

Republika ng Pilipinas  
(Republic of the Philippines)  
KAGAWARAN NG EDUKASYON AT KULTURA  
(DEPARTMENT OF EDUCATION AND CULTURE)  
Maynila

June 7, 1976

DEPARTMENT ORDER  
No. 38, s. 1976

IMPLEMENTING RULES AND REGULATIONS OF  
THE EDUCATIONAL ASSISTANCE ACT OF 1976

To: Bureau Directors  
Regional Directors  
Coordinator, State Colleges  
and Universities  
Schools Superintendents

1. Inclosed with this Department Order is a copy of P.D. No. 932 - Educational Assistance Act of 1976, otherwise known as the Study Now Pay Later Plan - and its Implementing Rules and Regulations which take effect beginning this school year, 1976-1977.
2. Attention of the Regional Directors and Schools Superintendents is invited to Rule VI, Section 4, specifying the organization of a Processing Unit in each Regional and Division Office for purposes of processing loan applications, and on the procedures of reporting on the action taken.
3. It is desired that this Unit be organized immediately and that members thereof be adequately briefed on their functions.
4. Considering the time constraints at this initial implementation of the Plan, all principals of secondary schools and heads of schools, colleges and universities are enjoined to make special provisions or arrangements to insure expeditious action on requests of applicants for required papers in support of their loan application under this Plan.
5. All school officials and teachers are enjoined to give immediate, wide publicity to this Plan.

(SGD.) JUAN L. MANUEL  
Secretary of Education and Culture







MALACANANG  
Manila

PRESIDENTIAL DECREE NO. 932

FURTHER DEMOCRATIZING EDUCATIONAL OPPORTUNITIES  
PROMOTING THE "STUDY NOW PAY LATER PLAN" AND SPECIFYING  
VARIOUS SCHEMES FOR ITS IMPLEMENTATION

WHEREAS, it is of common knowledge that many deserving students are unable to pursue their studies due to financial difficulties;

WHEREAS, it is a declared national policy to democratize access to education by providing opportunities to deserving citizens to pursue higher education and training in the fields of study vital to the development of the national economy;

WHEREAS, the limited scope and coverage of existing state scholarship programs should be supplemented by schemes whereby the state can expand its commitment of financial assistance to deserving students;

WHEREAS, the establishment of an educational assistance program more commonly known as the "study now pay later" plan has been enunciated as a major measure to promote such democratization of educational opportunities.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, hereby order and decree the following to be part of the law of the land.

Section 1. This decree shall hereinafter be referred to as the "Educational Assistance Act of 1976".

Section 2. Under such guidelines issued by the Educational Assistance Policy Council hereinafter created, poor but deserving students may avail of educational assistance from loanable funds as established below:

1. Educational Loan Funds (ELF)

(a) A loan fund initially constituted at fifty million (P50,000,000.00) pesos shall be earmarked, set









up and administered independently at the SSS and GSIS which shall allocate twenty five million (P25,000,000.00) pesos each from their investible funds spread in a yearly contribution of five million (P5,000,000.00) pesos starting calendar year 1976-77. This fund shall be used to service the financial needs of eligible students regardless of whether or not their parents or any of them are members of the SSS and GSIS. The fund shall be in addition to the current educational loan program of the SSS and the scholarship program of the GSIS.

(b) The PNB, DBP and the Land Bank shall set aside five million (P5,000,000.00) pesos each of their annual investment portfolio for the purpose. These institutions shall submit to the Council the procedural guidelines for their participation taking into account their own charter objectives.

(c) All private banking institutions and the Amanah Bank shall also earmark a certain percentage of their investible funds for the purpose.

(d) The amount of loan that may be granted each student shall be determined by the Council considering the number of years to complete his studies and the amount needed for such expenditures as tuition and other school fees, board and lodging, pocket money, books and supplies and other miscellaneous expenses.

(e) All loans under this scheme shall be covered by a guaranty fund which is hereby created, under such conditions as may be imposed by the Council.

## 2. Educational Loan Guarantee Fund (ELGF)

(a) The sum of one million (P1,000,000.00) pesos is hereby authorized to be appropriated out of any funds in the National Treasury not otherwise appropriated to constitute the initial Educational Loan Guarantee Fund. Earnings, guarantee charges, and other credits arising from the operations of this loan fund shall accrue to the Educational Loan Guarantee Fund.

(b) The guarantee fund shall be administered by the Council.







Section 3. The Council may accept donations, legacies, grants-in-aid and other contributions to form part of the Loans and/or Guarantee Funds.

Section 4. The payment of all loans granted to any student borrowers under the schemes enumerated shall be made immediately upon employment under such payroll check-off system as may be established by the Council.

Section 5. A policy making council to oversee this program is hereby created to be composed of the Secretary of Education and Culture as Chairman, the Secretary of Labor as Vice-Chairman, and the Director-General of the NEDA, Secretary of Finance, Secretary of Social Welfare, Budget Commissioner, Presidential Assistant on Youth and Sports Development, Governor of the Central Bank, Administrator of the SSS and General Manager of the GSIS or their alternates as members.

It shall be the function of the Council to:

- (a) Determine and issue the appropriate policies, measures rules and regulations necessary to implement, maintain and enhance this program.
- (b) Issue guidelines to govern existing and future educational assistance programs of other government agencies and the private sector.
- (c) Enlist the cooperation of schools and other relevant institutions for the effective implementation and enhancement of the program.
- (d) Perform such other duties as hereinafter be assigned to it by the President of the Philippines.

Section 6. An inter-agency secretariat, the composition and function of which shall be determined by the Council, is hereinafter created, to assist the Council in the implementation of this program.

The sum of two hundred thousand (P200,000.00) pesos is hereby appropriated annually to be included in the budget of the Department of Education and Culture to finance the operations of the secretariat.









page four

Section 7. Qualification of Applicants

Any Filipino citizen who graduates from a duly authorized secondary school, whether public and private, desiring to pursue further studies may avail of assistance under any of the schemes, the basic consideration being he is poor but deserving. The Council shall determine such other qualifications as it deems proper for the purpose.

Section 8. This Decree shall take effect immediately upon publication of its implementing rules and regulations in two (2) newspapers of general circulation in the Philippines.

Section 9. The Student Loan Fund Authority created under R.A. 6014 is hereby abolished. Likewise, all acts or parts of acts inconsistent herewith are hereby repealed or modified accordingly.

Done in the City of Manila, this 13th day of May, in the year of our Lord, Nineteen Hundred and Seventy Six.

(SGD) FERDINAND E. MARCOS  
President of the Philippines







RULES AND REGULATIONS IMPLEMENTING  
THE EDUCATIONAL ASSISTANCE  
ACT OF 1976  
(PRESIDENTIAL DECREE NO. 932)

Pursuant to the provision of Section 8 of Presidential Decree 932 entitled the Educational Assistance Act of 1976, the following implementing rules and regulations are hereby promulgated for the guidance and information of all concerned:

RULE I

Definition of Terms

- Section I. a) "Educational Loan Fund" refers to funds made available by lending institutions to service the financial needs of eligible students.
- b) "Educational Loan Guarantee Fund" refers to the funds to be made available by the government for lending institutions to avail of in case of default in payments of obligations.
- c) "Plan" refers to the Educational Assistance Act of 1976 or the "Study Now Pay Later Plan".
- d) "Council" refers to the Policy Making Council.
- e) "Secretariat" refers to the inter-agency body organized to assist the Council in the implementation of the Plan and serves as its implementing arm.
- f) "Priority Course" refers to any of the courses specified by the Council as necessary for national development.
- g) "Degree Programs" refers to college and university courses leading to at least a Bachelor's degree.
- h) "Non-degree Programs" refers to all post secondary vocational or technical courses, not otherwise covered by degree requirements.
- i) "School" refers to any government or duly recognized private college and university.









RULE II

COVERAGE

Section 1. The Plan shall include in its coverage Filipino citizens desiring to pursue post secondary courses in schools in the Philippines, public or private, provided they possess the qualifications required under the provisions of this Decree and its implementing rules and regulations and Provided further, that they enrol in priority courses specified by the Council.

Section 2. The Plan shall likewise include in its coverage students enrolled in priority courses in any curriculum year on the post secondary level.

RULE III

ADMINISTRATION OF FUNDS

Section 1. Educational loan funds to be made available under the Plan, pursuant to Sec. 2.1 of this Decree, shall be administered by the different participating funding institutions. Such institutions shall earmark a portion of their loanable funds every year for students entering degree or non-degree programs for the first time.

Section 2. To facilitate loan grants under this Plan, participating lending institutions shall, as soon as practicable, authorize their branch offices to extend loans according to the loan ceiling authority granted them under such guidelines as they may promulgate. Each funding agency shall issue its own procedural guidelines for its participation, including lending procedures, structuring of loan repayment, and interest rates. The Council shall in due time take steps toward the standardization of such operational procedures.

Section 3. The Educational Loan Guarantee Fund, as provided under Sec. 2.2 of this Decree including earnings of the fund, donations, legacies, grants-in-aid and other contributions accepted by the Council which form part of the said fund, shall be administered by the Council under such rules and regulations as it may promulgate. No portion of the Fund shall be expended for administration purposes.







RULE IV

QUALIFICATIONS OF LOAN GRANTEES

Section 1. Without prejudice to such exceptions as may be prescribed by the Council, an applicant for financial assistance under this Plan shall possess the following qualifications:

- a) He/She must be a Filipino citizen and a resident of the Philippines.
- b) He/She must be single and not over 25 years of age at the time of application.
- c) He/She is enrolling or is enrolled in any of the priority courses listed in Rule V hereof.
- d) He/She is in good health as shown by a medical certificate issued by a government physician.
- e) He/She must be of good moral character and has not been the subject of any disciplinary action.
- f) He/She is deserving.
  - i) For those entering the freshman year:
    - 1) He/She must have completed his secondary course in a public school or in a duly recognized private school in the Philippines and must belong to the upper 25% of his/her graduating class.
    - 2) In the case of applicant who will pursue a degree program, in addition, he/she must have qualified in the NCEE and obtained a score not lower than 50% percentile rank as shown in his NCEE rating.
  - ii) If already enrolled in a priority course:
    1. He/She must not have failed in any subject as shown in his transcript of records in the semester immediately preceding the application for a loan and must have obtained a weighted average of at least 2.5 or its equivalent during said semester.
- g) He/She is poor:
  - 1) He/She must be a dependent (son/daughter)









page four

2. He/She has no other source of support than what his parents or guardian can provide;
3. He/She is not enjoying a government or private scholarship grant or receiving any grants-in-aid for his studies from any source.

Section 2. There shall be only one grantee per family in any given school year.

#### RULE V

#### PRIORITY COURSES

Section 1. The following are the priority courses in which loan applicants may enroll, subject to such changes or additions as the Council may determine from time to time:

##### a. Degree Programs

1. BS Agriculture, Major in:  
Agronomy  
Plant Pathology  
Animal Husbandry  
Agricultural Edonomics  
Agricultural Botany  
Soils
2. BS Agricultural/Business
3. BS Agricultural Engineering
4. BS Agricultural Chemistry
5. BS Agricultural Education
6. BS Agricultural Extension
7. BS Veterinary Medicine
8. BS Mining Engineering
9. BS Sanitary Engineering
10. BS Industrial Education
11. BS Geology
12. BS Industrial Chemistry
13. BS Fisheries, Major in:  
Fishing Technology  
Inland Fisheries  
Marine Fisheries







- 14) BS Forestry, Major in:  
Forest Biological Sciences  
Forest Resources Management  
Forestry Extension  
Wood Sciences and Technology
- 15) BS Rural Sociology
- 16) BS Food Technology
- 17) BS Marine Biology
- 18) BS Sugar Technology
- 19) AB Economics
- 20) BS Chemical Engineering
- 21) BS Civil Engineering
- 22) BS Metallurgical Engineering
- 23) BS Electrical engineering
- 24) BS Geodetic Engineering
- 25) BS Aeronautical Engineering
- 26) BS Electronics and Communication Engineering
- 27) BS Mechanical Engineering
- 28) BS Marine Transportation
- 29) BS Management Engineering
- 30) BS Industrial Technology
- 31) BS Management of Small Scale Industries
- 32) BS Chemistry
- 33) BS Physics
- 34) BS Mathematics
- 35) BS Statistics
- 36) BS Textile Technology
- 37) BS Rubber Technology

statement starting among other

(1) names and ages of dependents









page six

4. Electronics
5. Mechanics
6. Diesel Technology
7. Sheet Metal Technology
8. Automotive Technology
9. Industrial Technology
10. Key Punching
11. Machine Shop Technology
12. Radio/TV Technician
13. Radio Communication
14. Aircraft Technician

#### RULE VI

#### PROCESSING OF LOAN APPLICATIONS

Section 1. Application for Loans under this Plan shall be prepared and submitted in three (3) copies on a standard form adopted by the Council and shall be filed not later than 15 days before the start of the enrolment period.

Section 2. Students enrolling in the freshman year shall file their application with the Office of the Schools Division Superintendent of the province or city of their residence.

In the case of those who are already pursuing degree or non-degree courses, applications may be filed with the Office of the Division Superintendent or the DEC Regional Office nearest the school the applicant is enrolled in.

Section 3. A loan application shall be accompanied by the following supporting documents:

- a) A xerox copy of the income tax return of the parent or guardian, or where the parent or guardian is not required to file such return, a sworn

1. Wood Pattern Making

2. Auto Mechanic







(b) A medical certificate signed by a government physician certifying to the applicant's physical fitness to pursue his/her studies.

c) (1) If applicant is enrolling in degree program in the freshman year -

(a) A xerox copy of the NCEE report of rating.

(b) Certificate of the School Registrar or Principal certifying to his/her graduation from the secondary course and that he/she is among the top 25% of entire graduating class of the school.

(2) If already pursuing a priority course, a xerox copy of ratings obtained in the semester last enrolled in.

d) If applicant is enrolling in non-degree vocational/technical course:

(1) A certificate signed by the Registrar or Principal certifying to grades obtained in all fourth year subjects, the general average and date of graduation, and further, that he belongs to the upper 25% of the entire graduating class.

e) A certificate signed by the secondary school head or Registrar that the applicant is of good moral character and that he/she has not been subject to any disciplinary action.

Section 4. For purposes of processing loan applications, a Processing Unit shall be organized in each Regional and Division Office. A ranking supervisor may be assigned to head this Unit. The Unit shall act on all applications submitted to it indicating in bold letters the action taken thereon: e.g. "APPROVED" or "DISAPPROVED".

In case of approval, the original copy of the application and all supporting documents shall be returned to the applicant who shall then proceed in accordance with the provision specified in Section 5. The second copy shall be forwarded to the Office of the Secretary and the third copy retained for file in the Regional or Division Office.

In case of disapproval, the application and supporting documents shall be returned to the applicant. One copy shall be retained for file in the Regional or Division Office.









-Section 5. After the application papers have been duly processed and approved, the applicant shall secure, as the last supporting document prior to submitting his papers to a lending institution, a certificate of admission to the priority course from the school he intends to enroll in.

Section 6. All Processing Units in the Regional or Division Offices, shall submit to the Office of the Secretary, DEC, within thirty (30) days after the opening of each school term, a report on applications processed, indicating: (1) names of applicants, (2) action taken and (3) the courses each intended to enrol in. This report shall be accompanied by the duplicate copies of all approved loan applications processed by the office.

Section 7. The Secretary of Education and Culture shall issue such directives as may be necessary for the information, guidance and compliance of all schools and offices concerned to insure the smooth and efficient implementation of the Plan.

**RULE VII**

**LOAN SCHEDULE AND OPTIONS**

Section 1. Loans that may be granted under the Plan shall be in accordance with the following schedule:

<u>Items</u>	<u>Maximum Amount Allowable Per Annum (2 Semesters)</u>
<b>I. <u>School Expenses:</u></b>	
a. Tuition and other fees	800.00
b. Books and other school supplies	500.00
<b>TOTAL I</b>	<b>1,300.00</b>
<b>II. <u>Living and Other Expenses:</u></b>	
a. Board/Lodging	2,500.00
b. Uniform and other Personal Expenses	200.00
<b>TOTAL II</b>	<b>2,700.00</b>
<b>GRAND TOTAL</b>	<b>4,000.00</b>

Section 2. A student borrower may avail of any of the following loan options:

- Option A. Living and Other Expenses (I & b; II)
- Option B. A loan for School Expenses only (I & a)







page nine

Option C. A loan for Living and other expenses only (II a&b)

Option D. A choice of any of the items in I and II of Section 1. (any of Ia, Ib, IIa or IIb)

Section 3. Nothing in this Rule shall prevent a borrower from applying for an amount less than the maximum allowable for any item in the loan schedule. The lending institutions shall make adjustments on loans applied for as actual needs, and/or circumstances warrant.

Section 4. The lending institutions shall determine the manner and schedule of release of the loans: Provided, however, that the release of loan funds shall not make it difficult for the student to get enrolled, secure his school needs, or pay his obligations on time. The student borrower shall indicate in his original loan application the option and the amount he intends to undertake, without prejudice to making a change of option in succeeding curricular years of his studies, subject, however, to approval of such request by the lending institutions which granted the loan. Unless a request for change of option is made, it shall be assumed that the borrower continues to receive the proceeds of his loan as provided in the original loan agreement with the lending institution.

## RULE VIII

### CONDITIONS OF ASSISTANCE

Section 1. Financial assistance to any grantee under the Plan shall continue to be provided until he/she shall have completed his course, subject to the following conditions:

- a. Each grantee shall enroll immediately in the semester following the approval of his/her loan.
- b. Except for extraordinary circumstances and the proper permission of the Secretariat, each grantee shall carry each semester the full load prescribed by his course of study.
- c. Under no circumstances should a grantee drop a course which would result in underloading.
- d. He/She shall not transfer from one course to another except upon prior approval of the Council.









Section 2. To qualify for continuance or renewal of assistance, a grantee shall:

- a. Maintain a weighted average of at least "2.75" or its equivalent during the preceding academic year.
- b. Not get a grade of "5" or its equivalent in more than two subjects every academic year. However, a disqualified recipient who has failed to meet the grade requirement stated above, may be reinstated in the following semester if he obtains a general weighted average of at least 2.5 or its equivalent. Any grade of "4" or INC. or its equivalent must be removed/completed prior to the next registration period.
- c. Not have been subjected to disciplinary action involving more than one month suspension.

Section 3. Each loan applicant shall, prior to the grant of a loan sign a loan agreement on a form prescribed by the lending institution.

Section 4. Financial assistance to any grantee under this Plan shall be terminated in the event a grantee becomes an awardee of other government or private scholarships or grant, without prejudice to payments by said grantee, of actual obligations incurred with the lending institution.

## RULE IX

### REPAYMENT SCHEME

Section 1. The grantee shall pay the loan including accrued interest immediately upon employment following graduation under such terms and conditions as provided in his/her loan agreement with the lending institution. To insure regular payments on his/her loan a payroll check-off system/ shall be established by the Council.

Section 2. The grantee shall be liable for repayment of the loan granted him including accrued interest in case of non-completion of the course or non-employment after graduation, under such terms and conditions as agreed upon with the lending institution.







RULE X

AVAILMENT OF GUARANTEE LOAN FUND

Section 1. A lending institutions participating under this Plan shall be covered by the Educational Guarantee Loan Fund.

Section 2. The Council, upon the recommendation of the secretariat shall promulgate the guidelines on the availment by lending institutions of the Guarantee Loan Fund.

RULE XI

SECRETARIAT

Section 1. There shall be an inter-agency secretariat to assist the Policy Council in the implementation of the Plan. It shall serve as the implementing arm of the Council.

Section 2. It shall be composed of representatives from the various agencies composing the Policy Council, a representative each of the participating lending institution, and such other members as the Council may determine. The nominations of such representatives who compose the Secretariat shall be subject to approval of the Council. The members shall elect a Chairman to preside over its meeting.

Section 3. The Secretariat shall meet regularly at least twice a month or as often as may be necessary upon the request of the Chairman or any three members thereof, or upon the call of the Council.

Section 4. The Secretariat shall be provided with staff support by the Department of Education and Culture. The administrative and operational expenses of the Secretariat shall be provided from the annual appropriation of the Department of Education and Culture, pursuant to the provisions of Sec. 6 of P.D. 932.

RULE XII

PLACEMENT

Section 1. The public employment offices of the Bureau of Employment Services of the Department









page twelve

Section 2. It shall be the function of the Secretariat to coordinate with all government agencies to monitor job openings and ensure placement of graduated grantees.

Section 3. Subject to the provisions of the existing law on recruitment and all other things being equal, preference shall be accorded graduated grantees for employment in the government service.

### RULE XIII

#### TRANSITORY PROVISIONS

Section 1. To enable grantees to enroll in the first semester of school year 1976-1977, the GSIS and SSS shall each make immediately available ₱5.0 M of their investible funds for lending to deserving applicants. The other funding institutions covered under Sec. 2.1 (b) & (c) of this Decree shall likewise make available loan funds for school year 1976-1977 in such amounts as their respective Government Boards may determine; Provided, however, that by school year 1977-78, all lending institutions shall make loan funds available in accordance with their commitments under this Decree.

Section 2. In view of the constraints of time in the implementation of the Plan, schools shall allow late enrolment of loan grantees for the first semester of school year 1976-1977, but in no case beyond June 30, 1976.

### RULE XIV

#### EFFECTIVITY

This Decree and its implementing rules and regulations shall take effect upon publication in two newspapers of general circulation in the Philippines.

ADOPTED by the Policy Council this 4th day of June, 1976, in the City of Manila, Philippines.







LOAN APPLICATION

(STUDY NOW PAY LATER PLAN)

(Before accomplishing this Form, please read  
Instructions printed at the back hereof)

NAME OF APPLICANT: \_\_\_\_\_ Nationality: \_\_\_\_\_  
Surname Given Name Middle Name

ADDRESS: \_\_\_\_\_

DATE OF BIRTH: \_\_\_\_\_ PLACE OF BIRTH: \_\_\_\_\_

PARENT/GUARDIAN AGE: \_\_\_\_\_ SEX: \_\_\_\_\_  
OCCUPATION: \_\_\_\_\_

PRESENT ADDRESS: \_\_\_\_\_

SCHOOL GRADUATED FROM: (Secondary) \_\_\_\_\_

(For Freshmen): Location: \_\_\_\_\_

Course Desired: \_\_\_\_\_ Length of Course: \_\_\_\_\_  
(Refer to list of Priority Courses)

School (College/University) to enroll in (if freshman) \_\_\_\_\_

Location: \_\_\_\_\_

(For Non freshmen)

Course already enrolled in: \_\_\_\_\_

School (College/University) enrolled: \_\_\_\_\_

State Curriculum Year: \_\_\_\_\_

LOAN OPTION DESIRED (Encircle only one)

Amount Applied for:

OPTION A - Full Loan (School and Living Expenses) ..... P \_\_\_\_\_

OPTION B - School Expenses only (Tuition and Books) ..... P \_\_\_\_\_

OPTION C - Living and Other Expenses only ..... P \_\_\_\_\_

OPTION D - Check: I. a.b. II. a.b. .... P \_\_\_\_\_

Total ..... P \_\_\_\_\_

I attach herewith the pertinent documents in support of my Loan Application. (See list of requirements at the back.)

I hereby certify that I have read the terms and conditions governing loan grants as provided under PD 932 and its implementing Rules and Regulations and hereby pledge strict observance and compliance therewith.



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**INSTRUCTIONS**

1. Only Filipino citizens, single and not more than 25 years old may apply for an educational loan under the STUDY NOW PAY LATER PLAN.
2. This application should be accomplished in three copies and submitted to the Office of the Schools Division Superintendents of the province or city where applicant is residing, or in the case of a student already pursuing post secondary course, in the Regional or Division Office nearest the school he is enrolled in.
3. The following documents should accompany this loan application:
  - a. A xerox copy of the income tax return of the parent or guardian, or where the parent or guardian is not required by law to file such return, a sworn statement stating among others, the names and ages of dependents and the aggregate annual family income from all sources.
  - b. A medical certificate signed by a government physician certifying to the applicant's physical fitness to pursue his/her studies.
  - c. If applicant is enrolling in degree program in the freshman year, a xerox copy of the NCEE report of rating and a certificate of the School Registrar or Principal certifying to his/her graduation from the secondary course and that he/she is among the top 25 percent of the entire graduating class of the school.  
 If already pursuing a priority course, a xerox copy of ratings obtained in the semester applicant was last enrolled.
  - d. If applicant is enrolling in non-degree vocational/technical course, a certificate signed by the Registrar or Principal certifying to grades obtained in all fourth year subjects, the general average and date of graduation, and further, that he belongs to the upper 25 percent of the graduating class of the school.
  - e. A certificate signed by the secondary school head or Registrar that the applicant is of good moral character and that he/she has not been subject to any disciplinary action.
4. If loan application is approved by the Processing Unit in the Regional/School Division Office, the applicant should then secure a certificate of admission from the school he intends to enrol in.
5. The applicant shall then submit the approved application form, together with all supporting documents and the certificate of admission from the school/college/university to the lending institution, eg. (GSIS Office, SSS branch office, PNB, etc.) for appropriate action.

**RULE VII - LOAN SCHEDULE AND OPTIONS**

Section 1. Loans that may be granted under the Plan shall be in accordance with the following schedule:

Items	Maximum Amount Allowable Per Annum (2 Semesters)
<b>I. School Expenses</b>	
a. Tuition and other fees .....	P 800.00
b. Books and other school supplies .....	500.00
<b>TOTAL I</b> .....	<b>P 1,300.00</b>
<b>II. Living and Other Expenses</b>	
a. Board/Lodging .....	P 2,500.00
b. Uniform and Other Personal Expenses .....	200.00
<b>TOTAL II</b> .....	<b>P 2,700.00</b>
<b>GRAND TOTAL</b> .....	<b>P 4,000.00</b>

Section 2. A student borrower may avail of any of the following loan options:

- Option A. A full loan to cover School Living and Other Expenses (I a & b; II a & b)
- Option B. A loan for School Expenses only (I a & b)
- Option C. A loan for living and other expenses only (II a & b)
- Option D. A choice of any of the items in I and II of Section 1 (any of 1a, 1b, IIa or IIb)

Section 3. Nothing in this Rule shall prevent a borrower from applying for an amount less than the maximum allowable for any item in the loan schedule. The lending institutions shall make adjustments on loans applied for an actual





