TERMS OF REFERENCE

PROJECT	:	**LOANS MONITORING SYSTEM (LMS)**
AMOUNT	:	**TEN MILLION SIX HUNDRED THOUSAND PESOS (PhP 10,600,000)**
LOCATION OF PROJECT	:	**MAKATI CITY**

1.0 AGENCY BACKGROUND

The Philippine Deposit Insurance Corporation (PDIC) is a government instrumentality created by virtue of Republic Act 3591, as amended, to provide deposit insurance coverage to all member banks up to a maximum coverage of PhP 500,000 per depositor. PDIC is also the statutory receiver/liquidator of banks which are ordered closed by the Monetary Board of the Bangko Sentral ng Pilipinas. As receiver, PDIC is tasked with administering, preserving and managing the assets of closed banks, including their loan portfolios for the benefit of its creditors.

2.0 OVERVIEW OF CURRENT & RELATED SYSTEMS

The PDIC maintains semi-automated processes in managing and monitoring loan portfolios of closed banks and those acquired by PDIC in the course of grant of financial assistance. There are several systems that are currently used to manage and record transactions related to loan portfolios of banks as follows:

2.1 EXISTING LOANS MONITORING SYSTEM (LMS)

The current LMS uses Microsoft Excel, on a per bank basis, to keep track of information on loans of closed banks as well as those acquired by the PDIC.

Reports are manually prepared, generated and compiled based on information derived from the individual Credit Folders and loan portfolio schedules turned over for each closed or assisted bank. See complete report and input form listing in the Glossary of Reports and Input Forms on pages 22-23. Each Deputy Receiver/account officer maintains his respective database.

2.2 EXISTING ROPA MONITORING SYSTEM (ROPAMS)

The current ROPA Monitoring System keeps track of information on closed banks' acquired properties and those of the Corporation, using the ROPA Monitoring System (in-house developed) and Microsoft Excel, respectively.

The computerization of ROPAMS is on-going. All details of foreclosed collaterals of secured loans from the LMS will be transferred to the ROPAMS.

2.3 SAP INTEGRATED FINANCIAL SYSTEM (IFS)– General Ledger (G/L) MODULE (Corporate Accounts)

This system monitors the G/L balances of loans purchased by the Corporation in the course of grant of financial assistance (Corporate Accounts). The balances are maintained on an aggregate basis per assisted bank from whom they were acquired. The G/L balances are not broken down into specific loan accounts such that specific information e.g. borrower's information, Promisory Note (PN) details and loan parameters, among others, are not recorded in the books. These detailed information are maintained in Excel file by the operating group tasked to resolve the loan accounts. The Excel files also include closed banks' asset assigned as payment of receivables from subrogated claims and advances for receivership and liquidation expenses. These are also included in the GL balances.

Application of collections received from loan borrowers are recorded in the system in accordance with the principal and income applications furnished by the concerned loan department. Principal applications are deducted from the aggregate/outstanding balance of the assisted/closed bank while income, penalty charges, etc. applications are booked as income.

2.4 CLOSED BANK FINANCIAL SYSTEM (CBFS)

CBFS is a report generation facility that produces the Statement of Condition [SOC] and Statement of Affairs [SOA] of closed banks. It updates and maintains the G/L balances of assets, liabilities and capital accounts of closed banks under PDIC receivership and liquidation. The uploading of Summary of Journal Entries (SJE) and Schedule of Valuation Reserves/Adjustments (SVRA) submitted through the Automated Report Submission Facility (ARSF) updates the Statement of Condition and Statement of Affairs, respectively, of each closed bank.

3.0 OBJECTIVES

To implement a web application that will manage the loan portfolio of closed banks and those acquired by PDIC from banks arising from grant of financial assistance. The system shall be known as the Loans Monitoring System or LMS. It is aimed at:

- Improving the efficiency in monitoring and administration of loan accounts and accuracy of loan information;
- Instituting appropriate internal control measures in handling and monitoring of accounts; and
- Integrating the system with IFS, CBFS and ROPAMS.

See **Annex A1**: Context Diagram and **Annex A2**: Level 0 Data Flow Diagram (DFD).

4.0 PROJECT SCOPE AND DELIVERABLES

	ACTIVITIES	DELIVERABLES
Software	Deployment of application	• Details of software/modules • 30 licenses (concurrent users) • MS SQL Server 2008 R2 Enterprise Edition with SW Assurance under Select Plus Agreement
Implementation Services	Project Planning Activities	• Project Management Plan/Charter • Risk Management Plan • Acceptance Plan
	Review of current business and user requirements	• Blueprint of current processes and user requirements for information, monitoring and reporting
	Gap Analysis	• Blueprint of to-be processes
	Customization of LMS	• Blueprint of as-built processes
	Testing	• Test Plan • UAT Document (test cases/scripts) • Test Results/Error Logs • Issue Management Plan
	Acceptance	• Final Installation/setup program (including drivers, plug-ins, etc.) • System Architecture • E/R Diagram • List of Modules • List of Tables • Table-Module Matrix • Table Abstracts • Physical Data Model • High Level Design (HLD) • Other Technical Specifications • Signed User Acceptance Document
Migration	Design Migration Strategy	• Migration Strategy including timeline.
	Execute Migration Strategy/Plan	• Migration logs and issues

Training	Conduct of Training • User's Training • System Administration • Server Configuration	• Training Plan • Training Materials/Certificates • User and System Administrator manuals • Server Configuration Manual
Others	Report on project status on a monthly basis	• Monthly Status Update Report
	Review monthly project status	• Minutes of Meetings
	Go Live	

5.0 BUSINESS AND FUNCTIONAL REQUIREMENTS

BUSINESS REQUIREMENTS (BRs)	FUNCTIONAL REQUIREMENTS (FRs)	
BR # 1	**Maintain Loan Accounts**	
	FR #1	**Maintain Loan Profile** • Shall have the facility to create new loan accounts per borrower per bank, either through manual encoding or Excel import which include, among others, o Name of borrower, o Address of borrower, o Borrower type (e.g. individual, institution, etc.), o Type of loan (e.g. housing, regular, short-term, long-term, consumer, DOSRI, encumbered, unencumbered, etc.) o Secured/unsecured ▪ If secured, description of collateral such as type (e.g. Mortgage Trust Indenture (MTI), Real Estate Mortgage (REM (1st or 2nd mortgage) including location), chattel mortgage, shares of stock, bonds, assignment of receivables, jewelries, holdout on deposits, and other attributes). o Loan information: ▪ PN Number ▪ Original loan granted/principal ▪ Outstanding loan principal ▪ Date granted ▪ Maturity date ▪ Interest rate ▪ Penalty rate ▪ Mode of payment (e.g. monthly, quarterly, semi-annual, annual, lump sum) ▪ Advance interest ▪ MRI details (e.g. premium amount, premium coverage) ▪ with collection agreement o Accompanying documents, such as PN, collateral documents (REM/chattel, deed of assignment, disclosure statement), MRI, etc. • Shall have the facility to search, sort, group by, and filter as to o PN Number, o loan account status and history (e.g.

		current, restructured, past due, under litigation), o loan type, o collateral (e.g. Real Estate Mortgage (REM), chattel, unsecured), o outstanding balance/acquisition cost, o source bank, o address of borrower, o borrower/account name (if DOSRI, bank employee) o encumbered to a specific creditor, and o Collection agent with an option to print. • Shall have the facility to display *historical information* (as of a given date) on account movement, status, loan payment and payment application, with an option to print.
	FR #2	**Maintain loan status** • Shall have the facility to update the loan status via transactions. See **Annex B** for the various resolutions. • Each of the status above shall have its own characteristics/restrictions. Corresponding accounting entries shall also be automatically generated, whenever applicable. • Shall have the facility to generate a report that will display all records updated (daily, monthly). • Shall have the facility to generate a report on all status changes (with accounting impact) with the corresponding accounting entries.
BR # 2	**Appraisal of Mortgaged Property**	
	FR #3	**Update appraised value of mortgaged property** • Shall have the facility to monitor and update appraised value including appraisers' name and appraisal dates, including comments on status of property, if any.
BR # 3	**Collection and Monitoring of payment**	
	FR #4	**Maintain Borrower LMS-Subsidiary Ledger (S/L)** • Shall have the facility to create/update an LMS-S/L account, with an option to redirect the view to its details. See **Annex C**: Subsidiary Ledger.
	FR #5	**Monitor Payment of Loans** • Shall have the facility to preview/print amortization schedule and Statement of

		Accounts per loan account. See **Annex D**: Statement of Account. • Shall have the facility to update LMS-S/L account, with options - o To create schedule of payments due on a daily basis from a predefined location. o To post payments. o To indicate payment type, i.e. cash and non-cash (offset/net-off, dacion, foreclosure) o To view the list of scheduled/actual payments indicating whether or not the payment has already been posted in the LMS-S/L. o To view history of payments made. • Shall have the facility to generate all loans with zero balances. • Shall have the facility to automatically mark loan account as "past due" as follows: o For monthly amortizations – failure to pay three consecutive monthly amortizations; o For quarterly amortizations – failure to pay one quarter amortization; and o For semestral amortizations - failure to pay one semester amortization. • Shall have the facility to generate Payment Order Form with details (e.g. name of closed bank, bank branch name of payor, amount paid, date of payment, BURL Transaction details, PDIC Corporate Transaction details, form of payment, application of payment) automatically extracted from the selected LMS-S/L. See **Annex E**: Payment Order Form. • Shall have the facility to generate reminder letters for accounts with maturing amortization. • Shall have the facility to automatically generate accounting entries for automatic posting to the CBFS-GL. (Note: this requirement is specific to Closed Banks only.)
	FR #6	**Monitor Delinquent Accounts** • Shall have the facility to sort, group by, and filter as to bank/borrower /outstanding balance/number of days past due, with an option to preview/print Account Delinquency Reports. • Shall have the facility to automatically compute for interests, penalties/surcharges.

		• Shall have the facility to flag prescription period early enough and trigger sending of Demand Letter. • Shall have the facility to keep track of number and dates of Demand Letters sent. See **Annex F**: Demand Letter.
	FR #7	**Generate ORs for online payments (Closed Banks)** • Shall have the facility to generate OR using a preprinted OR form. • Shall have the facility to assign OR number for each payment transaction. • Shall have the facility to record OR details in the LMS-S/L. • Shall the facility to generate summary of ORs at any given period, which include date of payment, form of payment, amount, and name of borrower.
BR # 4	**Loan Resolution**	
	FR #8	**Restructured Loan** • Shall have the facility to record terms and conditions of the restructuring as follows: o Amount of upfront payment o Tenor/term o Interest rate o Mode of payments (i.e. monthly, quarterly, semi-annual, or annual amortizations) o Restructured principal o Capitalized interest o Approving authority o Conditionally waived penalties/interest See **Annex G:** Loan Restructuring • Shall have the facility to generate the new amortization schedule based on above terms and conditions. • Shall have the facility to change loan status to 'Loan Restructured'. • Shall have the facility to keep track of the number of times the loan account was restructured. • Shall have the facility to archive details of the original/previously restructured loan account.
	FR #9	**Other loan resolution (Foreclosure or Dacion en Pago)** • Shall have the facility to monitor/capture the following:

		○ Amount of deficiency in amount settled, if any. ○ Redemption period and redemption price (loan obligation plus foreclosure expenses). ○ Tagging of properties which are candidates for foreclosure. ○ Other information related to foreclosure e.g. bidding participants (with indicator on the winning bidder), bid price, amount of bid deficiency, adverse claims (third party or borrower) and litigation status in case foreclosure is disputed by the borrower. ○ Details/attributes of property subject of the dacion settlement which are the same as those of the REMs/mortgaged property (or those of the ROPA attributes maintained inside the ROPAMS).
BR # 5	**Closing of Loan Account**	
	FR #10	**Cash Settlement** • Shall have the facility to display/generate report on all loans with 'Fully paid' status. See **Annex H**: Full Settlement. • Shall have the facility to encode details and print cancellation of mortgage based on set templates. See **Annex I**: Cancellation of Chattel Mortgage. • Shall have the facility to record date of release and receipt of original collateral documents and cancellation of mortgage, if secured. See **Annex J**: Cancellation and Release of Mortgage.
	FR #11	**Foreclosure** • Shall have the facility to display/generate report on all loans with 'Foreclosed' status. • Shall have the facility to automatically generate accounting entries for automatic posting to the accounting system. • Shall have the facility to download details of the foreclosed property for uploading to ROPAMS and record the details of downloading, i.e. who downloaded, date and time of downloading.
	FR #12	**Dacion en Pago** • Shall have the facility to display/generate report on all loans with 'Dacion en Pago' status.

		• Shall have the facility to automatically generate accounting entries for automatic posting to the accounting system. • Shall have the facility to download details of the property subject of the dacion settlement for uploading to ROPAMS and record the details of downloading, i.e. who downloaded, date and time of downloading.
	FR #13	**Written-off/Derecognized Loans** • Shall have the facility to display/generate report on all loans with the 'Written-off/Derecognized' status. • Shall have the facility to automatically generate accounting entries for automatic posting to the accounting system.
BR # 6	**Post-Dated Check (PDC) Monitoring**	
	FR #14	**Monitoring of PDC accounts** • Shall have the facility to set up/update PDCs received. • Shall have the facility to prompt/remind all maturing PDCs upon login and during session. • Shall have the facility to generate all PDCs due for the current and ensuing periods as specified. • Shall have the facility to tag which PDCs are cleared/not cleared and released. • Shall have the facility to view/print all cleared/not cleared checks, with the option to generate letters to borrowers.
BR # 7	**Generate Reports and Forms**	
	FR #15	**Generate Reports** • Shall have the facility to preview/generate and download loan reports in Portable Document Format (PDF), Excel and Comma-Separated Values (CSV) file formats. See **Glossary** of reports and input forms.
BR # 8	**Setup and update of policies and rules related to loan account status and corresponding accounting entries.**	
	FR #16	***Maintain library of loan account status*** • Shall have the facility to update the loan status library. This library shall be used as lookup table for tagging of the loan account. (See **Annex B**: Various loan account status).

		• Each of the loan status shall have its own characteristics/restrictions. • Shall have the facility to generate a report that will display all records with updates on the status. • Shall have the facility to define corresponding accounting entries per status, if applicable.
BR # 9	**Secure application by implementing (1) access rules during user log in and approval transactions, (2) an audit trail of all changes to the System, and (3) backup, recovery, archiving and reloading policies to manage the data.**	
	FR #17	***User login*** • Shall have the facility to update user login credentials (user name, password). • User accounts shall have integration with Microsoft Active Directory (AD) with an option to use either single sign-on or multiple sign-on during authentication. • Shall have the facility to support activation of a separate password policy, which includes, but not limited to, the following: o Password history o Password aging o Password length and complexity o Forced changing of password o Account lockout due to failed logon attempts o Password encryption when stored in the database.
	FR #18	***Maintain users*** • Shall have the facility to update user accounts. • Shall have the facility to configure user idle time to trigger automatic logout.
	FR #19	**User Roles/Rights** • Shall have the facility to assign and update user access rights (add, view, modify, delete) per role (maker, reviewer, approver, viewer). • Shall have the facility to restrict access to menus and data sources such as databases, tables and folders.
	FR #20	**Provide an Audit Trail/Log Report** • Shall include, but not limited to, the following: o File updating and maintenance o Errors and abnormal activities in the system o User and system administrator activities o User logon/logoff

		○ User activities relative to the stored information which include updating, printing, downloading, deletion, annotation, and other changes ○ List of records/files removed from the active database for backup purposes. • Shall have the facility to view, print and download audit trail report in PDF, Excel and CSV file formats. • Shall have the facility to display current users of the system any time.
	FR #21	**Backup, Recovery, Archiving and Reloading** • Shall have the facility to define archiving, reloading, backup and recovery policies.
BR # 10	**Provide facility for the easy receipt of datasets and references from other systems (that own the information), and passing of information to other systems (for information generated by LMS and needed by other systems)**	
	FR #22	**Import LMS Masterlist** • Shall have the facility to accept loan Masterlist recorded in preformatted Excel files, together with their detailed historical information. • Shall have the facility to ○ Auto-generate distinct reference number for each upload ○ Preview/generate exception reports when ▪ duplicate records are detected ▪ incomplete records are detected ▪ upload is aborted ○ Use the same reference number to ▪ preview/generate prooflist. ▪ Search through uploaded loans ▪ rollback the transaction
	FR #23	**Import IFS-GL/CBFS-G/L payments** • Shall have the facility to upload loan payments recorded in preformatted Excel files as posted to the IFS-G/L and CBFS-G/L, with an option to ○ Auto-generate distinct reference number for each upload ○ Preview/generate exception reports when ▪ duplicate records are detected ▪ incomplete records are detected ▪ upload is aborted ○ Use the same reference number to ▪ preview/generate prooflist.

		• Search through uploaded payments • rollback the transaction
	FR #24	**Export ad hoc reports** • Shall have the facility to select dataset from the universe of loans/database, with an option to preview/print and download selected datasets in PDF, Excel and CSV file formats.
	FR #25	**Maintain list of REM Location** • Shall have the facility to update list of REM location i.e. region and its corresponding provinces and municipalities/cities. This list shall be used as lookup table to set the exact REM location.
BR # 11	**Accounting Interface**	
	FR #26	**Generate Accounting Entries** • Shall automatically generate accounting entries for every change in status, whenever applicable. Status with accounting impact and the corresponding accounting entries shall be identified. • Shall post automatically all entries generated by LMS to the IFS G/L and CBFS G/L. • Shall have the facility to generate a report of all entries made for the day and a Daily Prooflist.

6.0 NON-FUNCTIONAL REQUIREMENTS

6.1 Time Frame

The LMS shall be operational and accepted within six months upon issuance of Notice to Proceed.

6.2 Mobilization Period

A mobilization period of one (1) week shall be needed to assemble the requisite resources and draw up detailed project plans.

6.3 Migration of Existing Data/Data Build-up

The migration shall cover all PDIC-acquired loans and loans of five closed banks with different bank classification and volume (the particular closed banks shall be identified during the preparation of the Migration Plan).

The migration shall cover all master/reference data and other relevant electronic files maintained by the users, and at most five (5) years of transactional data.

6.4 Qualification Criteria

6.4.1 System

6.4.1.1 The LMS should interface and be integrated with our current corporate Integrated Financial System (IFS) and other related systems that will be providing and requiring information to and from LMS and should allow cross company/multi-company transaction.

6.4.1.2 The LMS should be readily available as packaged applications, which can be configured and customized, if needed, to meet specific requirements of PDIC. Ground-up custom development of modules to complete the solution may be allowed provided these modules will not constitute more than 25% of the system, except for reports which are opted to be customized according to PDIC requirements.

6.4.2 Vendor

6.4.2.1 The vendor must be able to demonstrate an operational system/setup. Application response time using the existing facility of PDIC shall not be longer than 10 seconds regardless of the number of concurrent users logged-in. This activity shall be tested during post-qualification.

6.4.2.2 The vendor should have completed at least two (2) LMS implementation one of which is local.

6.4.2.3 The vendor should have a team member with at least 5 years experience in Loans Management.

6.5 General Requirements

6.5.1 All outputs can be viewed on screen, printed and saved to a file (PDF and Excel).

6.5.2 Availability of report writer for all other ad hoc reports.

6.5.3 System shall be highly parameterized and whenever applicable, shall make use of reference tables for easy updating.

6.6 Look and feel

Screen should be maximized in an 800x600 resolution screen but has an auto-resize feature according to the screen resolution of the user.

6.7 Maintainability Requirements

The system will be designed as highly parameterized in terms of business rules. This means that business rules shall not be hard-coded but rather database driven for the system to be flexible and maintainable without recompiling the User Interface codes.

6.8 Installation and Operations Requirements

6.8.1 The LMS shall be packaged with all the required literature and installed by the vendor. It shall be turned-over to the PDIC IT Group for subsequent installations. The vendor shall train the PDIC system support staff to be able to install and support the LMS during actual system deployment.

6.8.2 Training sessions for the actual system users shall include the following:

6.8.2.1 User's Training
6.8.2.2 Technical Training
6.8.2.3 System Administrator Training

6.9 System Environment Requirements

The LMS shall be able to operate in the hardware and software environment specified in the table below, which the PDIC shall set-up.

	SOFTWARE	**HARDWARE**
Database Server	MS SQL SERVER 2008	Minimum Requirement: Quad Processor 3 GHz Pentium or higher Minimum of 4GB RAM SCSI with hardware RAID 5 minimum of 250GB capacity or higher; with DVD R/RW
Web/Application	Windows 2003 Server Standard Edition Any OOP language-based UI Internet Information Services (IIS) 6	Pentium 4 2.4 GHz or later Minimum of 1GB RAM Minimum of 120GB Hard Disk space with CD ROM
Client PC / Browser	Windows XP or higher Internet Explorer 5 or higher	IBM PC/Compatibles, minimum of 433 MHz Minimum of 256 MB RAM 40 GB Hard Disk 800x600 display resolution

7.0 ASSUMPTIONS/CONSTRAINTS

7.1 System

7.1.1 A borrower can have more than one loan in a bank or several banks.

7.1.2 Each mortgage property can secure multiple loans from other banks.

7.1.3 Each borrower can have multiple loans with other banks/PDIC.

7.1.4 Maintain loan portfolio by bank and allow various classifications across banks, address of borrower, type of loan, etc.

7.1.5 Attributes of real estate collaterals (REMs) and Dacion en Pago (payment in kind) to be captured by the LMS are the same as those of the ROPA accounts maintained in the ROPAMS.

7.2 User Performance Support Requirements

Access to the system is limited only to workstations or computers within the PDIC Domain (Microsoft AD), and shall work with the existing Internet access or bandwidth of the PDIC.

7.3 Business Requirements

Should there be a change in the business requirements at the time of implementation, the same shall prevail. The herein defined requirements are made for purposes of estimating the extent of work and the corresponding cost.

7.4 Project

The vendor shall provide support in the UAT, Parallel Run, and deployment of the system. However, UAT, parallel run and deployment remain the responsibility of the PDIC.

8.0 TERMS OF PAYMENT

The payment schedule shall be based on the progress or completion of the milestones of the project that shall be set by PDIC and reflected in the Contract.

Milestones	Progress Billing and Documentary Requirements
1. Upon completion of mobilization and setup of Test and Production environments	10% of the Contract Price • Project Management Plan/Charter • Risk Management Plan • Acceptance Plan
2. Upon submission and approval of blue prints	15 % of the Contract Price • Blueprints of current and to-be processes
3. Upon completion of customization, and installation of the customized application	15% of the Contract Price • Blueprint of as-built process
4. Upon completion of data build-up/migration	15% of the Contract Price • Migration Strategy Plan • Migration Logs and Issues
5. Upon completion of UAT	15% of the Contract Price • Test Plan • UAT Document (test cases/scripts) • Test Results/Error Logs • Issue Management Plan
6. Upon completion of training	15 % of the Contract Price • Training Plan • Training Materials/Certificates • User and System Administrator manuals • Server Configuration manual
7. Upon Final Acceptance	15% of the Contract Price • Final Installation/setup program (including drivers, plug-ins, etc.) • System Architecture • E/R Diagram • List of Modules • List of Tables • Table-Module Matrix • Table Abstracts • Physical Data Model • High Level Design (HLD) • Other Technical Specifications • Signed User Acceptance Document

9.0 MISCELLANEOUS REQUIREMENTS

9.1 The VENDOR warrants that it shall conform strictly with all the terms and conditions of this Terms of Reference.

9.2 The VENDOR shall not replace key personnel when the project has reached 25% or when the customization phase has already started, except for justifiable reasons and with prior agreement by PDIC.

9.3 A warranty period of twelve (12) months shall commence upon issuance of the Certificate of Acceptance, which shall be consistent with the provisions under R.A. 9184.

9.4 The VENDOR should include the provision of technical support equivalent to 2 days per month for one (1) year. This will start six (6) months after acceptance of the system. The accumulated and unused technical support hours shall be convertible to training hours.

9.5 The VENDOR warrants, represents and undertakes reliability of the services and that their manpower complements are hardworking, qualified/reliable and dedicated to do the service required to the satisfaction of the PDIC. It shall employ well-behaved and honest employees with ID displayed conspicuously while working within the compound. It shall not employ PDIC employees to work in any category whatsoever.

9.6 The VENDOR shall neither, assign, transfer, pledge nor subcontract any part or interest therein.

9.7 The VENDOR and its project staff shall be required to sign a confidentiality/non-disclosure agreement.

9.8 Working space shall be provided by the PDIC. However, PDIC facilities will only be provided from Monday to Friday, 8:00am to 5:00pm. Overtime will not be permitted within the PDIC facilities unless warranted. The same shall be coordinated with the PDIC Team for proper authorization.

GLOSSARY OF REPORTS and INPUT FORMS

1. REPORTS

- ***Aging of Accounts*** – This report shall summarize the loan portfolio per closed bank/assisted bank according to age from due date to date that it remained outstanding.

- ***Status of Loans*** – This report shall summarize the status of the loan accounts into current, past due and items in litigation per closed bank/assisted bank.

- ***Assignment of Loans – Per Creditor*** – This report shall summarize the loan accounts per closed bank assigned to various creditors as payment for bank's outstanding obligation.

- ***Cancellation of REM/Chattel Mortgages*** - This pro forma form shall be the form to be issued to cancel the mortgage entry in favor of the closed bank/assisted bank once the loan account is fully paid.

- ***Compromise Settlement Proposal*** – This form shall be used in the evaluation and recommendation of compromise settlement proposals made by the borrowers for approval by the approving authorities.

- ***Demand Letter*** – This letter shall be sent to demand from the borrowers the payment of their obligation.

- ***Report on Loan Resolution*** – These reports shall summarize the monthly resolutions through:

    - Collections on Amortizing Accounts
    - Compromise Cash Settlement
    - Offset versus Deposit
    - Restructured Loan

- ***Schedule of Fully Paid Loans*** – This report summarizes the fully paid loan accounts per month.

- ***Schedule of Loans**** – This is the loan portfolio per closed bank/assisted bank which includes all the basic information described in FR #1.

- ***Schedule of PDCs*** – This report summarizes the Post Dated Checks on hand turned over by the borrowers grouped into due dates per closed bank/assisted bank.

- ***Statement of Accounts*** – This statement shows the amount due from the borrower as of certain cutoff date.

- ***Summary of Accounting Entries – Daily Prooflist*** – This report summarizes the daily transactions made by closed bank/assisted bank.

- ***Loans and Defaults Report per Closed Banks w/o Final Project of Distribution (FPOD) by Closure Period* – As of Quarter Date** – This report summarizes loans and defaults per closed bank without FPOD by closure period, to be submitted as input to the Management Information System of the Corporate Planning Group as part of their regular activities.

II. INPUT FORMS

- Checklist of Documentary Requirements for Loans

- Payment Order Form (Closed Bank, PDIC)

*Filtered by classification, security and type

GLOSSARY OF ANNEXES

DIAGRAMS

ANNEX A1 : Context Diagram

ANNEX A2 : Level 0 Data Flow Diagram

ANNEX B : Various Loan Resolutions

REPORTS

ANNEX C : Subsidiary Ledger

ANNEX D : Statement of Account

ANNEX E : Payment Order

ANNEX F : Demand Letter

ANNEX G : Loan Restructuring

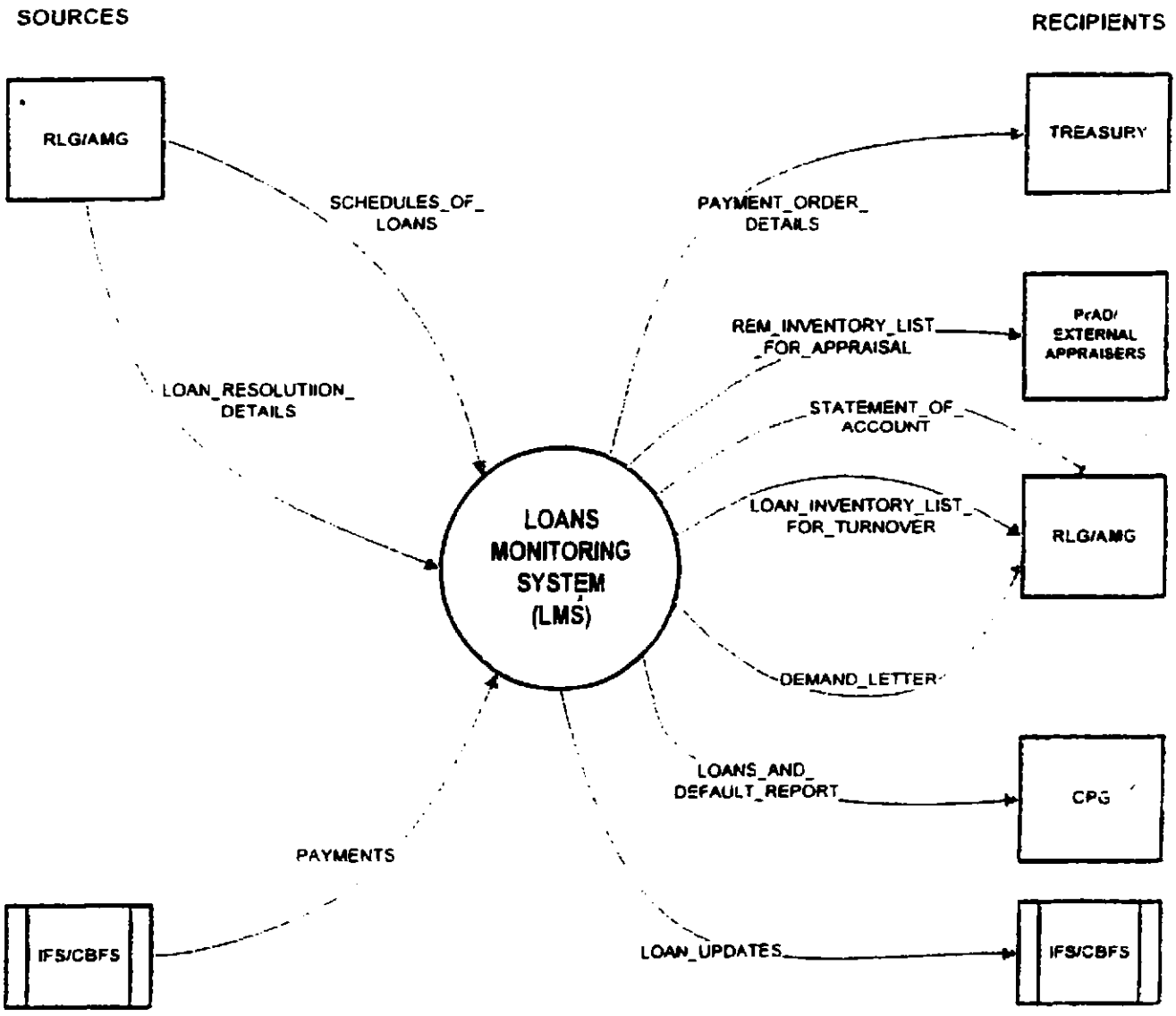
ANNEX H : Full Settlement

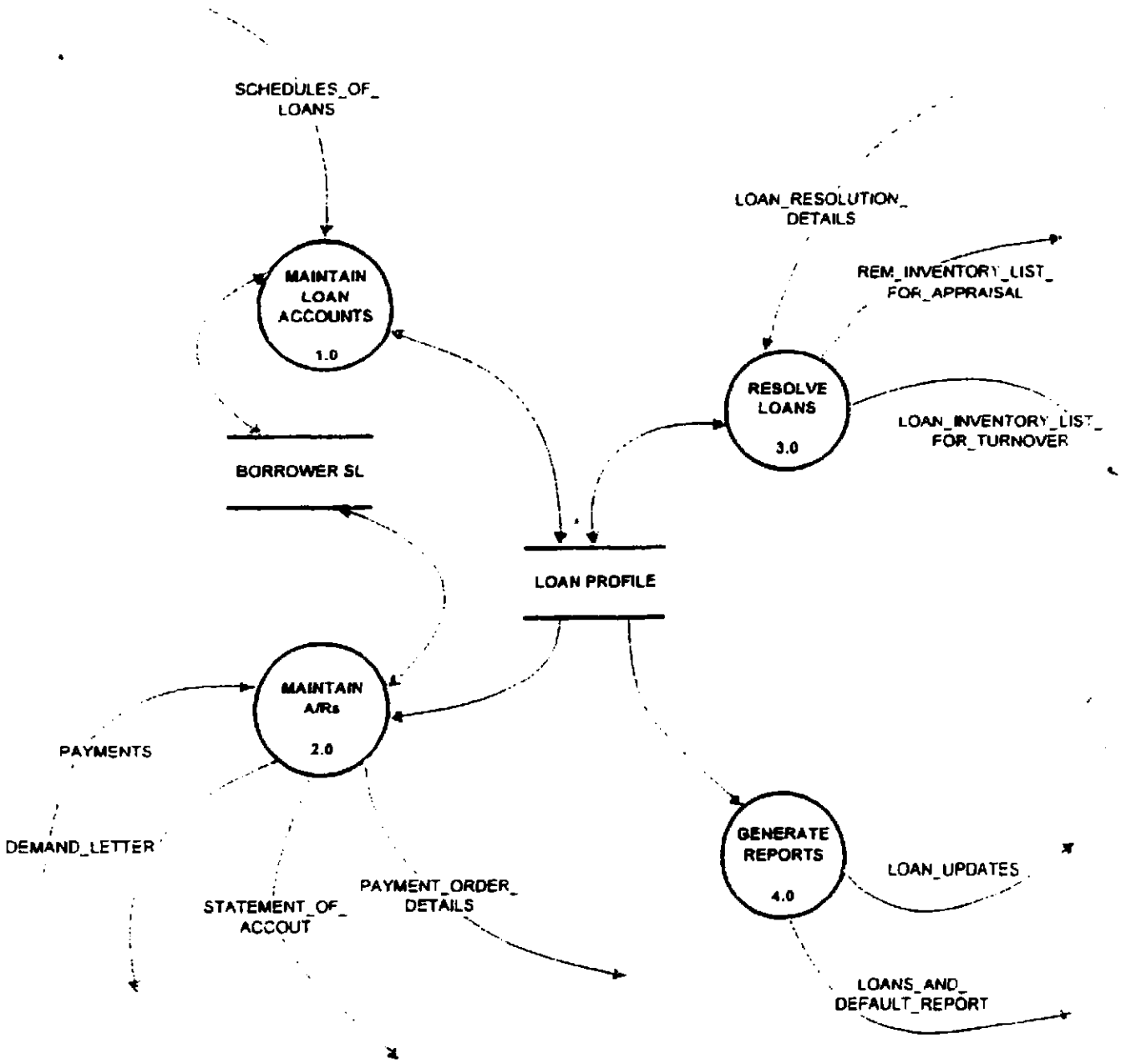
ANNEX I : Cancellation of Chattel Mortgage

ANNEX J : Cancellation and Release of Mortgage

LMS: CONTEXT DIAGRAM

ANNEX A1

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MAINTAIN
LOAN
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RESOLVE
LOANS
3.0
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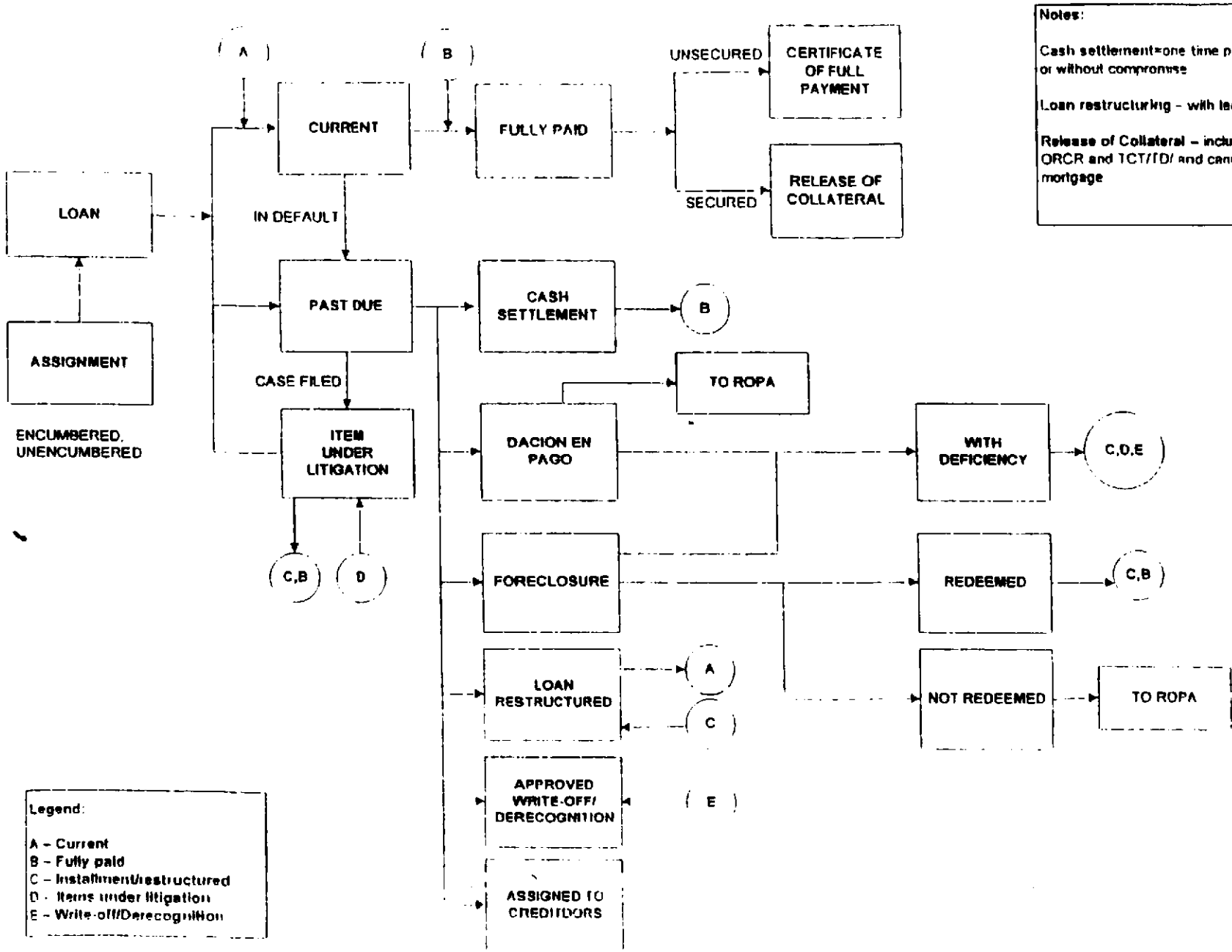
BORROWER SL
LOAN PROFILE
MAINTAIN
A/Rs
2.0
PAYMENTS
DEMAND_LETTER
STATEMENT_OF_
ACCOUT
PAYMENT_ORDER_
DETAILS
GENERATE
REPORTS
4.0
LOAN_UPDATES
LOANS_AND_
DEFAULT_REPORT

VARIOUS LOAN RESOLUTIONS (CL :ED BANKS)

ANNEX B



PHILIPPINE DEPOSIT INSURANCE CORPORATION
2228 Chino Roces Avenue Makati City

Account Name JOHN DOE
Loan Type
Security CLEAN

CLIENTS LEDGER
as of 30-Sep-11

PN/ER No	Maturity Date	Outstanding Principal Balance	Bill Date From	Bill Date To	No. of Days	Interest Rate	Interest Due	Principal Due	Total	Late Days	Penalty on principal	Total Amount Due
		3,771.42	21-Dec-2004	30-Sep-2011	1,742	12.00%	2,159.94	3,771.42	5,931.36	1,742	6,479.82	12,411.17
TOTAL AMOUNT DUE							2,159.94	3,771.42	5,931.36		6,479.82	12,411.17

PHILIPPINE DEPOSIT INSURANCE CORPORATION
SSS BLDG 6782 AYALA AVENUE corner V.A. RUFINO ST.
1226 MAKATI CITY, PHILIPPINES
TEL. NOS. (02) 841-4000

STATEMENT OF ACCOUNT

JOHN DOE

as of 30 September 2011

Principal	₱	3,771.42
Interest		
from 23 Dec. 2006 to 30 Sept. 2011 at 12% p.a. (Interest based on Promissory Note)		2,159.94
Penalties		
from 23 Dec. 2006 to 30 Sept. 2011 at 36% p.a.		6,479.82
TOTAL AMOUNT DUE	₱	12,411.17

Note: All errors and omissions excepted.

Annex [illegible]

Payment Order

To be filled up by RL Department

[illegible]	Name of Closed Bank	
[illegible]	Amount Paid	Date of Payment
[illegible]	Bank	Branch	Check [illegible]

Details of Payments

BIR Transactions	PDIC Corporate Transactions
[illegible] Receipt shall be issued by the Cashier	PDIC Official Receipt Shall be issued by the Cashier
[illegible] / Purchase of Asset [illegible]	Payment of PDIC Cash Advance
[illegible] / FFEA	Included from EDF Drawing Sheet [illegible]
[illegible] / OTHERS	Per Approved Memo request on cash advance [illegible]
	Liquidation of Cash Advance

Ma. Bernadette R. Sanchez

DIV. RLD-IE

[illegible]	OR No.	Date of OR

Receivership & Liquidation Group

Payment Order

To be filled up by RL Department

[illegible] RLD-IE	Name of Closed Bank	
[illegible]	Amount Paid	Date of Payment
[illegible]	Bank	Branch	Check [illegible]

Details of Payments

BIR Transactions	PDIC Corporate Transactions
[illegible] Receipt shall be issued by the Cashier	PDIC Official Receipt Shall be issued by the Cashier
[illegible] / Purchase of Asset [illegible]	Payment of PDIC Cash Advance
[illegible] / FFEA	Included from EDF Drawing Sheet [illegible]
[illegible] / OTHERS	Per Approved Memo request on cash advance [illegible]
	Liquidation of Cash Advance

Ma. Bernadette R. Sanchez

DIV. RLD-IE

[illegible]	OR No.	Date of OR

Annex F

LOANS MANAGEMENT GROUP

_____ (date)

Mr/Ms. _____
Address

Dear _____,

This is to formally inform you that your outstanding past due loan with the _____/Region Bank has been assigned to Philippine Deposit Insurance Corporation ("PDIC") pursuant to the Deed of Assignment dated _____.

Records show that your loan account has unpaid principal balance of **(amount in words) (Pxxx.xx)**, exclusive of interest, penalties and other charges as of _____.

In view thereof, demand is hereby served upon you to settle aforementioned loan obligations within ____ (__) days from receipt of this letter. Otherwise, we shall be constrained to take appropriate legal action against you to protect the interest of PDIC.

Please give the matter your preferential attention.

For inquiries or clarifications, you may contact _____, Account Officer, at _____ or email him/her at _____@pdic.gov.ph.

Very truly yours,

_____

attach: Statement of Account

ANNEX G

PHILIPPINE DEPOSIT INSURANCE CORPORATION
MAKATI CITY

MEMORANDUM

LOANS MANAGEMENT GROUP
Loans Management Department

FOR :

SUBJECT :

DATE :

Action Requested: For Approval

Recommendation:

1. Restructuring of the outstanding loan obligation of _____ in the amount of _____ after upfront payment of _____ to be paid on _____.

   Acquisition Cost from _____Bank
   Unbooked Interest:

   Total unbooked interest
   Penalty Charges @ ___% p.a.
   Total unbooked interest & penalty charges
   Less: payment of
   Outstanding Principal as of _____

   Reduction in unbooked interest to be conditionally waived
   Total Loan Obligation as of _____
   Less: Upfront payment on _____
   Amount to be restructured
   Estimated Cash Recovery (inclusive of previous/upfront payment)
   % of estimated cash recovery to PDIC Acquisition Cost

   Note: No provision on penalty in the PDIC approved Restructuring Terms & Conditions dated _____.

2. Terms and conditions of the Restructured Loan of _____:

   Term
   Interest Rate
   Mode of repayment Monthly Amortization at _____ (Schedule attached)

3. After full payment of the restructured loan, all taxes, fees, charges and other expenses necessary or incidental to the cancellation of mortgage and release of TCT No. _____ shall be for the account of the Borrower.

   Submission to PDIC of updated realty tax payment receipt or Tax Clearance from the Municipal Treasurer's office.

Justifications:

Account Background:

Source Bank	:	
Amount of Loan	:	Interest Rate: __% pa Penalty Rate: __% pa
Date Granted	:	Term: ___ years
Maturity Date	:	
PDIC Acquisition Cost	:	
Date Acquired	:	
Date Restructured/approved	:	
Restructured Amount	:	Interest Rate @ __% p.a.
Term	:	
Monthly amortization	:	

☐ Evaluated by

_____
(Department)

☐ Recommending Approval

_____
(Department)

☐ Approved
☐ Disapproved

_____

First e-Bank
Schedule of Loan Receivables-REGULAR
FULL SETTLEMENT
as of 30 September 2011

CTRL #	ACCOUNT NAME	ACQUISITION COST	OUTSTANDING BALANCE
	SECURED		
	individual		
1	VIRVY. JYVWITV S.. JHWWIFHR S. & JPHL S.	15,628,165.75	-
2	SILVV. VMVDP/CVRMHLITV	9,300,000.00	-
3	CPWCHPCIPW. JPSH MV. SVLVVDPR	8,270,818.95	-
4	PHÑV. JPHY	6,363,000.00	-
5	BVRVQYIV. WHLSPW	4,500,000.00	-
6	JVVHW. JVSH M./ JYVW & VICHWTV	4,449,580.44	-
7	HPWPRIP. TRVWQYILLIWP & RPMVWV	3,970,000.00	-
8	IGWVCIP. RPSITV	3,723,554.83	-
9	VGVW. LHPWVRDP & PHILVDHLPHIV	2,775,376.00	-
10	PCHPV. SPS HHRMHS & VRVCHLI	2,270,000.00	-
11	FYLVCHH. MVXIMIVWP/CPRVZPW	2,260,837 48	-
12	GP. RPLVWDP/ MVWYHLV FHRWVWDHZ GP	1,499,000.00	-
13	BVLVJVDIV. BHWHDICTP & VWV MVRIH	1,379,882.15	-
14	CVSTILLP. PHILLIP & MVRIV	1,315,000.00	-
15	BVCYLIP. PHDRITP & JVWH	1,279,000.00	-
16	RILLP. SPS. JPSHLITP & SYZHTTH	1,273,600.44	-
17	CVSIMIRP. RICVRDP	1,239,138.54	-
18	MVCVIBVY. SPS. JPSHFIWP VWD MVRGVRITV	1,224,976.80	-
19	SVWGVLVWG. SPS. MVRIP/ DRV. MV. LPYHLLV	1,176,478.22	-
20	PRIP. PVTRICIP P.	1,000,000.00	-
21	BVRVVW. SPS. FRVWCISCP & FHLICIDVD	903,696.86	-
22	PWG. RICVRDP & HLHWV	900,000.00	-
23	SVLHS. FLPRHWCIP/IMHLDV	900,000.00	-
24	GVMMVD. VHWVWCIP/ HSTHLITV	890,000.00	-
25	CVRDPZP. HDITHV	888,888.96	-
26	CHYV VIDV & JPSH	790,000.00	-
27	CPSIP. SPS WVPPLHPW & FLPRV	780,000.00	-
28	PMVWDVC. VLVW T & HLISV G	712,000.00	-

The [illegible] a banking institution ordered closed by the Monetary Board (MB) pursuant to MB Resolution No 961 dated July 31, 2008 and subsequently placed under liquidation pursuant to MB Resolution No. [illegible] dated [illegible], represented herein by its Statutory Liquidator, the Philippine Deposit Insurance Corporation (PDIC) with office address at SSS Building, 6722 Ayala Avenue cor V A. Rufino St., Makati City, is the MORTGAGEE of that certain motor vehicle covered by [illegible] City under Chattel Mortgage (ChM) dated February 15, 2008 and annotated as Entry No 47010 on [illegible]

Make and Model
Engine No. / Chassis No
Type
Plate No

It appearing that the loan or consideration of the mortgage is not anymore outstanding as verified against the Masterlist of Loans and Discounts as of August 1, 2008 and that the subject property with [illegible] does not stand as security for any other loan obligation with the bank, the [illegible], as MORTGAGEE does by these presents forever release discharge and cancel the said mortgage and declare that it is of no further force and effect

All taxes, fees and expenses incidental to or related with the execution of this document shall be for the sole and exclusive account of the MORTGAGOR.

Issued this _____ day of _____, 2011 at _____ Philippines.

Mortgagee
TIN –

PHILIPPINE DEPOSIT INSURANCE CORPORATION
Liquidator
TIN – 000-488-662
By:

MA. BERNADETTE R. SANCHEZ
Department Manager, RLD 1-B

Signed in the Presence of:

_____ _____

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
)S.S.

BEFORE ME, A NOTARY PUBLIC, for and in the City of Makati this _____ day of _____ 2011 personally appeared MS BERNADETTE R SANCHEZ with PDIC ID No 0730 known to me and to me known to be the same person who executed the foregoing instrument, in her capacity as the duly authorized representative of Philippine Deposit Insurance Corporation (PDIC), Liquidator of [illegible], and she acknowledged to me that the same is her free and voluntary act and deed as well as the entity which she represents

This instrument refers to Release / Cancellation of Chattel Mortgage consisting of one (1) page duly signed by the executing party and her mortgagee and the witnesses hereof

WITNESS MY HAND AND SEAL on the date and place first above written

NOTARY PUBLIC

Doc No.

PHILIPPINE DEPOSIT INSURANCE CORPORATION
R/L Department I-B
REQUEST FOR ISSUANCE OF CANCELLATION AND RELEASE OF MORTGAGE

(Under Liquidation)

Requesting Party	Date when request was submitted

Information/Declaration in Affidavit submitted by Requesting Party

Name of Borrower	Mortgage Amount
OCT/TCT/TD/COR No. of Mortgage Property CR No. 5914687-2	Registered Owner
Chfd Notarized by Atty. Nelson S. Legacion	Document No.
Date of Chattel Mortgage Encumbrance Entry No. 47010	Inscription Date
Date when loan was fully paid	O.R. No. of Last/Final Paid

UNDERTAKING:

1. Will pay once found to be indebted to the bank — X Yes ___ No
2. Will hold the bank and PDIC free and harmless from any claim, loss or damage that may arise from the loss or unauthorized use of OR — X Yes ___ No
3. Will indemnify the bank and/or PDIC for any loss or damage that may be incurred from affiant's representations — X Yes ___ No

R/L ACTION

DEPUTY

Results of verification about property

1. Security to outstanding obligation to the bank? ___ Yes X No
2. Among the outstanding ROPOA of the bank? ___ Yes X No
3. Security to Bank's Obligation to BSP/LBP/other banks? ___ Yes X No
4. With Accounts Receivable/Included in bank's Masterlist of L&D ___ Yes X No

Note: CR No. already in the possesion of the borrower

CPO II/ Authorized Deputy
Date 1/13/11

___ Recommending Approval
___ Disapproved due to

Department Manager RLD I-B
Date 1/13/11

Attachments
- Letter Request
- Certification
- Affidavit (notarized)
- Chattel Mortgage (certified thru copy)
- LTO O.R. & C.R. (photo copy)
- Official Receipts of G7 Bank (photo copy)
- Loan History

✓ Approved
___ Disapproved

TERESITA D. GONZALES
MF RLG I
Date 1/18/11

J 9

Draft Management Report Template IV

PROPOSED REPORT

Loans and Defaults Report per Closed Banks w/o FPOD by Closure Period

(As of Quarter Date)

Closed Banks	Total Original Loan Amounts	Principal Outstanding Balance			Interest			Penalties billed		
		Total Due	Overdue	Not yet due	Total Due	Overdue	Current	Total Due	Overdue	Current