Implementation of Study Now Pay Later Plan (SNPLP) per Section 10 (C) of Republic Act No. 8545

In accordance with the pertinent provisions of Republic Act No. 7722, otherwise known as the “Higher Education Act of 1994” and in consonance with Section 10 (c) of Republic Act No. 8545, also known as the “Expanded Government Assistance to Students and Teachers in Private Education (GASTPE) Act that “Any loan granted under the Section shall be paid by the student-debtor after he has finished the course or profession for which the proceeds of the loan was expended, but only after a period of two (2) years from the time he has acquired an employment: provided, however, that interest at the rate of not more than six percent (6) per annum shall accrue to the balance thereof” hereunder is the interpretation of the above subject by CHED Legal Service:

1. The student is a debtor to CHED for the amount of loan that he or she availed under the SNPLP Program.
2. The loan should have been spent to enroll in a degree program or profession.
3. The student should have graduated from the degree program enrolled in.
4. The student-debtor is obliged to pay CHED the amount of loan availed of only two (2) years after acquiring an employment. If he/she has not acquired gainful employment, then the period of two (2) years does not even begin to run.
5. The interest shall accrue only after the conditions mentioned in Nos. 1 to 4 above have been met, or actually exist. In this case, the period of repayment will actually commence even if the student is subsequently not able to sustain that job and becomes unemployed again.
6. The student-debtor may pay directly to any CHED Regional Offices or to the CHED Central Office through the Office of Student Services (OSS).