



Republic of the Philippines  
**Department of Education**  
Region XI  
**SCHOOLS DIVISION OF DIGOS CITY**

Office of the Schools Division  
Superintendent

**DIVISION MEMORANDUM**  
OSDS\_2022\_007

December 7, 2022

To: All School Heads  
All Teaching and Non-Teaching Personnel of Elementary and Secondary  
Schools  
All SDO Personnel

Subject: **ADJUSTMENT OF INTEREST RATES ON LOANS  
FOR MALAYAN SAVINGS BANK INC.**

Date: **December 7, 2022**

Herewith is a copy of Regional Memorandum ASD-2022-128 Dated November 28, 2022, re: "Adjustment of Interest Rates on Loans for Malayan Savings Bank Inc." informing this office of the adjustment of interest rates on loans to be offered to DepEd personnel effective November 1, 2022, for reason stated therein.

All School Heads are hereby directed to disseminate the aforementioned information to the greatest extent possible within their area of governance.

Teachers are hereby reminded to apply for this loan only when it is deemed very necessary.

**CRISTY C. EPE**

Schools Division Superintendent

DepEd Schools Division of Digos City  
RECORDS SECTION

**RELEASED**  
27-15094  
DATE: DEC 14 2022 TIME: 8:30am  
BY:

Enclosed: As stated.  
HR/SAI





Republic of the Philippines  
**Department of Education**  
DAVAO REGION

**Office of the Regional Director**

**REGIONAL MEMORANDUM**

ASD-2022-128

To : Schools Division Superintendents / OIC-SDS

Subject: ADJUSTMENT OF INTEREST RATES ON  
LOANS FOR MALAYAN SAVINGS BANK INC.

Date : November 28, 2022

Herewith is the copy of the letter dated October 20, 2022 from the Office of the Undersecretary for Finance, Department of Education, relative to its approval on the adjustments being made by the Malayan Savings Bank Inc. to its interest loans being offered to the DepEd personnel effective November 01, 2022, for reasons stated therein.

The Schools Division Superintendents are hereby directed to disseminate the said information to its widest scope within its area of governance.

Teachers are hereby reminded to apply in this loan only when deemed very necessary.

Enclosed: As stated.

ROA3/PS/ljtj

**ALLAN G. FARNAZO**

Director IV

By the Authority of the Regional Director

**MARIA INES C. ASUNCION**

Director III

Office of the Assistant Regional Director

DEPARTMENT OF EDUCATION ROXAS  
RECORDS SECTION

**RELEASED**

By: 11906

Date: Dec. 01, 2022





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

October 20, 2022

**ALBERTO EMILIO V. RAMOS**  
President and COO  
Malayan Savings Bank Inc. (MSBI)  
GF 104 Majalco Building  
Trasierra cor. Benavidez Streets  
Legazpi Village, Makati City

Dear **Mr. Ramos**:

Greetings from the Department of Education (DepEd)!

This pertains to the attached letter of Mr. Jhody D. Generoso II, Assistant Vice President, Teacher's Loan Head, informing this office of the adjustment of interest rates on loans to be offered to DepEd personnel effective November 1, 2022, for reasons stated therein.


This office interposes no objection on the adjustment of interest rates considering that based on the submitted sample computations, the resulting Effective Interest Rates (EIR) of loans are still within the EIR ceilings provided in DepEd Order No. 004, s. 2022 entitled "Extension of Loan Terms of Payment Under the Department's Automatic Payroll Deduction System (APDS) Program" as shown below. This shall form part as amendment of Annexes D-1 to D-5 of the MSBI's Terms and Conditions for APDS Accreditation for loans.

<b>Particulars</b>	<b>DepEd Ceilings per Annum</b>	<b>MSBI Proposed Rates</b>
Contractual Interest Rates per annum (based on diminishing/declining principal balance)	1 year - 7.500%	1 year - 7.000%
	2 years - 9.000%	2 years - 7.250%
	3 years - 9.660%	3 years - 7.500%
	4 years - 9.660%	4 years - 7.500%
	5 years - 9.660%	5 years - 7.500%
One-time Other Charges (Must be itemized in the Disclosure Statement)	6.000% of principal amount, regardless of term, deducted upfront from the loan proceeds	6.000% of principal amount, regardless of term, deducted upfront from the loan proceeds
Effective Interest Rates (EIR) per annum	1 year - 21.091%	1 year - 20.479%
	2 years - 16.351%	2 years - 14.306%
	3 years - 14.886%	3 years - 12.396%
	4 years - 13.759%	4 years - 11.294%
	5 years - 13.082%	5 years - 10.627%

It is understood that all loans to be approved by MSBI shall be subject to the verification process by the designated DepEd verifier on the resulting Net Take Home Pay (NTHP) of the borrowers and other conditions stipulated in MSBI's TCAA.

Thank you.

Sincerely yours,

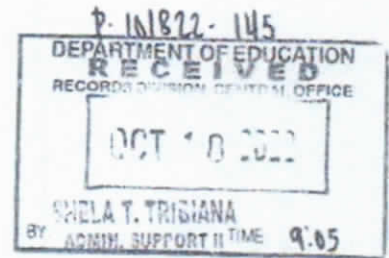


**ANNALYN M. SEVILLA**  
Undersecretary

eamd/mjg

**Copy Furnished:**

**- 12069** *Regional Directors, Chiefs of Administrative and Finance Divisions and  
Heads of Payroll Services Units, DepEd Regions I, III, IV-A, VI, VII, XI, NCR and CAR*



October 14, 2022

Annalyn M. Sevilla  
Undersecretary of Finance  
Department of Education

10/17  
ETMD  
pls acknowledge  
appropriate action

473 988  
Office of the Undersecretary  
Finance  
Received by: Tim  
Date: 18 Oct Time: 10:00

Dear Usec. Sevilla,

Good day.

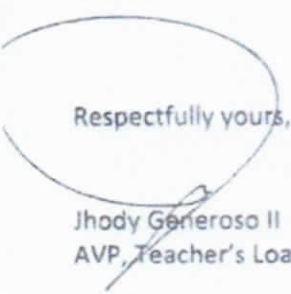
Last August 18, 2022, the Bangko Sentral ng Pilipinas (BSP) decided to raise the key policy interest rate to 3.75%. The key policy rate increased by 50 basis points (bps) to 3.75% last 19 August 2022. This further action is meant to anchor inflation expectations and avoid a breach in the inflation target range in 2023.

In this regard, after much deliberation, we at Malayan Savings Bank have deemed it necessary to adjust our rates in order to keep pace with the continuous increase in the interest rates of the Bangko Sentral ng Pilipinas. Beginning November 1, 2022, our 2-year loan term will now be at 7.25% and 3 to 5-year term to 7.5% from 7% respectively. Attached herewith are the effective interest rate calculation models for your reference.

This was a tough decision to make, and we understand how it affects our existing and future borrowers. However, we need to balance our clients versus our operating expense and latter outweighs the former.

Thank you.

Respectfully yours,

  
Jhody Generoso II  
AVP, Teacher's Loan Head

Particulars	DepEd Ceilings		Actual Rates		Remarks	
Contractual Interest Rates per annum (based on diminishing/declining principal balance)	1 year	7.500%	1 year	7.000%	Below ceiling	-0.500%
	2 years	9.000%	2 years	7.250%	Below ceiling	-1.750%
	3 years	9.660%	3 years	7.500%	Below ceiling	-2.160%
	4 years	9.660%	4 years	7.500%	Below ceiling	-2.160%
	5 years	9.660%	5 years	7.500%	Below ceiling	-2.160%
One-Time Other Charges (Must be itemized in the Disclosure Statement)	6% of principal amount, regardless of term, deducted upfront from the loan proceeds		6% of principal amount, regardless of term, deducted upfront from the loan proceeds		Within ceiling	
Effective Interest Rates (EIR) per annum	1 year	21.091%	1 year	20.479%	Below ceiling	-0.612%
	2 years	16.351%	2 years	14.306%	Below ceiling	-2.045%
	3 years	14.886%	3 years	12.396%	Below ceiling	-2.490%
	4 years	13.759%	4 years	11.294%	Below ceiling	-2.465%
	5 years	13.082%	5 years	10.627%	Below ceiling	-2.455%

Prepared by:

  
VICENTE G. GAVILENO  
Loans Operations Head

Noted:

  
JHODY D. GENEROSO, II  
AVP, Dept. Head - Teacher's Loan