period.
c. PLIs and GFI with No Response to the Request for Waiver of Collection of Accrued Interest	50	Includes Pag-IBIG Fund
d. PLIs with no loans granted	4	
TOTAL	173	

2. As agreed during the APDS Virtual Public Meeting with the PLIs last October 2, 2020 presided by our Finance Undersecretary Annalyn M. Sevilla, this Department will implement the 60-day grace period on loans for all PLIs during the payroll months of October and November 2020. This means that no loan payments will be deducted from the said payroll months. Attached is the Department's internal guidelines for the purpose, for reference and guidance.

3. The PLIs that will not waive the collection of accrued interest must communicate this decision with their respective borrowers, and advise them to pay directly to the PLI (over-the-counter) these interest charges. To avoid incurrence of accrued interest, the borrower may opt to pay directly to the PLI the two (2) months loan amortizations not deducted from their salaries. It




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is earnestly requested that the PLIs provide alternative ways of payment to avoid health risks and disruption of the borrower's work schedule and activities.

4. Lastly, **this Department hereby extends our gratitude to the eighty-nine (89) PLIs and GFIs listed in Attachment 1 of Memorandum OUF 2020-0552** that responded in affirmative to our request for waiver of said accrued interest. We shall be sending Certificate of Appreciation to these PLIs, in recognition of their contribution for the welfare of the DepEd personnel.

5. Thank you and we hope the other 50 PLIs/GFIs which have not submitted yet their response will also join the Bayanihan Spirit we CALL, for the welfare of teachers and employees of DepEd.


LEONOR MAGTOLIS BRIONES
Secretary 

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Copy Furnished:

1. **Hon. BENJAMIN E. DIOKNO**
Governor, Bangko Sentral ng Pilipinas
A. Mabini St., Malate 1004
Manila
2. **Hon. EMILIO B. AQUINO**
Chairman, Securities and Exchange Commission
3/F Secretariat Building
PICC Complex, Roxas Boulevard
Pasay City
3. **Hon. EMMANUEL M. SANTIAGUEL, Ph.D.**
Chairman, Cooperatives Development Authority
827 Aurora Blvd, Immaculate Conception, Quezon City
4. **Atty. NORA M. MALUBAY**
Executive Vice President, GSIS
Financial Center, Pasay City
5. **Mr. ACMAD RIZALDY P. MOTI**
President and Chief Executive Officer
Home Development Mutual Fund
Petron Mega Plaza, #358 Senator Gil J. Puyat Avenue
Makati City
6. **REGIONAL DIRECTORS AND CHIEFS OF FINANCE & ADMINISTRATIVE DIVISIONS**
DepEd Regional Office Nos. I to XIII, CAR and NCR