



Bangko Sentral ng Pilipinas
MEMORANDUM

DEPARTMENT OF LOANS AND CREDIT
Monetary Operations Sub-Sector

MEMORANDUM NO. M-2009-041

To : **All Concerned Banks**

Subject : **Acceptability of Certificate of Land Ownership Award (CLOA) and Emancipation Patent (EP) for Rediscounting**

Date : 4 November 2009

Promissory Notes secured by a mortgage on Certificate of Land Ownership Award or Emancipation Patent are not among the eligible papers acceptable for rediscounting with the Bangko Sentral ng Pilipinas in view of statutory prohibition on such land titles. Presidential Decree No. 27 provides that title to lands acquired pursuant to the Land Reform Program of the Government shall not be transferable except by hereditary succession or to the Government. Further, Section 27 of Republic Act No. 6657 provides that lands acquired by the beneficiaries under the Act may not be sold, transferred or conveyed except through hereditary succession, or to the government, the Land Bank of the Philippines, or other qualified beneficiaries for a period of ten (10) years.

For guidance.


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Director

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