



Bangko Sentral ng Pilipinas

MEMORANDUM TO ALL BANKS AND NON-BANK FINANCIAL INSTITUTIONS PERFORMING QUASI-BANKING FUNCTIONS (NBQBs)

SUBJECT: Issuance of Certificate of Eligibility (COE) under the
Special Purpose Vehicle (SPV) Act of 2002

Relative to the implementation of R.A. No. 9182, also known as "The Special Purpose Vehicle (SPV) Act of 2002", please be reminded that unless a law extending the effectivity of the SPV Act of 2002 is passed, the following transactions enumerated as items 1 to 6 of Section 15 of the Implementing Rules and Regulations (IRR) of said Law shall be entitled to the tax exemptions and fee privileges under the same Section only if such transactions occur not later than 12 April 2005:

- (1) The transfer of the NPL by the FI to an SPV;
- (2) The transfer of the ROPOA by the FI to an SPV;
- (3) The dacion in payment (dacion en pago) of the NPL by the borrower to the FI;
- (4) The dacion in payment (dacion en pago) of the NPL by a third party, on behalf of the borrower, to the FI;
- (5) The transfer of the NPL (secured by a real estate mortgage on a residential unit) by the FI to an individual; and
- (6) The transfer of the ROPOA (single family residential unit) by the FI to an individual.

The deadline is based on the information provided by the Securities and Exchange Commission that the IRR was published on 28 March 2003, hence, it became effective on 12 April 2003.

In this connection, the Monetary Board, in its Resolution No. 270 dated 24 February 2005, authorized the Supervision and Examination Sector to accept applications for Certificate of Eligibility from banks/NBQBs until 12 May 2005. For the purpose of determining whether a transaction occurred within the 12 April 2005 deadline, relevant documents to support the application (e.g., Asset Sale and Purchase Agreement, Deed of Assignment, Deed of Dacion, etc.) should be notarized not later than 12 April 2005.

Pursuant to SPV Rule 12 (c) of the IRR of the SPV Act, BSP shall issue COEs within forty-five (45) days after the deadline for submitting applications for COEs, or until 26 June 2005.


NESTOR A. ESPENILLA, JR.
Sector-in-Charge

4 March 2005

MAG-IMPOK SA BANGKO