



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM TO ALL BANKS/NBQBs

The Monetary Board, in its Resolution No. 771 dated June 5, 2003, approved the following procedures for banks/NBQBs that intend to transfer/sell their non-performing assets (NPAs) to a Special Purpose Vehicle (SPV) or to an individual that involves a single family residential unit, or transactions involving *dacion en pago* by the borrower or third party of a non-performing loan (NPL), for the purpose of obtaining the Certificate of Eligibility (COE) which is required to avail of the incentives provided under R.A. No. 9182.

1. Prior to the filing of any application for transfer/sale of NPAs, a bank/NBQB shall coordinate with the Bangko Sentral ng Pilipinas (BSP) through the Supervisory Reports and Studies Office (SRSO) and the appropriate Supervision and Examination Department (SED) to develop a reconciled and finalized master list of its eligible NPAs.

For this purpose, banks/NBQBs were requested to submit a complete inventory of their NPAs in the format prescribed under Circular Letter dated January 7, 2003 (Attachments 1-1 to 1-6). Only NPAs included in the master list that meet the definition of NPA, NPL and Real and Other Properties Owned or Acquired (ROPOA) under R.A. No. 9182 may qualify for the COE. The banks/NBQBs shall be provided a copy of their reconciled and finalized master list for their guidance.

2. An application for eligibility of specific NPAs shall be filed in writing (hard copy) by the selling bank/NBQB with the BSP through the appropriate SED for each proposed transfer of asset/s. Although no specific form is prescribed, the applicant shall describe in sufficient detail its proposed transaction, identifying its counterparty/ies and disclosing the terms, conditions and all material commitments related to the transaction.
3. For applications involving more than ten (10) NPA accounts, the list of NPAs to be transferred/sold shall be submitted in soft copy (by electronic mail or diskette) in excel format using the attached prescribed data structure/format for NPLs and ROPOAs (Attachments 2-1 to 2-4) to the appropriate SED of the applicant bank/NBFI at the following addresses:



MAG-IMPOK SA BANGKO

SEDI-SPV@bsp.gov.ph
SEDII-SPV@bsp.gov.ph
SEDI-SPV@bsp.gov.ph
SEDIV-SPV@bsp.gov.ph

For applications involving ten (10) NPA accounts or less, it is preferable that the list be submitted also in soft copy. The applicant may opt to submit the list in hard copy, provided all the necessary information shown in the prescribed data structure (Attachments 2-1 to 2-4) that are relevant to each NPL or ROPOA to be transferred/sold will be indicated. The list to be submitted in hard copy would be ideal for the sale/transfer of NPAs that involve one (1) promissory note and/or one (1) asset item per account.

4. The application shall be accompanied by a written certification signed by a senior officer with a rank of at least Senior Vice President or equivalent, who is authorized by the board of directors, or by the country head, in the case of foreign banks, that:
 - a. the assets to be sold/transferred are NPAs as defined under the SPV Act of 2002;
 - b. the proposed sale/transfer of said NPAs is under a true sale;
 - c. the notification requirement to the borrowers has been complied with; and
 - d. the maximum 90-day period for renegotiation and restructuring has been complied with.

Items c and d above shall not apply if the NPL has become a ROPOA after June 30, 2002.
5. In the case of *dacion en pago* by the borrower or a third party to a bank/NBQB, the application for COE on the NPL being settled shall be accompanied by a Deed of Dacion executed by the borrower, the third party, the registered owner of the property and the bank/NBQB.
6. The appropriate SED may conduct an on-site review of the NPLs and ROPOAs proposed to be transferred/sold. After the on-site review, the application for transfer/sale shall be submitted to the Deputy Governor, Supervision and Examination Sector (SES) for approval and for the issuance of the corresponding Certificate of Eligibility (COE).
7. A processing fee for each COE issued shall be charged equivalent to 1/100 of 1% of the transfer price but not below ₱10,000 if the transfer is made to an SPV, or ₱3,000 if the transfer is made to an individual or in the case of a *dacion en pago* arrangement by an individual or corporate borrower. The processing fee shall be charged/collected by BSP upon issuance of the COE.

8. An SPV that intends to transfer/sell to a third party an NPA that is covered by a COE previously issued by the BSP shall file an application for such transfer/sale with the Securities and Exchange Commission (SEC) which shall issue the corresponding COE based on the data base of COEs maintained at the BSP.

An individual who intends to transfer/sell an NPA that involves a single family residential unit he had acquired that is covered by a COE shall file an application for the another COE with the BSP through the bank/NBQB from which the NPA was acquired. The individual shall indicate in his application the previous COE issued for the NPA he had acquired and the name, address and Taxpayer's Identification Number (TIN) of the transferee/buyer of the NPA. A processing fee of P3,000 shall be collected by BSP upon issuance of the COE.

This Memorandum shall take effect immediately.


ALBERTO V. REYES
Deputy Governor

17 June, 2003

Attachments/

DATA STRUCTURE
NON-PERFORMING LOANS
(For Commercial Banks and Thrift Banks)

File Name: FRM1XXXX.dbf ^{1/}

FIELD	FIELD NAME	TYPE	LENGTH	DP	DESCRIPTION	VALID VALUES
1	REFDATE	N	8		Reference Date	Should be in the CCYYMMDD format
2	BORRNAME	C	60		Borrower Name	For Individuals, separate by comma as in: Surname, First Name, Middle Name For Institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circular Letter dated May 24, 2001) Use uppercase fonts.
3	BORRTIN	C	20		Borrower's T.I.N.*	Dash (-) in T.I.N. should not be included Ex. T.I.N. 135-958-913 should be encoded as 135954913
4	OSPESO	N	15	2	Outstanding Amount in Peso/Peso Equiv.	
5	LOANTYPE	N	2		Loan Type / <i>Salinas</i>	11 - PAST DUE LOAN (PDL) 12 - ITEMS IN LITIGATION (ITL) 13 - RESTRUCTURED LOAN (RL)
6	BOOKDTE	N	8		Date Booked as PDL, ITL or RL	
7	AMTSEC	N	15	2	Amount Secured	Sum of AMTSEC and AMTUNSEC should equal the OSPESO amount. At no time should any of these be less than zero.
8	AMTUNSEC	N	15	2	Amount Unsecured	
9	BKCODE	N	6		Bank Code	First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings & Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Association 07 for Microfinance Thrift Banks Next four (4) bytes = refer to list of valid bank codes

*For borrowers without T.I.N., please obtain T.I.N. from B.I.R.

1/ where XXXX is the reference period in the MMY format.

Ex. Filename for:

December 31, 2001 is FRM1DEC1.dbf
June 30, 2002 is FRM1JUN2.dbf

DATA STRUCTURE
Real and Other Properties Owned or Acquired (ROPOA)
(For Commercial and Thrift Banks)

File Name : FRM2XXXX.dbf ^{1/}

FIELD	FIELD NAME	TYPE	LENGTH	DP	DESCRIPTION	VALID VALUES
1	REFDATE	N	8		Reference Date	Should be in the CCYYMMDD format
2	FRMRBORR	C	60		Name of Former Borrower	For individuals, separate by comma as in: Surname, First Name, Middle Name For institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circular Letter dated May 24, 2001) Use uppercase fonts.
3	FRMBRTIN	C	20		T.I.N. of Former Borrower*	Dash (-) in T.I.N. should not be included Ex. T.I.N. 135-958-913 should be encoded as 135954913
4	BKVALUE	N	15	2	Book value in Peso/Peso Equiv.	
5	TYPROP	N	2		Type of Property	21 -- Real Estate 22 - Chattels 23 -- Others
6	PRPAPAMT	N	15	2	Latest Appraised Value of Property	
7	PRPAPDTE	N	8		Latest Appraisal Date of Property	Should be in the CCYYMMDD format.
8	CONDTE	N	8		Date when title to property was consolidated in name of bank	Should be in CCYYMMDD format or 99999999 if not consolidated.
9	VALRES	N	15	2	Booked Valuation Reserve	
10	BKCODE	N	6		Bank Code	First two bytes = First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings & Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Association 07 for Microfinance Thrift Banks Next four (4) bytes = refer to list of valid bank codes

*For borrowers without T.I.N., please obtain T.I.N. from B.I.R.

1/ where XXXX is the reference period in the MMY format.

Ex. Filename for:

December 31, 2001 is FRM2DEC1.dbf
June 30, 2002 is FRM2JUN2.dbf

**DATA STRUCTURE
NON-PERFORMING LOANS
(For NBQBs)**

File Name : NBF1XXXX.dbf ^{1/}

FIELD	FIELD NAME	TYPE	LENGTH	DP	DESCRIPTION	VALID VALUES
1	REFDATE	N	8		Reference Date	Should be in the CCYYMMDD format
2	BORRNAME	C	60		Borrower Name	For individuals, separate by comma as in: Surname, First Name, Middle Name For institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circular Letter dated May 24, 2001) Use uppercase fonts.
3	BORRTIN	C	20		Borrower's T.I.N.*	Dash (-) in T.I.N. should not be included Ex. T.I.N. 135-958-913 should be encoded as 135954913
4	OSPESO	N	15	2	Outstanding Amount in Peso/Peso Equiv.	
5	LOANTYPE	N	2		Loan Type	11 - PAST DUE LOAN (PDL) 12 - ITEMS IN LITIGATION (ITL) 13 - RESTRUCTURED LOAN (RL)
6	BOOKDTE	N	8		Date Booked as PDL, ITL or RL	
7	AMTSEC	N	15	2	Amount Secured	Sum of AMTSEC and AMTUNSEC should equal the OSPESO amount. At no time should any of these be less than zero.
8	AMTUNSEC	N	15	2	Amount Unsecured	
9	BKCODE	N	6		Bank Code	First two bytes = 19 for NBQB-IH 20 for NBQB-FC Next four (4) bytes = refer to list of valid bank codes

* For borrowers without T.I.N., please obtain T.I.N. from B.I.R.

1/ where XXXX is the reference period in the MMY format.

ex. Filename for:

December 31, 2001 is NBF1DEC1.dbf
June 30, 2002 is NBF1JUN2.dbf

DATA STRUCTURE
Real and Other Properties Owned or Acquired (ROPOA)
(For NBQBs)

File Name : NBF2.dbf ^{1/}

FIELD	FIELD NAME	TYPE	LENGTH	DP	DESCRIPTION	VALID VALUES
1	REFDATE	N	8		Reference Date	Should be in the CCYYMMDD format
2	FRMRBORR	C	60		Name of Former Borrower	For individuals, separate by comma as in: Surname, First Name, Middle Name For institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circular Letter dated May 24, 2001) Use uppercase fonts.
3	FMRBRTIN	C	20		T.I.N. of Former Borrower*	Dash (-) in T.I.N. should not be included Ex. T.I.N. 135-958-913 should be encoded as 135954913
4	BKVALUE	N	15	2	Book value in Peso/Peso Equiv.	
5	TYPROP	N	2		Type of Property	21 - Real Estate 22 - Chattels 23 - Others
6	PRPAPAMT	N	15	2	Latest Appraised Value of Property	
7	PRPAPDTE	N	8		Latest Appraisal Date of Property	Should be in the CCYYMMDD format.
8	CONDTE	N	8		Date when title to property was consolidated in name of bank	Should be in CCYYMMDD format or 99999999 if not consolidated.
9	VALRES	N	15	2	Booked Valuation Reserve	
10	BKCODE	N	6		Bank Code	First two bytes = 19 for NBQB-IH 20 for NBQB-FC Next four (4) bytes = refer to list of valid bank codes

*For borrowers without T.I.N., please obtain T.I.N. from B.I.R.

1/ where XXXX is the reference period in the MMY format.

ex. Filename for:

December 31, 2001 is NBF2DEC1.dbf
June 30, 2002 is NBF2JUN2.dbf

RB#2XXXX.XIS

RURAL BANKS

(name of Bank)

and Other Properties Owned or Acquired (ROPOM)

of (Reference Date)

File Name: REF2000X.xls

$$\begin{aligned} \frac{1}{2} \frac{d}{dt} \left(\frac{1}{2} \frac{d^2 u}{dt^2} \right) &= \frac{1}{2} \frac{d}{dt} \left(\frac{1}{2} \frac{d^2 u}{dt^2} \right) \\ &= \frac{1}{2} \frac{d}{dt} \left(\frac{1}{2} \frac{d^2 u}{dt^2} \right) \end{aligned}$$
[illegible]

where RBF2XXXX.xls is the reference period in the MMY format.

File for:

December 31, 2001 is RBF2DEC1.xls

June 30, 2002 is RBF2JUN2.xls

DATA STRUCTURE NON-PERFORMING LOANS

File Name: NPLHEAD.xls

FIELD NUMBER	FIELD NAME	FIELD TYPE	FIELD LENGTH	DP	DESCRIPTION	REMARKS
1	BKCODE	N	6	0	Bank Code	First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings and Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Associations 07 for Microfinance Thrift Banks 04 for Rural Banks/Cooperative Banks 08 for Microfinance Rural Banks 19 for NBQB - Investment Houses 20 for NBQB - Finance Companies Next four (4) bytes = refer to list of valid bank codes
2	BORRNAME	C	60		Borrower's Name	For individuals, separate by comma as in: SURNAME, FIRST NAME, MIDDLE NAME For institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circ. Letter dated May 24, 2001) Use uppercase fonts
3	BORRTIN	C	20		Borrower's T.I.N.	Dash (-) in T.I.N. should not be included ex. 135-958-913 should be reported as 135958913 Valid values: T.I.N. assigned by BIR or unique T.I.N. assigned by the bank (refer to Circular Letter dated April 21, 2003)
4	BORRADR	C	60		Borrower's Address	
5	LOANTYPE	N	2	0	Loan Type	11 = Past Due Loan (PDL) 12 = Items in Litigation (ITL) 13 = Restructured Loans (RL)
6	BOOKDTE	N	8	0	Date Booked as PDL, ITL, or RL	Should be in the CCYYMMDD format
7	PNNUM	C	20		PN Number	Dash (-) in PN number should not be included Zeroes at the beginning of the PN number are included
8	PNDATE	N	8	0	PN Date	Should be in the CCYYMMDD format
9	OSPESO	N	15	2	Outstanding Amount in Peso/Peso Equiv. per PN	Balance as of June 30, 2002. These accounts should have been past due for at least 180 days as of June 30, 2002
10	AMTSEC	N	15	2	Amount Secured per PN	Sum of AMTSEC and AMTUNSEC should equal the OSPESO amount. At no time should any of these be less than zero
11	AMTUNSEC	N	15	2	Amount Unsecured per PN	

Important: If a particular field is not applicable to the account, leave as blank for character-type fields and put zero for numeric-type fields.

DATA STRUCTURE NON-PERFORMING LOANS

File Name: NPLDET.xls

FIELD NUMBER	FIELD NAME	FIELD TYPE	FIELD LENGTH	DP	DESCRIPTION	REMARKS
1	BKCODE	N	6	0	Bank Code	First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings and Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Associations 07 for Microfinance Thrift Banks 04 for Rural Banks/Cooperative Banks 08 for Microfinance Rural Banks 19 for NBQB - Investment Houses 20 for NBQB - Finance Companies Next four (4) bytes = refer to list of valid bank codes
2	BORRTIN	C	20		Borrower's Tin Number	Dash (-) in T.I.N. should not be included ex. 135-958-913 should be reported as 135958913 Valid values: T.I.N. assigned by BIR or unique T.I.N. assigned by the bank (refer to Circular Letter dated April 21, 2003)
3	LOANTYPE	N	2	0	Loan Type	11 = Past Due Loan (PDL) 12 = Items In Litigation (ITL) 13 = Restructured Loans (RL)
4	BOOKDTE	N	8	0	Date Booked as PDL, ITL, or RL	Should be in the CCYYMMDD format
5	PNNUM	C	20		PN Number	Dash (-) in PN number should not be included Zeroes at the beginning of the PN number are included
6	PNDATE	N	8	0	PN Date	Should be in the CCYYMMDD format
7	TYPROP	N	2	0	Type of Collateral	21 = Real Estate 22 = Chattels 23 = Others
8	TYPE1	N	1	0	Sub-category of collateral	For Real Estate: 1 = Land Only 2 = Building/Improvement 3 = Land with Improvement For Chattel: 4 = Shares of Stocks 5 = Commercial Papers 6 = Motor Vehicles 7 = Machinery & Equipment 8 = Inventories 0 = For Others
For Collateral type = REAL ESTATE						
9	TYPE2	N	1	0	Sub-Collateral Type	1=Residential 2=Commercial 3=Agricultural
10	TCTNUM	C	20		TCT Number	Dash (-) in TCT Num should not be included
11	TAXDN	C	20		Tax Declaration Number	Dash (-) in Tax Declaration Num should not be included
12	OWNER	C	60		Registered Owner	
13	LOCATION	C	60		Location of Property	
14	AREA	C	20		Area of Property	Indicate unit of measure
For Collateral type = CHATTELS (Shares of Stocks / Commercial Papers)						
15	ISSUER	C	45		Name of Issuer	
16	SHARES	N	10	0	Number of Shares	
17	CERTNUM	C	20		Certificate Number	Dash (-) in Certificate Num should not be included
18	FACEVAL	N	15	2	Face Value	For Commercial Papers
19	MATDATE	N	8	0	Maturity Date	For Commercial Papers
For Collateral type = CHATTELS (Motor Vehicle)						
20	CRNUM	C	20		Vehicle Registration No.	Dash (-) in Registration Num should not be included
21	MOTORN	C	20		Motor No.	Dash (-) in Motor Num should not be included
22	CHASSIS	C	20		Chassis No.	Dash (-) in Chassis Num should not be included
23	PLATEN	C	20		Plate No.	
24	TYPEVE	C	20		Type of Vehicle	
For Collateral type = CHATTELS (Machinery & Equipment/Inventories)						
Collateral type = OTHERS						
25	DESC	C	150		Description	Include number of units and indicate unit of measure

Important: If a particular field is not applicable to the account, leave as blank for character-type fields and put zero for numeric-type fields.

DATA STRUCTURE ROPOA

File Name: ROPHEAD.xls

FIELD NUMBER	FIELD NAME	FIELD TYPE	FIELD LENGTH	DP	DESCRIPTION	REMARKS
1	BKCODE	N	6	0	Bank Code	First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings and Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Associations 07 for Microfinance Thrift Banks 04 for Rural Banks/Cooperative Banks 08 for Microfinance Rural Banks 19 for NBQB - Investment Houses 20 for NBQB - Finance Companies Next four (4) bytes = refer to list of valid bank codes
2	FRMRBORR	C	60		Name of Former Borrower	For individuals, separate by comma as in: SURNAME, FIRST NAME, MIDDLE NAME For institutions, do not use abbreviations or acronyms; use SEC registered names or the list of borrower names as per CREDEX report (refer to Circ. Letter dated May 24, 2001) Use uppercase fonts
3	FRMBRTIN	C	20		Former Borrower's T.I.N.	Dash (-) in T.I.N. should not be included ex. 135-958-913 should be reported as 135958913 Valid values: T.I.N. assigned by BIR or unique T.I.N. assigned by the bank (refer to Circular Letter dated April 21, 2003)
4	FRMRBRADR	C	60		Former Borrower's Address	
5	TYPROP	N	2	0	Type of Property	21=Real Estate 22=Chattels 23=Others
6	BKVALUE	N	15	2	Book Value in Peso or Peso Equivalent	Gross of Valuation Reserves Balance as of June 30, 2002
7	PRPAPAMT	N	15	2	Latest Appraised Value of Property	
8	PRPAPDTE	N	8	0	Latest Appraised Date of Property	Should be in the CCYYMMDD format
9	CONDTE	N	8	0	Date when title to property was consolidated in name of bank	Should be in the CCYYMMDD format or 99999999 if not consolidated
10	VALRES	N	15	2	Booked Valuation Reserves	

Important: If a particular field is not applicable to the account, leave as blank for character-type fields and put zero for numeric-type fields.

DATA STRUCTURE ROPOA

File Name: ROPDET.xls

FIELD NUMBER	FIELD NAME	FIELD TYPE	FIELD LENGTH	DP	DESCRIPTION	REMARKS
1	BKCODE	N	6	0	Bank Code	First two bytes = 00 for Commercial Banks 05 for Specialized Government Banks 01 for Savings and Mortgage Banks 02 for Private Development Banks 03 for Stock Savings & Loan Associations 07 for Microfinance Thrift Banks 04 for Rural Banks/Cooperative Banks 08 for Microfinance Rural Banks 19 for NBQB - Investment Houses 20 for NBQB - Finance Companies Next four (4) bytes = refer to list of valid bank codes
2	FMRBRTIN	C	20		Borrower's T.I.N.	Dash (-) in T.I.N. should not be included ex. 135-958-913 should be reported as 135958913 Valid values: T.I.N. assigned by BIR or unique T.I.N. assigned by the bank (refer to Circular Letter dated April 21, 2003)
3	TYPROP	N	2	0	Type OF Property	21 = Real Estate 22 = Chattels 23 = Others
4	TYPE1	N	1	0	Sub-category of property	For Real Estate: 1 = Land Only 2 = Building/Improvement 3 = Land with Improvement For Chattel: 4 = Shares of Stocks 5 = Commercial Papers 6 = Motor Vehicles 7 = Machinery & Equipment 8 = Inventories 0 = For Others
For Property type = REAL ESTATE						
5	TYPE2	N	1	0	Sub-Property Type	1=Residential 2=Commercial 3=Agricultural
6	TCTNUM	C	20		TCT Number	Dash (-) in TCT Num should not be included
7	TAXDN	C	20		Tax Declaration Number	Dash (-) in Tax Declaration Num should not be included
8	OWNER	C	60		Registered Owner	
9	LOCATION	C	60		Location of Property	
10	AREA	C	20		Area of Property	Indicate unit of measure
For Property type = CHATTELS (Shares of Stocks / Commercial Papers)						
11	ISSUER	C	45		Name of Issuer	
12	SHARES	N	10	0	Number of Shares	
13	CERTNUM	C	20		Certificate Number	Dash (-) in Certificate Num should not be included
14	FACEVAL	N	15	2	Face Value	For Commercial Papers
15	MATDATE	N	8	0	Maturity Date	For Commercial Papers
For Property type = CHATTELS (Motor Vehicle)						
16	CRNUM	C	20		Vehicle Registration No.	Dash (-) in Registration Num should not be included
17	MOTORN	C	20		Motor No.	Dash (-) in Motor Num should not be included
18	CHASSIS	C	20		Chassis No.	Dash (-) in Chassis Num should not be included
19	PLATEN	C	20		Plate No.	
20	TYPEVE	C	20		Type of Vehicle	
For Property type = CHATTELS (Machinery & Equipment/Inventories)						
Property type = OTHERS						
21	DESC	C	150		Description	Include number of units and indicate unit of measure

Important: If a particular field is not applicable to the account, leave as blank for character-type fields and put zero for numeric-type fields.