



**Joint DAR-LBP Memorandum Circular No. 03  
Series of 2021**

**SUBJECT: IMPLEMENTING GUIDELINES FOR THE EXTENDED CREDIT PROGRAMS:**

- a. TWO (2) YEARS EXTENSION FOR THE CREDIT ASSISTANCE PROGRAM FOR PROGRAM BENEFICIARIES DEVELOPMENT (CAP-PBD) WIII**
- b. THREE (3) YEARS EXTENSION FOR THE EXPANDED ASSISTANCE TO RESTORE AND INSTALL SUSTANABLE ENTERPRISES FOR AGRARIAN REFORM BENEFICIARIES AND SMALL FARMHOLDERS (E-ARISE ARBs) PROGRAM**

**A. BACKGROUND**

The DAR and LBP pursued the implementation of the Credit Assistance Program for Program Beneficiaries Development (CAP-PBD) as a partnership program to provide credit support and establish the bankability of the eligible Agrarian Reform Beneficiaries Organizations (ARBOs). These organizations undertake projects as well as perform conduit-based responsibility in providing financing assistance for the crop production and enterprise/livelihood projects of their individual members, primarily the Agrarian Reform Beneficiaries (ARBs). Under the said program, the Assistance to Restore and Install Sustainable Enterprises for Agrarian Beneficiaries and Small Farmholders (ARISE-ARBs) was also created and pursued as a contingent program to cater to the financing requirements of ARBs affected by calamities through their respective organizations.

Recognizing the need to continuously provide credit assistance to ARBs and to respond to the requirements of RA 11469 or the '*Bayanihan* to Heal As One' Act to address the unfavorable socio-economic impacts of the COVID-19 pandemic to ARBs and Smallfarmholders (SFHs), the one-year extension of the CAP PBD was approved on 16 March 2020. Under the same consideration, the ARISE-ARBs was expanded to provide credit assistance and other support services to ARBs and SFHs who were adversely affected not only by calamities and disasters but also by viral infections/outbreaks, like the COVID-19 and pest and diseases.

An assessment of the one-year implementation of the credit programs showed that the implementation activities at the field level were significantly affected

by health protocol quarantine measures imposed in the project areas. Nevertheless, 152 loan application of ARBOs under both programs were received and for under various stages: (i) for completion of documentary requirements by ARBOs; (ii) for endorsement to LBP Lending Centers (ii) for processing, evaluation approval and release by LBP Lending Centers. However, the complete processing and approval of these loan folders are at stake since the one-year CAP-PBD extension and the EARISE simultaneously expired on 15 March 2021. In essence, the program management have regarded the need for sufficient period to complete the processing of the loan folders which was assessed to span beyond the remaining schedule for the implementation of the credit programs. Also, based on the results of consultations conducted involving DAR field focal persons who are directly coordinating the implementation of the projects, there is a growing demand for the credit programs and suggestions to modify/enhance the program and loan features to make the program more responsive and competitive to target beneficiaries.

The above were the underlying premises for the subject proposal for the extension of the credit programs that was endorsed by the National Project Management Committee to the PARC Executive Committee during its 147<sup>th</sup> meeting on 15 March 2021. The PARC Executive Committee acknowledged on a majority consensus that there is still a need for the continuous services of the credit programs to support the production needs of the ARBOs and their ARB and SFH-members. Moreover, the Committee also acknowledged the intense need for the support programs to enhance capability of ARBs to cope with the impacts of the social and economic impacts of the COVID19 pandemic. Under these considerations, the proposal for the two (2) years extension CAP-PBD WIII and three (3) years extension for EARISE credit programs was approved.

For purposes of the implementation of the subject credit program extensions, this guideline is formulated and issued to provide addendum and/or supplemental to the provisions contained under DAR-LBP Joint Memo Circulars 03-2018 and 02-2018, guiding the implementation of the CAP-PBD WIII and ARISE-ARBs credit programs, respectively.

## **B. POLICY FRAMEWORK**

The program extension shall be guided by the principles and guidelines enunciated under the following policy issuances:

- b.1. Proclamation No. 922, series of 2020, declaring a State of Public Health Emergency, and Proclamation No. 929, Declaring a State of

Calamity throughout the country, which both provide, among others, for all agencies to render full assistance and cooperation as well as mobilize the necessary resources to undertake measures in a timely manner to curtail and eliminate the threat of the COVID-19;

- b.2. Republic Act No. 11494 or the "Bayanihan to Recover as One Act", providing for the implementation of COVID-19 responses and recovery interventions and providing mechanisms to accelerate the recovery and bolster the resiliency of the Philippine Economy, providing funds therefore for other purposes;
- b.3. Republic Act No. 9729 or the "Climate Change Act of 2009" which mandates mainstreaming the impacts of climate change in the implementation of programs, projects and activities to address vulnerability and enhance the capability of communities thru adaptation and mitigation measures towards the goal of resiliency;
- b.4. Republic Act No. 7607 or the Magna Carta for Small Farmers which provides for the delivery of services including rural credit to empower small farmers; and
- b.5. Republic Act No. 9710: Magna Carta of Women. The effect of disaster affects all type people in different level of economic status, but it impacted females more than males. The poor access to basic services is one of the factors in disaster vulnerability of women as they usually in charge of taking care of their families during evacuation for survival.

### **C. GENERAL GUIDELINES**

- c.1. Generally, the same guiding implementation policies and procedures will be adopted for both the extended CAP-PBD WIII and E-ARISE-ARBs Programs, with modifications and enhancements of program and loan features and implementation processes, to ensure the continuous and more responsive delivery of the agri-credit service of the programs to the intended beneficiaries
- c.2. The implementation of the two (2) year program extension of CAP-PBD WIII shall reckon from 16 March 2021 to 15 March 2023 while the three-year extension of E-ARISE-ARBs Program shall reckon from 16 March 2021 to 15 March 2024.
- c.3. The remaining program funds reckoned from the date of the approval of this subject extension, will be made available and utilized for the

provision of credit and capacity building assistance under the two-year and three-year program extension of CAP-PBD and E-ARISE-ARBs, respectively.

**D. PROGRAM ENHANCEMENTS**

The following shall be adopted as enhancements for the credit program implementation guideline:

d.1. Additional/Change in eligibility requirements for ARBOs

- a) with at least six (6) months of business operations;
- b) with legal personality registered with the Cooperative Development Authority (CDA) for Cooperatives and with the Securities and Exchange Commission (SEC) for Farmers’ Associations; and
- c) no outstanding loan with LBP and other financial institution for the same project being applied for

d.2. Adjustment/reduction of interest rate under CAP-PBD WIII Program Extension, as follows:

- i. Loans secured by ARBOs from LBP -, from 6.0% p.a. to 5% p.a.
- ii. Loans extended/relent by ARBOs to member-borrowers - from 15% p.a. for Short Term Loans (STL) and 16% p.a. for Term Loan, to be collectively set at a level the ARBO may deem determine and prescribe feasible but up to and should not exceed a maximum of 10% p.a., inclusive of other charges

d.3. Credit Eligibility Level Scheme

Adoption of the following credit level eligibility scheme, purportedly to enhance credit management and correspondingly facilitate loan processing and fund release:

<i>Category of ARBO-Availier</i>	<i>Loanable Amount</i>	<i>Category of Loan Availment</i>
1. Start-up	Up to Php400,000.00 only	First time availment
2. Second Cycle Availier	More than Php400,000.00 to Php 1.0 million	Second time availment, based on track record and

<i>Category of ARBO-Availer</i>	<i>Loanable Amount</i>	<i>Category of Loan Availment</i>
		repayment capacity of the ARBO
3. Third Cycle Availer	More than PhP 1 million up to maximum loanable amount (actual credit requirement)	Third time availment, based on track record and repayment capacity of the ARBO

Under the scheme, the ARBO's actual funding requirements will be the lone basis but shall be assessed and approved within the amount and fund level provided for each category.

- d.4. Inclusion of ARBO- managed enterprises/project as eligible loan purpose under E-ARISE-ARBs Program.

The enhanced program and loan features for both programs are made part of this JMC as Attachments 1 and 2.

#### **D. Transitory Policies for Loan Applications**

To ensure continues processing and timely provisions of credit assistance to ARBOs and their member-borrowers under the subject programs, the following transitory policies shall be adopted:

1. Loan applications of eligible borrowers endorsed by DAR Provincial Offices (DARPOs) to LBP Lending Centers prior to the program expiry shall be processed/evaluated, approved and released based on the previous program guidelines, the categories of which are as follows:
  - a. Approved and for release already
  - b. With complete documentary requirements
  - c. With lacking documentary requirements, subject, to submission of lacking documentary requirements within one month from 07 April 2021 or until 07 May 2021

Loan re-availment of existing ARBOs under CAP PBD WIII that are among the above categories shall be processed based on the new guidelines, specifically as herein above defined under Section c.1.

2. All loan applications received from 16 March 2021 thereafter and those with still incomplete documentary requirements and resubmitted to LBP Lending Centers beyond on 7 May 2021, shall be processed/evaluated based on the new program guidelines

**E. REPEALING CLAUSE**

All other terms and conditions and provisions contained in the Joint DAR-LANDBANK Memorandum Circular Nos. 2 and 3 – Implementing Rules and Regulations of ARISE-ARBS-Program and CAP-PBD Window III Program Extension, respectively that are not inconsistent herewith shall remain in force and in affect.

**F. EFFECTIVITY**

This Joint Memorandum Circular shall take effect on \_\_\_\_\_

4 th day of May 2021, Diliman, Quezon City.

**Department of Agrarian Reform**

**Land Bank of the Philippines**

By:

By:

  
**ATTY. EMILY O. PADILLA**

Undersecretary for Support Services  
*B*

  
**MA. CELESTE A. BURGOS**

Senior Vice President/OIC,  
Agricultural and Development Lending  
Sector

*a/ The joint meeting of LBP-LC and DARPOs on 07 April 2021 regarding status of loan folders/applications as reckoning date for extending one month for the completion of documentary requirements.*

Please refer to separate files for the recommended attachments.

## ATTACHMENT 2

### EXPANDED ASSISTANCE TO RESTORE AND INSTALL SUSTAINABLE ENTERPRISES FOR AGRARIAN REFORM BENEFICIARIES FOR SMALL FARM HOLDERS (E-ARISE-ARBs) PROGRAM

Program Duration/ Extension Period	Three (3 years), from March 16, 2021 to March 15, 2024
Target Number of Borrowers	114 Agrarian Reform Beneficiary Organization (12 existing and 102 new ARBO borrowers)
Eligible Borrowers	<p>a. ARB Cooperatives b. Farmers Associations with ARB and SFHs members</p> <p>which and/whose members have been adversely affected by the following:</p> <ol style="list-style-type: none"> <li>1) natural calamities such as typhoons, earthquakes, volcanic eruptions and other calamities as declared by the Office of the President, the National Disaster Risk Recovery and Management Council (NDRRMC) or the Local Government Unit (LGU); and</li> <li>2) epidemic or pandemic outbreaks of human and/or animal diseases or plant infestations as declared by the Department of Health, Department of Agriculture or other appropriate government agencies.</li> </ol>
Eligible Criteria	<ol style="list-style-type: none"> <li>1. With legal personality (i.e., <i>Cooperatives and Farmer's Associations duly registered with the Cooperative Development Authority and with Securities and Exchange Commission, respectively</i>);</li> <li>2. With at least six (6) months of business operations;</li> <li>3. No adverse findings on the borrower and its principals/key officers;</li> <li>4. With complete part time or full time Core Management Team (Manager, Cashier/ Treasurer and Bookkeeper);</li> <li>5. With operations and lending manual in place;</li> <li>6. With books of account, accounting and internal control system;</li> </ol>

	<p>7. No outstanding loan with LBP and other financial institutions for the same project being applied for;</p> <p>8. Others:</p> <ol style="list-style-type: none"> <li>With minimum paid-up capital of P15,000.00</li> <li>With past due ratio of not more than 25% prior to the occurrence of natural calamities/ disasters, pest and diseases, and viral infections / outbreaks before the occurrence of the calamity</li> <li>With capital build-up and savings mobilization program</li> <li>Excluded are those provided with financial support by other government agencies, non-government organizations and private institutions</li> </ol>	
Eligible Sub-Borrowers	<ol style="list-style-type: none"> <li>ARBs</li> <li>SFHs</li> </ol> <p>- who have been affected by natural calamities/disasters, pests and diseases and viral infections/outbreaks as certified by the Barangay Captain and/or Municipal Agrarian Reform Officer</p>	
<b>Loan Features</b>		
<b>Particulars</b>	<b>Agri-Enterprise/ Livelihood Loans</b>	<b>Provident Loans</b>
a. Purpose	To augment ARBOs funds for on-lending to ARBs/SFHs for agri-enterprise and livelihood projects and to finance ARBO-managed projects	To augment ARBOs funds for relending to ARB/SFH-members to finance their house repairs or finance the ARBP's office repairs
b. Availability Period	<p>One (1) year from the official date of declaration of state of calamity/disaster of the area, or declaration of animal diseases/viral outbreak or infestation.</p> <p>For those affected by COVID-19 pandemic – up to 31 December 2022</p>	Within one (1) year from the official date of declaration of state of calamity/disaster of the area
c. Loanable Amount	<p>1. For ARBOs with loan applications endorsed by DAR to LBP Lending Centers prior to program expiry or until 15 March 2021:</p> <ul style="list-style-type: none"> <li>Up to P1.0 Million per ARBO</li> </ul>	<ul style="list-style-type: none"> <li>Up to P10,000 per ARB/SFH – member - borrower</li> <li>Up to P100,000 per ARBO</li> </ul>



	<p>2. For ARBOs with loan applications endorsed by DAR to LBP Lending Centers after the program expiry</p> <table border="1" data-bbox="437 293 1034 1106"> <thead> <tr> <th data-bbox="437 293 592 394">Category of ARBO-Availor</th> <th data-bbox="592 293 783 394">Loanable Amount</th> <th data-bbox="783 293 1034 394">Category of Loan Availment</th> </tr> </thead> <tbody> <tr> <td data-bbox="437 394 592 461">Start-up</td> <td data-bbox="592 394 783 461">Up to P0.400 M</td> <td data-bbox="783 394 1034 461">First time availment</td> </tr> <tr> <td data-bbox="437 461 592 846">Second Cycle availer</td> <td data-bbox="592 461 783 846">More than Php 0.400M to Php1.0M</td> <td data-bbox="783 461 1034 846">Second time availment based on track record and repayment capacity of the ARBO</td> </tr> <tr> <td data-bbox="437 846 592 1106">Third Cycle Availer</td> <td data-bbox="592 846 783 1106">More than P1.0 M up to maximum loanable amount (actual credit requirement)</td> <td data-bbox="783 846 1034 1106">Third time availment, based on track record and repayment capacity of the ARBO</td> </tr> </tbody> </table>	Category of ARBO-Availor	Loanable Amount	Category of Loan Availment	Start-up	Up to P0.400 M	First time availment	Second Cycle availer	More than Php 0.400M to Php1.0M	Second time availment based on track record and repayment capacity of the ARBO	Third Cycle Availer	More than P1.0 M up to maximum loanable amount (actual credit requirement)	Third time availment, based on track record and repayment capacity of the ARBO	
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<p>d. Repayment Term</p>	<p><u>For on-lending</u></p> <ul style="list-style-type: none"> <li>Up to 3 years, payable monthly, quarterly, semi-annually or lump sum coinciding with the maturity of the loan of ARB/SFH sub-borrowers</li> </ul> <p><u>For ARBO-managed projects</u></p> <ul style="list-style-type: none"> <li>Up to three (3) years, payable monthly, quarterly, semi-annually or lump sum based on cash flow of the project</li> </ul> <p>A grace period may be allowed on the principal and interest based on cash flow of the project but not to exceed two (2) years</p>	<p><u>For on-lending</u></p> <ul style="list-style-type: none"> <li>Up to 3 years, payable monthly, quarterly, semi-annually or lump sum coinciding with the maturity of the loan of ARB/SFH</li> </ul> <p>A grace period may be allowed on the principal and interest based on the household/cash flow but not to exceed two (2) years</p> <p><u>For ARBO</u></p> <ul style="list-style-type: none"> <li>Up to 3 years, payable monthly, quarterly, semi-annually or lump sum</li> </ul>												
<p>e. Interest Rate</p>	<p>3% per annum</p>	<p>0%</p>												
<p>f. Pass-on Rate</p>	<p>6% per annum</p>	<p>3% per annum</p>												

g. Penalty for Loan Default	3% p.a. with 60 days grace period	
h. Fees and Charges	Standard fees and charges shall apply except for application, credit investigation/background investigation (CI/BI) commitment and pre-termination fees which shall be waived	
i. Credit Enhancers/ Collaterals	Assignment of sub-borrowers' promissory notes (PNs) and underlying collaterals, if any  Assignment of Insurance claims, if any.	Assignment of sub-borrowers' promissory notes (PNs) and underlying collaterals, if any.

## **BASIC DOCUMENTARY REQUIREMENTS**

### **If Availing of Agri-enterprise/Livelihood Loans**

1. Endorsement by DAR of eligible ARBOs;
2. Photocopy of Registration Certificate and Articles of Cooperation/Incorporation and Constitution/By-laws, including amendments thereto, if any, duly authenticated by DAR;
3. Board Resolution duly signed by the Board of Directors (BODs), authorizing the ARBO to borrow (indicating the type of credit facility and amount applied for) and designating at least two (2) officers to negotiate a loan with LBP and sign and endorse loan documents with specimen signatures and photos of authorized signatories ;
4. Certified List of incumbent Members of the BOD and principal officers;
5. For existing ARBO-Borrowers, audited Financial Statements (FS) for the past three (3) years, if available and latest interim FS for the current year prior to the calamity/disaster/outbreak;

For new borrowers, audited FS for the preceding year, if available, and interim FS for the current year prior to the calamity/disaster/outbreak, if available;

6. List of members with their corresponding address, work area, farm location and paid-up capital, duly certified by its Secretary and attested by Chairperson
7. Farm Plan and Budget, if applicable
8. Business Plan, if applicable

9. Photocopy of manual of operations/lending operations and accounting and internal control system.

*Note: For existing ARBO borrowers, above documentary requirements need not be submitted if already on LBP's file.*

**If availing of Provident Loans**, the ARBO shall submit requirement numbers 1,2,3,4,5, and 9 above, if not on LBP's file, plus the following:

1. Certification or the LGUs or Barangays that the area where the ARBO is located is under the state of calamity; and
2. List of ARBs/SFHs affected natural calamities disasters with corresponding address duly certified by the Barangay Captain and/or Municipal Agrarian Reform Officer.

*Note: Only loan applications of ARBOs with complete documentary requirements shall be endorsed to LBP Lending Centers to facilitate processing/evaluation approval and loan releases.*

**CREDIT ASSISTANCE FOR PROGRAM BENEFICIARIES  
DEVELOPMENT (CAP-PBD) WINDOW III PROGRAM EXTENSION**

Program Duration/ Extension Period	Two (2) years, from 16 March 2021 to 15 March 2023
Target Number of Borrowers	47 Agrarian Reform Beneficiary Organizations (9 existing and 38 new)
Eligible Borrowers	1. ARB Cooperatives 2. Farmers Associations with ARB members
Eligible Sub-borrowers	Agrarian Reform Beneficiaries (ARBs)
Eligibility Criteria	<ol style="list-style-type: none"> <li>1. With legal personality (i.e., duly registered with Cooperative Development Authority in case of Cooperatives; and with the Securities and Exchange Commission, in case of Farmers' Associations);</li> <li>2. With at least six (6) months of business operations;</li> <li>3. No adverse findings on the borrower and its principals/key officers;</li> <li>4. With complete part time or full time Core Management Team (Manager, Cashier/Treasurer and Bookkeeper);</li> <li>5. With operations and lending manual in place;</li> <li>6. With books of account, accounting and internal control system;</li> <li>7. No outstanding loan with LBP and other financial institutions for the same project being applied for;</li> <li>8. Others:             <ol style="list-style-type: none"> <li>a. With minimum paid-up capital of P15,000.00;</li> <li>b. With past due ratio of not more than 25%; and,</li> <li>c. With capital build-up and savings mobilization program</li> </ol> </li> </ol>

<b>Loan Features</b>													
Eligible Loan Purpose/Projects	Additional working capital to eligible ARBOs for on-lending to ARB-members to finance their various agricultural production and other related projects and/or to finance the ARBO-managed projects												
Eligible Sub-Loan Purpose	<ul style="list-style-type: none"> <li>• Agricultural Production</li> <li>• Livestock Production and Aquaculture</li> <li>• Working Capital</li> <li>• Fixed Asset Acquisition (i.e., farm machineries and equipment, etc.)</li> </ul>												
Loanable Amount	<p>1. For ARBOs with loan applications endorsed by DAR to LBP Lending Centers prior to program expiry or until 15 March 2021</p> <p><u>For ARBOs:</u></p> <ul style="list-style-type: none"> <li>• Up to 80% of the total project cost but not to exceed P5.0 M per ARBO</li> <li>• Loans of more than P5.0 M shall be subject to endorsement by the LPMC and clearance/approval by the NPMC</li> </ul> <p><u>For member-sub-borrowers:</u></p> <ul style="list-style-type: none"> <li>• Up to 80% of the total project cost or in accordance with the prescribed loan ceiling per commodity, whichever is applicable</li> </ul> <p>2. For ARBOs with loan applications endorsed by DAR to LBP Lending Centers after the program expiry</p> <table border="1" data-bbox="608 1458 1390 2040"> <thead> <tr> <th>Category of ARBO-Availier</th> <th>Loanable Amount</th> <th>Category of Loan Availment</th> </tr> </thead> <tbody> <tr> <td>Start-up</td> <td>Up to Php0.400 M</td> <td>First time availment</td> </tr> <tr> <td>Second Cycle Availier</td> <td>More than Php0.400 M to Php 1.0 M</td> <td>Second time availment, based on track record and repayment capacity of the ARBO</td> </tr> <tr> <td>Third Cycle Availier</td> <td>More that Php 1 million up to maximum loanable amount (actual credit requirement)</td> <td>Third time availment, based on track record and repayment capacity of the ARBO</td> </tr> </tbody> </table>	Category of ARBO-Availier	Loanable Amount	Category of Loan Availment	Start-up	Up to Php0.400 M	First time availment	Second Cycle Availier	More than Php0.400 M to Php 1.0 M	Second time availment, based on track record and repayment capacity of the ARBO	Third Cycle Availier	More that Php 1 million up to maximum loanable amount (actual credit requirement)	Third time availment, based on track record and repayment capacity of the ARBO
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	<p>The project cost sharing of 80:20 shall still be maintained.</p> <p>For 2<sup>nd</sup> cycle and succeeding availments of existing borrowers under the previous program guidelines, maximum loanable amount shall be based on the actual credit requirement but not more than 80% of total project cost.</p>
Interest Rate (LBP to ARBO)	Fixed at five percent (5%) per annum
Pass-on rate (ARBO to Member-Borrowers)	10% per annum, inclusive of other charges
Loan Tenor/ Repayment Term	<p><u>For new loan releases</u></p> <ul style="list-style-type: none"> <li>Up to two (2) years, payable monthly, quarterly, semi-annually or lump sum coinciding with the maturity of the loan of ARB sub-borrowers</li> </ul> <p><u>For ARBO- Managed Project:</u></p> <ul style="list-style-type: none"> <li>Up to two (2) years, payable monthly, quarterly, semi-annually or lump sum based on cash flow of the project</li> </ul> <p>A grace period may be allowed on the principal based on the cash flow of the project but not to exceed two (2) years</p> <p><i>Note:</i> Existing accounts with a term of more than two (2) years shall continue to pay their loans up to the maturity of the promissory note (PN)</p>
Penalty for Laon Default	Three percent (3%) per annum with 60 days grace period
Other Fees and Charges	<p>Standard fees shall apply except for the following which shall be waived:</p> <ol style="list-style-type: none"> <li>handling fee;</li> <li>commitment fee; and</li> <li>prepayment fee</li> </ol>
Credit Enhancers/ Collaterals	<p>Any or combination of the following:</p> <ul style="list-style-type: none"> <li>Assignment of sub-borrowers' promissory notes (PNs) plus underlying collaterals, if any</li> <li>Assignment of inventory, receivables and proceeds of marketing contract</li> <li>Chattel Mortgage on the object of financing</li> </ul>

	<ul style="list-style-type: none"> <li>• Real estate mortgage</li> <li>• Assignment of proceeds of insurance or guarantee claims, if applicable</li> </ul>
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**BASIC DOCUMENTARY REQUIREMENTS (Pre-Processing) <sup>a/</sup>**

1. Endorsement by DAR of eligible ARBOs;
2. Photocopy of Registration Certificate and Articles of Cooperation/Incorporation and Constitution/By-laws, including amendments thereto, if any, duly authenticated by DAR;
3. Board Resolution duly signed by the Board of Directors (BODs), authorizing the ARBO to borrow (indicating the type of credit facility and amount applied for) and designating at least two (2) officers to negotiate a loan with LBP and sign and endorse loan documents with specimen signatures and photos of authorized signatories;
4. Certified List of incumbent Members of the BOD and principal officers;
5. For existing borrowers, audited Financial Statements (FS) for the past three (3) years and latest interim FS for the current year, if available;  
  
For new borrower, audited FS for the preceding year, if available, and interim FS for the current year, if available
6. List of members with their corresponding address, work area, farm location and paid-up capital, duly certified by its Secretary and attested by Chairperson
7. Farm Plan and Budget, if applicable
8. Business Plan, if applicable
9. Photocopy of manual of operations/lending operations and accounting and internal control system.

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<sup>a/</sup> For existing ARBO borrowers, above documentary requirements need not be submitted if already on LBP's file, except for those that need to be updated/revised.

*Only loan applications of ARBOs with complete documentary requirements shall be endorsed to LBP Lending Centers to facilitate processing/evaluation approval and loan releases.*