



Republic of the Philippines
Department of Education
 REGION X – NORTHERN MINDANAO
 SCHOOLS DIVISION OF EL SALVADOR CITY

20 April 2020

DIVISION MEMORANDUM
 No. 100, s. 2020

CLARIFICATIONS ON LOAN PAYMENT MORATORIUM FOLLOWING REPUBLICAN ACT NO. 11469 (BAYANIHAN TO HEAL AS ONE ACT)

To: **Asst. Schools Division Superintendent**
Chief CID, SGOD
PSDS, Education Program Supervisors
Section Heads
All Public Elementary & Secondary School Heads
All Others Concerned
 This Division

- The field is hereby informed of the Department's implementation of loan payment moratorium to support the Bayanhian Law, cognizant of the plight of our employees who are in need of additional cash to augment their daily needs and to keep them home in light of emergency health crises the country is now facing due to corona virus disease (COVID-19) threat, details to wit:

Salary	Institution/s the Employee has Loan for Deduction			
	PLIs	Pag-ibig	Provident Fund	GSIS
March 2020	Deducted and Remitted <i>*No refund of loan deductions to DepEd employees considering that the payroll for the said month was done in advance as internal accommodation made to all employees</i>			
April 2020	To be refunded to employees <i>*RPSU will issue 2 pay slips for this purpose: 1 pay slip reflecting the amount (mandatory deductions only) deducted for the month and 1 pay slip reflecting details of amount refunded. SDO will process for the release of refund.</i>			
May 2020	To deduct but will hold remittance of loan payments, pending additional moratorium offers of PLIs to cover May remittances	Effect moratorium of deduction of loan amortization falling due in May; Hence, no deductions shall be made for payment of loans for Pag-ibig, Provident Fund and GSIS.		

OSDS/AMA



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Republic of the Philippines

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SCHOOLS DIVISION OF EL SALVADOR CITY

June 2020	To deduct but will hold remittance of loan payments, pending additional moratorium offers of PLIs to cover June remittances	Effect moratorium of deduction of loan amortization falling due in June	Depending on the result of DepEd' negotiation with GSIS, deduct and hold the remittance due to GSIS pertaining to loan payments OR effect moratorium falling due in June
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2. Since no deductions will be effected during the Enhanced Community Quarantine (ECQ) period, termination of loan amortizations will be automatically extended in our payroll program for one(1) month for loans w/ PLIs while three (3) months for loans with GSIS and Provident Fund, based on the duration of the ECQ period.
3. Since dealing with individual accounts separately would be a lengthy process and DepEd must make immediate and decisive action to implement the grace period under the Bayanihan Law, all Operating Units across the nation are prescribed to apply the same guidelines on deductions for loans of all its employees. All employees who have incurred more than six (6) unpaid monthly amortizations with GSIS as of February 29, 2020 are advised to settle their unpaid amortization/s over the counter or online to avoid penalties and accrued interests.
4. Attached are additional references to serve as guide to our employees.

OLGA C. ALONSABE

Asst. Schools Division Superintendent
Officer-In-Charge

Office of the Schools Division Superintendent

To be indicated in the Perpetual Index
Under the following subjects:

EMPLOYEES

BENEFITS

DEDUCTIONS

OSDS/AMA



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Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
OUF-2020-0130

TO : REGIONAL DIRECTORS
HEADS OF CENTRAL AND REGIONAL FINANCE DIVISIONS/UNITS
HEADS OF REGIONAL PAYROLL SERVICES UNITS
MR. ALBERT JEROME ANDRES, PERSONNEL DIVISION, CENTRAL
OFFICE
ALL OTHERS CONCERNED

FROM : 
ANNALYN M. SEVILLA
Undersecretary


RAMON FIEL G. ABCEDE
Assistant Secretary for Finance

SUBJECT : CLARIFICATION ON GSIS CONCERNS

DATE : APRIL 15, 2020

Please be informed that the Department of Education is in close coordination with the GSIS to address the following concerns:

1. Remittance of March 2020 payroll deductions for loan payments to GSIS.

All loan payments deducted from the salaries of DepEd personnel for the payroll month of March 2020 shall be remitted to all lending institutions, including the GSIS. This was the consensus during the meeting with Finance Officers. It was also agreed that DepEd will negotiate with GSIS the extension of the moratorium to another month or until June 2020.

2. Exclusion from the moratorium of those loan accounts declared in default for incurring more than six (6) unpaid monthly amortizations as of February 29, 2020.

While the negotiation with GSIS to grant DepEd borrowers a moratorium regardless of loan status is still pending, the DepEd will process the refund of their loan payments earlier deducted from their April 2020 salaries. Subsequently, DepEd will effect stoppage of the same deduction for May 2020.

Dealing with individual accounts separately would be a lengthy process and DepEd has to make immediate and decisive action to implement the grace period under the Bayanihan Law.



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Further, the Pay Slip for refund will contain the following notations:

REMINDERS:

1. *These loan payments are refunded in accordance with RA 11469 and shall be returned to Deducted Obligations after the ECQ period. Termination period of these loans shall correspondingly be extended by 1 month.*
2. *For Past Due loans with GSIS, Pag-IBIG Fund & LBP, please pay the amortization over-the-counter or online to avoid penalties and accrued interests.*
3. XXXXXXXXXXXX

3. GSIS is requesting for submission of List of Borrowers NOT availing of the moratorium program.

We believe that qualified DepEd borrowers (those who are not declared in default) need not file an application to avail of the moratorium. According to GSIS, should AAO's and ERF Handlers not submit the names of those not availing of the moratorium program, then GSIS will automatically apply moratorium.

However, for those who do not intend to avail of the moratorium program, DepEd borrowers are not precluded from paying over-the-counter the loan amortization/s not deducted from their salary should they opt to settle the loan earlier. Dealing with individual accounts separately is a tedious and lengthy process and would delay the implementation of the grace period.

To emphasize and inform DepEd borrowers that they have this option of paying their obligations as they fall due during the period of ECQ should they so desire, the Pay Slip for refund will contain this notation:

REMINDERS:

1. *These loan payments are refunded in accordance with RA 11469 and shall be returned to Deducted Obligations after the ECQ period. Termination period of these loans shall correspondingly be extended by 1 month.*
2. XXXXXXXXXXXX
3. *Borrowers may opt to settle their loan/s to PLIs/GFIs in advance thru over-the-counter payment.*

We request all RDs, SDSs and School Heads to advise their defaulting DepEd borrowers to settle the unpaid amortization/s over-the-counter or online to avoid penalties and accrued interests.

For information, guidance and compliance.

Cc: Undersecretary Revsee A. Escobedo
Field Operations, BHR0D - EWD, PD and DEACO



Handwritten signature



Republic of the Philippines
Department of Education
 OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
 OUF-2020-0123

TO : REGIONAL DIRECTORS
 SCHOOL DIVISION SUPERINTENDENTS
 REGIONAL CHIEF OF FINANCE AND ADMINISTRATIVE DIVISIONS
 HEADS OF REGIONAL PAYROLL SERVICES UNITS
 DIRECTORS, FINANCE SERVICE, DEPED CO
 OFFICER-IN-CHARGE, PERSONNEL DIVISION, DEPED CO
 OTHERS CONCERNED

FROM : 
 ANNALYN M. SEVILLA
 Undersecretary

SUBJECT : ADVISORY ON THE IMPLEMENTATION OF IRR 4 (AA) OF THE
 REPUBLIC ACT NO. 11469, OTHERWISE KNOWN AS THE
 "BAYANIHAN TO HEAL AS ONE ACT"

DATE : April 13, 2020

The Department of Finance (DoF) has issued on April 1, 2020 the implementing rules and regulations (IRR) of RA 11469, otherwise Known as the "Bayanihan to Heal As One Act" which directs all lenders to grant a 30-day grace period or extension for the payment of all loans, falling due within the enhanced community quarantine (ECQ) period, without imposing interest on interest or any additional charges and fees on the borrowers. The IRR took effect on April 2, 2020, following its publication in newspapers.

In line with this order, several financial institutions have granted moratorium or extension on the payment of loans. Details of which can be found at the table below.

Financial Institutions	Reliefs Granted
Banko Sentral ng Pilipinas - Supervised Financial Institutions (BSFIs)	30 days grace period in the payment of loans and extended loan period for 30 days. Such that new due date is extended for one (1) month. (i.e. plus one monthly amortization) based on BSP Memorandum No. M-2020-018 dated April 6, 2020. (Annex A)
Government Service Insurance System (GSIS)	3-months moratorium (i.e. March, April, and May) without interest and the corresponding extension of loan payment to three (3) months through Memorandum Circular No. 15, s. 2020 (Annex B). New due dates shall be extended for three (3) months.
DepEd Provident Fund (PF)	3-months moratorium on payment of PF loans from April to June 2020, extending the payment period for an additional three (3)



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	months, such that new dates shall be extended for three (3) months, without accruing additional interests and penalties. <i>(Annex C)</i>
Land Bank of the Philippines (LBP)	60-days extension period payment option that allows Salary Loan borrowers to defer the covered amortization period of March 15 to April 30, 2020 without penalty charges. <i>(Annex D)</i>

Pursuant to the Bayanihan Act, the DOF IRR, and the various issuances of different financial institutions, and following the decisions of the DepEd's Executive Committee (EXECOM) and Management Committee (MANCOM), in their respective meetings last April 7, 2020, and in consultation with Private Lending Institutions (PLIs) and DepEd internal stakeholders on April 7 and 8, 2020, respectively, the following shall be implemented in relation to the processing of March, April, May and June 2020 salaries of DepEd employees.

Payroll Period	Agreed Action
March 2020 <i>→ 1 PAYSUP ONLY</i> <i>NO CANCELS</i> <i>IN REFUND</i> <i>✓ PROTECTED</i> <i>✓ REMITTED</i>	Remit to concerned PLIs, GFIs (i.e. GSIS, Pag-IBIG and LBP) and DepEd Provident Fund all due loan payment deductions made in March payroll. No refund of loan deductions to DepEd employees shall be made in March payroll considering that: 1) the payroll for the said month was done in advance as an internal accommodation made to all employees to prepare for the ECQ period and which is prior to the issuance of the DOF IRR; 2) some regions already remitted the March loan deductions; and 3) policy on the March refund should be consistent and uniform to all regions for a more efficient implementation in terms of adjustments in payroll system and processing/remittance of the refund to the concerned employees. DepEd will negotiate with GSIS to move the 3-month moratorium from April to June instead of March to May.
April 2020 <i>REFUND ISSUE ADDITIONAL</i> <i>2 PAYSUPS</i> <i>1) CORRECTED ✓</i> <i>MANDATORY</i> <i>DEDUCTIONS ONLY</i> <i>2) REFUND PAYSUP</i>	Refund through special payroll to concerned employees the loan payment deductions due to PLIs, GFIs and DepEd PF which remittance was held in abeyance pursuant to Memorandum OUF 2020-0113 <i>(Annex E)</i> Refund for April loan deductions also includes the GSIS accounts with more than six (6) unpaid monthly amortizations as of February 29, 2020. <i>- adjust to settle accounts etc / online</i> The DepEd takes cognizance of different guidelines issued by the above-mentioned GFIs with regard to the implementation of Section 4aa of RA 11469 and the DOF IRR, however, DepEd payroll system cannot administer various processes considering the entirety of the Department (i.e. with more than 900,000+++ employees in the system). It would require considerable time for DepEd to treat the loan accounts individually which may expose our DepEd personnel in charge of processing and preparation of payroll to risks of contamination from the COVID virus during the ECQ period. ✓



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	<p>DepEd needs to be compliant with the law and implement only one process or system in enforcing the mandatory 30 days grace period on loan.</p>
<p>May 2020</p> <p>✓ DEDUCT ✓ REMIT (M HOLD)</p>	<ul style="list-style-type: none"> For PLIs - DEDUCT in the payroll the loan amortizations due but no remittance (HOLD) the payments to PLIs pending additional moratorium offers of PLIs thru a concurrence to the Expanded Relief Option to cover May remittances. <p>A General Letter was sent through email to the PLIs giving them option to provide additional relief by concurring to an Expanded Relief Option to be submitted on or before April 15, 2020. (Annex F)</p>
<p>✗ DEDUCT (MORATORIUM)</p>	<ul style="list-style-type: none"> GSIS, Pag-Ibig and Provident Fund - Effect moratorium of deduction for loan amortization falling due in May
<p>June 2020</p>	<ul style="list-style-type: none"> For PLIs - DEDUCT in the payroll the loan amortizations due but no remittance (HOLD) the payments to PLIs pending additional moratorium offers of PLIs thru a concurrence to the Expanded Relief Option to cover June remittances. Effect moratorium of deduction for Provident Fund loan amortization falling due in June Depending on result of DepEd's negotiation with GSIS, deduct and hold the remittance due to GSIS pertaining to loan payments OR effect moratorium falling due in June.

In accordance with the agreements above, concerned offices are directed to make necessary steps as follows:

TASK	TIMELINE	RESPONSIBLE UNIT
1. Adjust payroll system's program for the following: <ol style="list-style-type: none"> refund of April loan payment deductions to employees extension of termination dates on loans prohibition on bumping off of loan deductions of PLIs affected by ECQ other terms of GSIS, DepEd PF and LBP (and PLIs which offered expanded relief option) 	April 13 to 15, 2020	Central Office - Information and Communication Technology Service
2. Process and release the April refund to employees	Processing: April 15 to 17, 2020	Central Office and Regional Finance and Administrative Divisions



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TASK	TIMELINE	RESPONSIBLE UNIT
	Releasing thru ATM payroll account: April 20 to 24, 2020	
3. Follow up concurrence/ response of PLLs to the General Letter of DepEd	On or before April 15, 2020	CO-Employee Account Management Division (EAMD)
4. Issuance of DepEd Order on the Internal Guidelines on Implementation of 4(aa) of RA 11469	On or before April 17, 2020	CO-EAMD
5. Process the following: a. May salary b. Mid-year bonus	May salary - 3 rd week of April 2020 Mid-year bonus - Process early but release on May 15, 2020	Central Office and Regional Finance and Administrative Divisions

For your compliance.

ADVISORY

Implementation of Loan Payment Moratorium from April to June 2020

The following shall be implemented in relation to the processing of March, April, May and June 2020 salaries of DepEd employees.*

PAYROLL PERIOD FOR MARCH 2020



- All due loan payment deductions made in March Payroll will be remitted to concerned PLIs, Government Financial Institutions (GFIs), and DepEd Provident Fund (PF).
- Loan deductions to DepEd employees made in the March payroll will not be refunded.
- DepEd will negotiate with GSIS to move the 3-month moratorium from April to June instead of March to May.

PAYROLL PERIOD FOR APRIL 2020



- Loan payments for PLIs, GFIs and DepEd PF deducted from employees will instead be refunded through a special payroll. Refund includes payments for GSIS accounts with more than six months' unpaid monthly amortization as of Feb 29, 2020.

PAYROLL PERIOD FOR MAY 2020



- Loan amortizations will be deducted from May 2020 payroll, but will not be immediately remitted to PLIs, Pag-IBIG, and LBP pending submission of additional offer for Expanded Relief Option for PLIs, outcome of negotiation from Pag-IBIG, and extension of ECQ.
- GSIS and DepEd PF amortizations will not be deducted from the May 2020 payroll due to moratorium on payment of loans.

PAYROLL PERIOD FOR JUNE 2020



- Loan amortizations will be deducted from the June 2020 payroll, but will not be immediately remitted to PLIs pending submission of additional offer for Expanded Relief Option.
- DepEd PF amortizations will not be deducted from the June 2020 payroll due to moratorium on payment of loans.
- Loan payments for GSIS may either be deducted from the employee salary but remittance may be put on hold OR not deducted at all from the salary depending on the result of DepEd's negotiation with GSIS.

*Pursuant to Bayanihan to Heal As One Act, the Department of Finance's Implementing Rules and Regulation (IRR), and various issuances of different financial institutions, and following the decisions of the DepEd's Executive Committee (EXECOM) and Management Committee (MANCOM) in their respective meetings last April 7, 2020, and in consultation with Private Lending Institutions (PLIs) and DepEd internal stakeholders on April 7 and 8, 2020.



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Annex "A": Moratorium/Payment Extension Granted by Lending Institution

FINANCIAL INSTITUTIONS	RELIEF/S GRANTED
Bangko Sentral ng Pilipinas (BSP)	Has granted 30 days grace period in payment and extended payment loan period for 30 days. Such that new due date is extended for one month. (i.e plus one monthly amortization) based on BSP MEMORANDUM NO. M-2020-018 dated April 6, 2020.
Government Service Insurance System (GSIS)	GSIS announced : (a) grant 3-month moratorium for the months of March, April, and May without interest; and (b) extend the loan payment to 3 months
DepEd Provident Fund	Three-month moratorium on payment of PF loans from April to June 2020, extending the payment period for an additional three (3) months, without accruing additional interests and penalties.
Land Bank of the Philippines (LBP)	Implemented a 60-day extension period for payment that allows Salary Loan borrowers to defer the covered amortization period without penalty charges.
BDO Network Bank	Proposed to extend the maturity dates by one month (DepEd will not remit payment for one month), without interest on interest, penalty charges, and the borrower shall not be considered delinquent.
OTHER INSTITUTIONS	
Armed Forces and Police Savings and Loans Association, Inc. (AFPSLAI)	One-month suspension of loan payment, with no penalty charges for all loans paid through salary/pension deduction, with an effect that loan remittance will be subject to an additional one-month amortization.
Philippine Army Finance Center Producers Integrated Cooperative (PAFCPIC)	Temporary suspension of the payment of all loans for the month of April , and the automatic renewal of the back-to-back loan upon its maturity, subject to the terms and conditions of the credit policy.
ACDI Multipurpose Cooperative (ACDI MPC)	Effective April, all loans under the salary/pension deduction scheme are suspended for one month, with the effect of one-month extension in the loan term.
Philippine Finance Association	Allowed the extension of payment deadlines, without penalties and fees, for borrowers



SPECIMEN SIGNATURE FORM

BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

MEMORANDUM NO. M-2020- 018

To : All BSP-Supervised Financial Institutions (BSFIs)

Subject : Frequently Asked Questions (FAQ) on the Implementing Rules and Regulations (IRR) of Section 4(aa) of Republic Act (R.A.) No. 11469, Otherwise Known as the "Bayanihan to Heal As One Act"

To facilitate the implementation of the Implementing Rules and Regulations (IRR) of Section 4(aa) of Republic Act (R.A.) No. 11469, otherwise known as the "Bayanihan to Heal as One Act", additional guidance and clarifications are hereby provided in the attached Frequently Asked Questions (FAQ).

For information and compliance.


BENJAMIN E. DIOKNO
 Governor

Att: a/s

6 April 2020

**Frequently Asked Questions (FAQ)
on the Implementing Rules and Regulations (IRR) of
Section 4(aa) of RA 11469 or the "Bayanihan to Heal As One Act"**

1. Which types of financial institutions (FIs) are covered by the IRR of Section 4(aa) of the "Bayanihan to Heal As One Act?"

- For purposes of BSP implementation of the IRR, it shall cover all BSP-Supervised Financial Institutions (BSFIs) with lending operations. These include banks, quasi-banks, non-stock savings and loan associations, credit card issuers, trust departments/corporations, pawnshops, and other credit granting entities under the supervision of BSP.

2. Does the IRR apply to loans extended by banks abroad to Filipino residents? *n/a*

- No, the IRR applies only to loans extended by FIs established in the Philippines.

3. Will the IRR cover loans of borrowers who have been previously required by lending institutions to execute a waiver of their right to avail of the benefits of the grace period granted under Section 4(aa) of the "Bayanihan to Heal as One Act" prior to the effectivity of the IRR?

- Yes, the loans will still be covered by the mandatory 30-day grace period notwithstanding the execution by the borrower of a waiver prior to the issuance of the IRR. Section 3.03 of the IRR states that "no waiver previously executed by borrowers covering payments falling due during the ECQ period shall be valid." Effectively, any waiver previously executed by borrowers covering loan payments falling due during the Enhanced Community Quarantine (ECQ) period shall be considered void. Nonetheless, borrowers may still choose to pay their obligations as they fall due during the ECQ period.

4. Does the IRR apply to all loan accounts whether current or past due?

- Yes, the IRR covers all accounts regardless of whether these are current or past due.

5. Are loan accounts covered by post-dated checks, auto debit or auto deduct arrangements with lending FIs covered by the IRR?

- Yes, the IRR covers loan accounts with issued post dated checks and those with auto debit or auto deduct arrangements. In this case, FIs are advised to coordinate with their clients if they wish to proceed with the arrangement despite the mandatory

in

30-day grace period granted by law. FIs shall also coordinate with their clients if they wish to reverse checks cleared or payments debited/deducted prior to the enactment of the Bayanihan Act and its IRR, during the mandatory 30-day grace period. The reversal shall be done without corresponding fees and charges.

6. Are fees/charges related to loans extended or credit lines granted (e.g. credit card renewal fees) scheduled to be paid to during the ECQ period covered by the IRR?

- Yes, fees and charges related to loans extended or credit lines granted are covered by the IRR.

7. How will the curing period of banks provided under Section 304 on Past Due Accounts and Non-Performing Loans of the New Manual of Regulations for Banks (MORB) be relevant in the application of the IRR? Can the 30-day curing period provided by banks to past due accounts be considered as a form of compliance with Section 4(aa) of the "Bayanihan to Heal as One Act" and its IRR? Or would it be added to the 30-day grace period provided by the subject law?

- The 30-day mandatory grace period under the law effectively moves the payment due date. The curing period provided under Section 304 of the MORB will be applied based on the new due date of the account.

8. Are banks required to include in their letters of request for regulatory relief the application of the grace period even if this is already mandated under the "Bayanihan to Heal As One Act" and its IRR?

- No. Banks are not required to request for application of 30-day grace period under the Act.

9. When will the 30-day grace period commence? Will it be from payment due date or from end of the ECQ?

- The 30-day grace period shall commence from the payment due date falling within the ECQ period.

10. Will the principal amount payable during the grace period be added to the principal amount due in the next payment due date or will the final due date of the entire loan move by 30 days?



- The last payment due date will move by 30 days. Interest accrued during the 30 day mandatory grace period may be paid in lump sum on the new date or on a staggered basis over the remaining term of the loan. Please refer to the example provided.

Q: who will
decide w/c
option?
PAYMENT PROGRAM
will extend
END DATE ON
STAGGERED
BASIS; EMP
MAY CHOOSE
TO FULL PAYMENT

Example: A 5-year loan, with remaining maturity life of 4 years. If the monthly amortization of the loan due on 2 April 2020 is P10,500.00 with a portion applied to payment of the principal (e.g., P10,000) and monthly interest (e.g., P500):

- a. What will the new due date be applying the 30-day grace period?

Answer: 2 May 2020

- a. How much will the borrower pay on the next due date? Answer: Principal for 1 month plus interest for 2 months

$$10,000 + 500 + 500 = 11,000$$

OR

Principal for 1 month plus interest for 1 month plus
interest for 1 month/(4 yrs x 12 months)

$$10,000 + 500 + (500/(4 \times 12)) = 10,510.42$$

(Assuming that the principal and interest are constant at P10,000 and P500, respectively)

This will move the due date of the last payment due by 30 days, e.g if the last payment is due on 2 April 2024 before the application of the 30 day grace period, it will now be 2 May 2024.

11. Will amortizations be rescheduled in line with the 30-day grace period (i.e., plus one period for monthly amortizations)? Do BSFIs need to issue new Promissory Notes/Disclosure statements for the new amortization schedule?

- Yes. The amortizations will be effectively rescheduled in accordance with the 30-day grace period. Please refer to the example provided in Item no. 10. There is no need to issue new Promissory Notes/Disclosure statements.

nd

12. How will the IRR provisions apply to loans other than those amortized monthly (i.e., quarterly, semestral)?
- The 30-day grace period will apply to all loans regardless of its amortization schedule, as long as the due date falls within the ECQ. FIs will add 30 days to the due date falling within the ECQ period to determine the new due date.
13. With respect to Section 5.02 of the IRR, how will the accrued interest be amortized over the remaining life of the loan? Do loan schedules need to be revised?
- Please refer to Item nos. 10 and 11 .
14. Will the accounts applying the 30-day mandatory grace period be included in the past due loan (PDL) ratio computation and do banks need to apply for exclusion of the accounts as PDL?
- No. The accounts applying the 30-day grace period will not be included in the PDL ratio computation. Likewise, banks no longer need to apply for exclusion of the accounts in the computation of the PDL ratio.
15. Do borrowers need to apply or request for approval from the lending FI for the application of the 30-day grace period?
- No. The 30-day grace period will automatically be applied by all lending FIs.
16. For credit card revolvers (i.e., borrowers that do not pay in full every payment period), will interest on their outstanding balances continue to accrue during the 30-day grace period?
- Under the IRR, interest will continue to accrue and this will be payable on the next due date, following the application of the 30-day grace period, either in lump sum or on staggered basis.
17. For credit card transactors, will interest accrue on the outstanding balance during the 30-day grace period?
- Credit card transactors will not be charged any interest during the 30-day grace period if they pay the total outstanding balance on or before the new due date.





GSIS Government Service Insurance System
Financial Center, Pasay City, Metro Manila 1308

GSIS MEMORANDUM CIRCULAR NO. 015, SERIES OF 2020

TO : HEADS OF CONSTITUTIONAL BODIES; BUREAUS AND AGENCIES OF THE NATIONAL GOVERNMENT; LOCAL GOVERNMENT UNITS; GOVERNMENT OWNED OR CONTROLLED CORPORATIONS; STATE UNIVERSITIES AND COLLEGES; AND ALL OTHERS CONCERNED

SUBJECT : MORATORIUM ON ALL LOAN PAYMENTS OF GSIS MEMBERS AND PENSIONERS AFFECTED BY CORONA VIRUS DISEASE 2019 (COVID-19)

Pursuant to the passage of RA Republic Act No. 11469 entitled "*Bayanihan to Heal as One Act*" and approval of GSIS Board Resolution No. 42-2020, the following guidelines on "*Moratorium on Loan and Rental Payments of GSIS Members and Pensioners Affected by COVID-19*", are hereby issued:

A. GENERAL POLICY

The moratorium shall mean deferment of payment of loan amortization due for the months of March, April and May 2020. The payment of loan amortization (principal and interest) shall resume on June 2020. Accordingly, the term of the loan is extended by a maximum of three (3) months.

Further, no interest on the loan shall be charged during the period of moratorium, or shall be added to the monthly amortization payable over the remaining term of the loan.

B. ELIGIBILITY

The following are eligible to avail of the moratorium:

1. GSIS active members and housing loan borrowers with loan accounts not declared in default as of February 29, 2020.
2. Pensioners who availed of the Pension Loan, Pensioner's Emergency Loan or Pensioner's Restructured Loan that are active or within the payment term.
3. Inactive GSIS members who availed of the GSIS Program for Restructuring and Repayment of Debts (PRRD) and whose accounts are active and not declared in default as of February 29, 2020.

As a general rule, an account is considered in default when it has incurred more than six (6) unpaid monthly amortizations. Consequently, if the loan/account is in default as of February 29, 2020, the borrower shall not be eligible to the moratorium program.

C. ACCOUNTS COVERED

The following loans that are not classified as in default as of February 29, 2020, including those granted on or before April 23, 2020, are covered by the moratorium program:

1. Consolidated Loan
2. GSIS Financial Assistance Loan (GFAL)
3. Educational Assistance Loan II (EAL II)
4. Emergency Loan
5. Regular Policy Loan
6. Optional Policy Loan
7. Home Emergency Loan Program (HELP)
8. Real Estate Loan
9. Restructured Real Estate Loan
10. Low Cost Housing / Deed of Conditional Sale
11. Pension Loan
12. Pensioner's Emergency Loan
13. Pensioner's Restructured Loan
14. Program for Restructuring and Repayment of Debt (PRRD)

D. EXCLUSIONS

Loan accounts that are declared due and demandable as of February 29, 2020, including loans granted after April 23, 2020, shall not be covered by the moratorium program.

E. CONDITIONS FOR AVAILMENT

Qualified borrowers are automatically covered by the moratorium and need not file a request or application. However, for those who do not intend to avail of the moratorium program, a written notice must be sent to the GSIS.

F. STOPPAGE OF DEDUCTION/PAYMENT

Government agencies will immediately cause the temporary stoppage of all loan deductions of qualified borrowers availing the program.

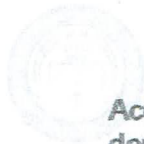
Loan deductions which were already made but not yet remitted to the GSIS shall be refunded to the concerned members.

Loan deductions already remitted to the GSIS will be applied to the outstanding balance of the loan in accordance with the order of priority in application of payments (*fire/redemption insurance, penalties, interest and principal*).

Deduction of loan repayments from Basic Monthly Pension (BMP) shall be automatically stopped in the May 2020 pension.

G. SUSPENSION OF COLLECTION

During the moratorium period, the sending of collection notices to qualified avalees of this program shall be suspended.



Accordingly, borrowers who have not qualified under the program shall still be issued demand letters and collection notices, if necessary.

H. RESUMPTION OF DEDUCTION

After the end of the moratorium period on May 31, 2020, the Administrative/Finance Officer/AAO, without need of notice from the GSIS, shall resume the deduction of the monthly loan amortization in June 2020 payroll for remittance on or before July 10, 2020.

In the case of pensioners, deduction from BMP shall commence immediately in June 2020.

Housing loan borrowers who are paying thru PDCs shall likewise resume paying the required monthly amortization without need of notice or demand, starting June 2020.

Other avalees of this program should resume their monthly amortization starting June 2020 in order to avoid their account from being declared in default.

The existing policy on declaring accounts in default shall apply after the end of the moratorium period on May 31, 2020.

I. INSURANCE COVERAGE DURING THE PERIOD OF MORATORIUM

The Loan Redemption Insurance (LRI) coverage and Housing Loan redemption Insurance (HLRI) of qualified avalees shall continue to be in force during the moratorium period.

For LRI, the existing policy of the GSIS under PPG No. 282-15 (Omnibus Rules on Loans Redemption Insurance Benefit) shall be applied in case of contingency during moratorium, and for HLRI, PPG No. 196-07 (Housing Loan redemption Insurance).

Original Signed

ROLANDO L. MACASAET
President and General Manager

Date: _____

SCHOOL DIVISION OFFICE OF SIKATKUNTA CITY
OFFICE OF THE SUPERVISOR
Department of Education





Republic of the Philippines
Department of Education

DepEd Provident Fund National Chapter

MEMORANDUM

FOR: **LEONOR MAGTOLIS BRIONES**
Secretary, Department of Education

FROM: **USEC. ANNALYN M. SEVILLA**
Chairperson, DepEd Provident Fund National Board of Trustees

SUBJECT: **PROPOSED THREE-MONTH MORATORIUM ON PROVIDENT FUND
LOANS WITHOUT IMPOSING ADDITIONAL INTEREST**

DATE : **06 April 2020**

In compliance with the Implementing Rules and Regulations (IRR) of Section 4(aa) of Republic Act No. 11469, also known as "Bayanihan to Heal as One Act", the DepEd Provident Fund National Board of Trustees (PF NBT) respectfully endorses to the DepEd Secretary, for approval, its **Board Resolution No. 02, s. 2020** which proposes the imposition of a three-month moratorium on PF loan payments from April to June 2020, to help its members who are in financial distress due to the COVID-19 crisis. Attached is a copy of the draft Board Resolution which was approved by the majority of the members, for your reference.

Under the foregoing proposal, PF loan amortization already deducted from the April 2020 salaries of the concerned DepEd personnel will be refunded through special payrolls and will be credited to their respective ATM payroll accounts while loan payments for May and June 2020 will not be deducted from the payroll. Payment period will be extended for three months. During the moratorium period, DepEd borrowers will not be charged of accrued interest and penalty.

For the Secretary's consideration and approval.

Cc: DepEd PF NBT Members
Board Secretariat

FAQs on Land Bank of the Philippines' COVID-19 60-day extension to Salary Loan Borrowers

What is the 60-day extension granted to Salary Loan Borrowers?

The 60-day extension is a grace period payment option that allows Salary Loan borrowers to defer the covered amortization period without penalty charges.

Sample Illustration:

Due Date	During Moratorium	After Moratorium Period
March 15, 2020	No additional interest and penalty	No additional interest but if remained unpaid, additional penalty shall be imposed

What is the period coverage of the 60-day extension period?

Amortization dues covering March 15 up to April 30, 2020

Example

Amortization Due Date	Payment Due Date	Penalty
March 15, 2020	May 15, 2020	Payments received beyond the due date shall incur penalty
March 31, 2020	May 31, 2020	
April 15, 2020	June 15, 2020	

Who are qualified to avail this program?

All Salary Loan borrowers (LLS/LMLS) regardless of loan status are entitled to avail this program.

For Past Due loan, interest and penalties shall be imposed before and after the moratorium period until full payment of loan.

What will happen to Agencies with Auto-debit arrangement?

Existing auto-debit arrangement shall be suspended until the end of the 60-day extension period.

What if I have already paid my amortization due last March 15, am I still qualified to avail of the moratorium?

Yes, borrowers can request for reversal thru its Agency

Can I still pay during the moratorium period?

Yes, borrowers are encouraged to utilize the eBanking (MBA or i-Access) facilities of LBP for their loan payments

Will I be charged of penalty as a result of the 60-day extension?

No penalty will be charged during the moratorium days.

Can I still renew my loan?

Yes, loan renewal may be granted during moratorium provided with six (6) months paid amortization. However, after the moratorium period, borrowers thru its Agency can renew their loan without the six (6) months paid amortization.



Republic of the Philippines
Department of Education
 OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
OUF-2020-0113

FOR : UNDERSECRETARIES
 ASSISTANT SECRETARIES
 BUREAU AND SERVICE DIRECTORS
 REGIONAL DIRECTORS
 SCHOOLS DIVISION SUPERINTENDENTS
 FINANCE AND ADMINISTRATIVE DIVISION/SECTION/UNIT
 CHIEFS
 SCHOOL HEADS OF IMPLEMENTING UNIT SECONDARY SCHOOLS
 SCHOOL DISTRICT SUPERVISORS
 ACCOUNTANTS
 BUDGET OFFICERS
 BOOKKEEPERS
 ALL OTHERS CONCERNED

FROM : 
 ANNALYN M. SEVILLA
 Undersecretary

SUBJECT : DEFERMENT OF THE RELEASE OF REMITTANCE ON LOANS FOR
 THE PAYROLL MONTH OF APRIL 2020

DATE : April 3, 2020

On March 24, 2020, President Rodrigo Duterte signed into law the "Bayanihan to Heal as One Act" granting him additional powers to address the emergency health crisis the country is now facing due to the coronavirus disease (COVID-19) threat.

Under Section 4(aa), the President is authorized to "Direct all banks, quasi-banks, financing companies, lending companies, and other financial institutions, public and private, including the Government Service Insurance System, Social Security System and Pag-ibig Fund, to implement a (30)-day grace period for the payment of all loans, including but not limited to salary, personal, housing, and motor vehicle loans, as well as credit card payments, falling due within the enhanced Community Quarantine without incurring interests, penalties, fees, or other charges. persons with multiple loans shall likewise be given the minimum (30)-day grace period for every loan;".

Pursuant to this, the Department of Finance (DoF) has issued on April 1, 2020 the implementing rules and regulations (IRR) directing all lenders to grant a 30-day grace period or extension for the payment of all loans, falling due within the enhanced community quarantine (ECQ) period, without slapping interest on interest or any additional charges and fees on the borrowers.



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To standardize and harmonize the legal interpretations and implications of the implementation of DoF's rules and regulations, this Office is closely coordinating with the DoF, Government Financial Institutions (GFIs) and the Automatic Payroll Deduction System (APDS)-accredited Private Lending Institutions (PLIs) in the crafting of DepEd's internal guidelines.

Thus, pending the issuance of internal guidelines, all offices/units involved in the preparation and processing of loan remittance are hereby instructed to hold in abeyance the remittance of the loan amortizations for the month of April 2020, until further notice.

Rest assured that this Office is committed to issue the internal guidelines at the soonest possible time.

For strict compliance.

cc: **Leonor Magtolis Briones**
 Secretary





Republic of the Philippines

Department of Education

OFFICE OF THE UNDERSECRETARY FOR FINANCE

April 7, 2020

**A GENERAL LETTER TO ALL PRIVATE LENDING INSTITUTIONS ACCREDITED
WITH THE DEPARTMENT'S AUTOMATIC PAYROLL DEDUCTION SYSTEM
(APDS) PROGRAM**

For your ready reference and guidance, we are furnishing you a copy of the Implementing Rules and Regulations (IRR) of Section 4(aa) of Republic Act No. 11469, otherwise known as the "Bayanihan to Heal as One Act", signed by Secretary Carlos G. Dominguez, Department of Finance (DOF), dated April 1, 2020, relative to the implementation of a minimum of 30-days grace period for all loans with principal and/or interest falling due within the Enhanced Community Quarantine period.

The Department of Education (DepEd) will issue internal guidelines following the said IRR for uniform implementation nationwide.

Particular attention is invited to the following provisions specified in Rule III (Mandatory Grace Period) and Rule V (Effect of the Grace Period), as follows:

Section 3.01. Mandatory Grace Period. *All Covered Institutions shall implement a 30-day grace period for all loans with principal and/or interest falling due within the ECQ Period without incurring interest on interest, penalties, fees and other charges. The initial 30-day grace period shall automatically be extended if the ECQ period is extended by the President of the Republic of the Philippine pursuant to this emergency powers under the Bayanihan to Heal as One Act.*

Section 5.01. Relief for loans. *Borrowers whose loan/s with principal and/or interest falling due within the ECQ Period shall be entitled to avail of the 30-day grace period without incurring interest on interest, penalties, fees and other charges. For this purpose, no additional DST shall be imposed as a consequence of the relief so granted. Further, no DST shall be imposed on credit extensions and credit restructuring, micro-lending including those obtained from pawnshops and extensions thereof during the ECQ Period.*

Section 5.02. Treatment of accrued interest. *The accrued interest for the 30-day grace period may be paid by the borrower on staggered basis over the remaining life of the loan. Nonetheless, this shall not preclude the borrower from paying the accrued interest in full on the new date following the application of the 30-day grace period or extend grace period, as the case may be.*



Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

Following the issuance of DOF IRR, several institutions and entities, both public and private, have taken initiatives in support of the Bayanihan Law and even expanded the reliefs granted by the Law.

Cognizant of the plight of our employees who are in need of additional cash to augment their daily needs and to keep them home in light of the enhanced community quarantine, the following agencies and entities have extended help through the following measures. (See Attached Annex A)

In this regard, on behalf of DepEd employees and in support of the objectives of Bayanihan Law and the ensuing DOF directives, we request your concurrence on any of the following options:

Option 1. Minimum Relief based on Bayanihan Law and DOF IRR:

<p>1. The DepEd will not remit loan deductions for the payroll month of April 2020 to your entity but instead the said amount will be refunded to the concerned DepEd employees. No deductions will be effected during ECQ period. The termination of the loan amortizations, in effect, will be automatically extended in our payroll program for one month or based on the duration of the ECQ period¹.</p>	<p>CONFORME:</p> <p>SIGNATURE OVER PRINTED NAME Position/Designation:</p> <p>TCAA's Authorized Representative:</p> <p>Name of PLI:</p>
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Option 2. Expanded Relief Based on GSIS and DepEd Provident Fund:

<p>2. The DepEd will not remit loan deductions for the payroll month of April 2020 to your entity but instead the said amount will be refunded to the concerned DepEd employees. No deduction will be effected in May and June. And the termination of their loan amortizations, in effect, will be automatically extended in our payroll program for three (3) months; (Similar to GSIS and Provident Fund)</p>	<p>CONFORME:</p> <p>SIGNATURE OVER PRINTED NAME Position/Designation:</p> <p>TCAA's Authorized Representative:</p> <p>Name of PLI:</p>
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¹ If the ECQ period is extended, the termination date will be accordingly extended.



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In these two options, no penalties and accrued interest will be charged to the extended loan payments.

DepEd is offering these options as the best solutions that would serve the interests of both our borrowers and your businesses. We understand the importance of the automatic payroll deduction system in ensuring that borrowers are able to pay on time without incurring additional interests and penalties and your offices are assured of timely collection during these uncertain times. The above-mentioned options are also the most feasible and doable in terms of system adjustment.

In the exigency of time to process the refund and provide the necessary extra cash to our DepEd employees during the ECQ period, we hope to receive your concurrence on any of the above mentioned options or before April 15, 2020, otherwise we shall consider your conformity with Option 1.

Kindly send in advance the signed copy to the APDS Secretariat, on or before April 15, 2020, at e-mail address fs.eamd@deped.gov.ph, for records and monitoring purposes.

Thank you for your continuous partnership with DepEd.


ANNALYN M. SEVILLA
Undersecretary

Office of the President
of the Philippines
Malacañang

MEMORANDUM FROM THE EXECUTIVE SECRETARY

TO : HEADS OF DEPARTMENTS, AGENCIES, OFFICES AND INSTRUMENTALITIES OF THE GOVERNMENT, GOVERNMENT-OWNED OR -CONTROLLED CORPORATIONS (GOCCs), GOVERNMENT FINANCIAL INSTITUTIONS (GFIs), STATE UNIVERSITIES AND COLLEGES (SUCs) AND LOCAL GOVERNMENT UNITS (LGUs)

SUBJECT : EXTENSION OF THE ENHANCED COMMUNITY QUARANTINE OVER THE ENTIRE LUZON UNTIL 30 APRIL 2020

DATE : APR 07 2020

Pursuant to Republic Act No. 11469 or the "Bayanihan to Heal as One Act," Proclamation Nos. 929 and 922 (s. 2020), upon the recommendation of the *Inter-Agency Task Force for the Management of Emerging Infectious Diseases* (IATF) in its Joint Resolution No. 20 (s. 2020) dated 06 April 2020, the Enhanced Community Quarantine (ECQ) over the entire Luzon is hereby **EXTENDED** until 11:59 p.m. of 30 April 2020.

All concerned agencies are therefore directed to continue implementing existing guidelines relative to the ECQ during the period of extension, without prejudice to this Office's discretion on the relaxation of the implementation of the ECQ in certain areas, or the grant of exemptions in favor of certain sectors, as public health and food security considerations may warrant.

Further, such extension of the ECQ shall be without prejudice to the lifting or modification of existing guidelines, as may be approved by the IATF without need of further approval from this Office.

For immediate compliance.

By Order of the President:


SALVADOR C. MEDIALDEA

