



CORPORATE GOVERNANCE AND FINANCE DEPARTMENT

## NOTICE

TO : FINANCING COMPANIES (FCs), LENDING COMPANIES (LCs)  
AND MICROFINANCE NGOS (MF-NGOs)

SUBJECT : CESSATION OF THE PROVISION OF THE MANDATORY GRACE  
PERIOD DURING GENERAL COMMUNITY QUARANTINE (GCQ)  
AND MODIFIED GENERAL COMMUNITY QUARANTINE (MGCQ)  
IN THE MAJORITY OF THE PROVINCES AND CITIES IN THE  
PHILIPPINES

DATE : 17 JUNE 2020

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Please be advised that in view of BSP Memorandum No. M-2020-045 (BSP Memo No. 045),<sup>1</sup> and IATF Resolution No. 46-A series of 2020,<sup>2</sup> placing the majority of the provinces and cities in the Philippines under either GCQ or MGCQ until 30 June 2020, the mandatory 30-day grace period under Sec. 4(aa) of Republic Act No. 11469, otherwise known as the Bayanihan to Heal As One Act shall no longer be applied effective 01 June 2020.

BSP Memo No. 045 provides:

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***The 30-day mandatory grace period shall no longer apply effective 01 June 2020, pursuant to IATF Resolution No. 40, dated 27 May 2020, which already places a majority of provinces and cities under GCQ or MGCQ. Thus, all loan payments with principal and interest falling due from 01 June 2020 onwards shall be due and demandable.***

***The termination of the grant of the 30-day grace period for the payment of loans with maturity dates on or subsequent to 01 June 2020 is premised on the lifting of the restrictions on economic activities in the majority of the provinces and cities in the country. With the lifting of the ECQ in the majority of the provinces and cities, the condition for the grant of the 30-day grace period under the Bayanihan Act is no longer present.*** (Emphasis supplied)

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For compliance.

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<sup>1</sup> Dated 01 June 2020.

<sup>2</sup> Dated 15 June 2020.