



BOTTLERS EMPLOYEES SAVINGS & LOAN ASSOCIATION, INC.

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October 2, 2020

To: ALL BESALA MEMBERS &
PAYROLL PROCESSORS

**SUBJECT: 60-day Mandatory Grace Period
Republic Act No. 11494 also known as
“Bayanihan to Recover As One Act of 2020”**

Pursuant to BSP Memorandum No. M-2020-074 and 068, and in line with BESALA’s support for the government COVID-19 response and recovery interventions, BESALA will be granting a one time 60-day grace period for the months of October and November 2020.

Hence, BESALA requests all payroll processors to suspend the loan deduction payments of all BESALA members from their salaries for the months of October and November 2020. **This applies only to all loans with “current” status as of September 15, 2020. Loans with “past due” status are not covered by this one time 60-day grace period.** Likewise, a separate payroll instruction shall be submitted for loans granted after September 15, 2020 as these are not covered by the 60-day grace period. Please refer to the attached FAQ for clear guidelines.

All deductions for capital contribution and savings deposits shall continue as these are not covered by the RA11494.

Over the counter loan payments and direct deposit payments are also given a 60-day grace period on their loan amortization falling due in October and November 2020. However, the borrower may opt not to avail the mandatory grace period and pay the loan amortization as they fall due.

This memo is effective immediately.

Thank you.

(SGD)
MA. CARMEN L. REFORMADO
President/CEO

CC: File

FREQUENTLY ASKED QUESTIONS (FAQ) 60-day grace period

1. How will the mandatory one-time 60-day grace period under Bayanihan to Recover as One Act (BARO Act) be applied?
 - BESALA will implement the one-time 60-day grace period for all existing, current and outstanding loans with amortizations falling due from October 1, 2020 – November 30, 2020 without incurring interest on interest, penalties, fees, or other charges. This will apply to all members of BESALA with existing loan balances as of 15 September 2020.

2. Are all loans covered by the mandatory one time 60-day grace period?
 - No. All existing and current loans as of 15 September 2020 are covered by the mandatory grace period. However, loans granted after 15 September 2020 are not covered.

For example, a Member applies for a loan on September 14, 2020 but was approved on September 16, 2020. Is the loan covered by mandatory grace period?

No. Since his loan application was approved on Sep 16, 2020, his loan amortization is not covered by mandatory grace period. Hence, his first loan amortization will commence on October 15, 2020.

Moreover, only loans with “current” status and NOT “past due” are covered under Section 4(uu) of the said Act.

3. Can the borrower opt NOT to apply the 60-day mandatory grace period to any of his amortizations falling due within the mandatory grace period?
 - Yes, Borrower may choose not to avail of the mandatory grace period and pay their obligations as they fall due. For loan amortizations falling due on October and November 2020, payment of loan shall be made thru bank deposit or bank transfer. A copy of the deposit slip or proof of transfer shall be emailed to BESALA for proper posting of loan amortization payment.

For direct deposit payment, please refer to below Bank Account Details of BESALA

Account Name: Bottlers Employees Savings and Loan Association Inc.
BDO Account Number: 0053-7000-0531
BPI Account Number: 0019-0100-0677

4. Are loan accounts covered by post-dated checks, auto offset arrangements covered by mandatory grace period?
 - Yes. Section 4(uu) of the BARO Act covers loan accounts with issued post-dated checks and those with auto offset arrangements. Members with post-dated checks and those with auto offset arrangements shall inform BESALA to apply the one time grace period for loan amortization payment falling due on October – November 2020. However, the borrower may choose not to avail of the mandatory grace period and proceed with the deposit of post-dated checks as they fall due. There is a need to send an email advice to BESALA that they will not avail the mandatory grace period.
5. When will the accrued interest be paid?
 - Remaining unpaid accrued interest as of September 30, 2020 as a result of Bayanihan to Heal as One Act will be added to Accrued Interest that will be incurred as a result of the 60-day mandatory grace period of Bayanihan to Recover as One Act. Total accumulated accrued interest will be amortized for 5 months starting Dec 15, 2020 up to April 30, 2020. Accrued Interest will be added to regular loan amortization deduction every payroll.