

## EMERGENCY BANKING AND CREDIT POLICY MEMORANDUM

Date: March 20, 2020

EBCPM No.: 01-2020

Supersedes:

Subject : AAIIBP's Temporary Relief Measures in relation to Amanah Action Force on COVID-19

---

WHEREAS, Inter-Agency Task Force for the Management of Emerging Infectious Disease (ITF-EID), Resolution No. II, Series of 2020, dated March 12, 2020, placing entire of NCR under Community Quarantine resulting in the issuance of Office Order No. 062-2020, dated March 13, 2020, in compliance with Government directives, instructions and orders on quelling the widespread of corona virus or COVID-19.

WHEREAS, BSP Memorandum No. 2020-008 dated March 14, 2020, on Regulatory Relief for BSFIs Affected by the Corona Virus Disease 2019 (COVID-19);

WHEREAS, Proclamation No. 929, dated March 16, 2020, issued by President Rodrigo R. Duterte, Declaring a State of Calamity throughout the Philippines due to Corona Virus Disease 2019, resulting in the issuance of Office Order No. 062-2020-B for creation of Amanah Action Force on COVID 9 and shortening of working and banking hours of the 9 Branches;

WHEREAS, BSP Memorandum No. M-2020-011, dated March 19, 2020, on Additional Operational Relief for BSFIs Affected by Measures to manage the Corona Virus 2019 (Covid-19) Situation and this Health and Safety Risks, and

WHEREFORE, considering the crucial economic impact to the lives of the Filipino citizens on the stringent measures imposed by the Government after declaring a state of calamity nationwide to quell the widespread of the contagion, the Al-Amanah Islamic Investment Bank of the Philippines (AIIBP) is constrained and compelled to be with the Government as the Country faces the on-going crises and is, therefore, hereby adopting the following measures:

1. EXCLUSION from computation of past due ratio of Loans and Islamic Financing granted to customers bankwide which should have been reclassified as past due under 304/303-Q of MORB/MORNBFI, covering the period from March 8, 2020 to September 8, 2020, shall not be reported as past due one year from March 8, 2020 or February 8, 2021 as per Annex A of BSP Memorandum 2020-008.

2. WAIVER of default charges on financing and loans granted, as follows:
  - a. Clients under Islamic financing and conventional loan products including Islamic Microfinance and Islamic Salary loans with Promissory Note maturity, amortizations or instalment amount due falling within the period March 15, 2020 to May 15, 2020, shall be granted a sixty (60) calendar days extension to pay without default charges. Thereafter, late payment of obligations due are already subject to the imposition of default charges unless an extension is subsequently granted by a supplemental Emergency Banking and Credit Policy Memorandum;
  - b. That, in granting this relief, AAIIBP shall strictly monitor the accounts with status report of their operations prepared and submitted monthly to the BSP subject to BSP Memorandum Nos. 2020-008 and 2020-011.
3. WAIVER of charges from March 15, 2020 to May 15, 2020, on returned checks issued by customers with instalment, amortization or financing obligations falling due for reason that clients cannot fund the check as a result of the on-going crisis; and
4. WAIVER of all charges on PESONET and all other service fees arising from banking services from March 15, 2020- May 15, 2020 but this WAIVER does not include service fees arising from Islamic financing and loan products including Islamic Microfinance and ISLP products for the same shall continuously be imposed.

This Policy Memorandum aims to grant humanitarian consideration to the Bank's clients, borrowers and depositors during the contagion crisis or pandemic brought about by Corona Virus of 2019 (COVID-19) resulting in restrictive movement and communications, unemployment, and shutting down of most businesses, big and small. Anent to this, the Management created the *Amanah Action Force on COVID-19*, which is now posted in the official website of the Bank, in support to the Government's effort in quelling the widespread of the virus.

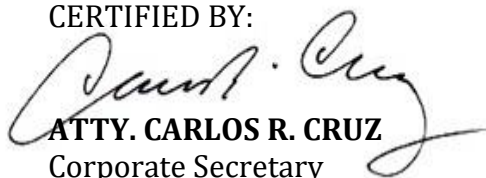
To give life to the purpose of this Policy Memorandum, a retroactive effect on the application of all of the foregoing hereof from March 15, 2020 is hereby granted.

For immediate and strict compliance.



ALEX P. BANGCOLA  
Chairman and CEO

CERTIFIED BY:



**ATTY. CARLOS R. CRUZ**  
Corporate Secretary

Per Resolution No. 001-2020 (EBCMP) dated March 25, 2020