



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

MEMORANDUM NO. M-2012- 016

To : ALL BANKS AND QUASI-BANKS

Subject : Secured Loan, Borrowing or Other Credit Accommodation

Referring to the provisions of Item "k.1" of Subsec. X326.1 of the Manual of Regulations for Banks (MORB) on the definition of secured loan, borrowing or other credit accommodation, as follows -

"k. Secured loan, borrowing or other credit accommodation shall refer to any loan, or credit accommodation or portion thereof referred to in Sec. X327 which is secured by:

- 1) Real estate mortgage, chattel mortgage on tangible assets, and pledge of jewelry, precious stones and other valuable articles;

x x x"

we wish to clarify that the "real estate mortgage" provided therein must be registered with the Registry of Deeds and the "chattel mortgage on tangible assets" provided therein must be registered with the Registry of Deeds or other appropriate registry (e.g. Land Transportation Office in case of motor vehicles, Maritime Industry Authority in case of vessels) in order for the loan, borrowing or other credit accommodation to be considered secured under the said regulation.

This clarification shall apply as well to the corresponding provision under Subsec. 4326Q.1 of the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI).

For guidance and strict compliance.


NESTOR A. ESPENILLA, JR.
Deputy Governor

27 March 2012