

- Security Enhancers
 - Issuance of post-dated check
 - Assignment of insurance, surety and guarantee cover
 - Assignment of contractor's all risk insurance cover, if applicable

For more information, contact:

Programs Management Department II

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BRIGHTNESS

BRinging **I**nclusive **G**rowth in every
Household **T**hrough **N**ational **E**lectrification
Support **S**ervices

Designed to provide credit assistance to
 build the capacities of the rural power sector

ELIGIBLE BORROWERS

Entities in the electric power generation, transmission, distribution and supply, such as:

- Electric companies or cooperatives duly registered with Securities and Exchange Commission (SEC) or Cooperative Development Authority (CDA)
- Duly registered joint venture/consortium of electric cooperatives/companies
- Wholesale Power Aggregator duly registered with and/or licensed by Energy Regulatory Commission (ERC)

ELIGIBLE LOAN PURPOSE

- Sub-project preparation, e.g. feasibility study
- Construction, upgrading or rehabilitation of power generation/distribution system
 - Expansion and/or upgrading of power line
 - Rehabilitation and capacity upgrade of existing supply system
 - Establishment of Sub-stations
 - Construction of power generation plants
- Acquisition, rehabilitation and upgrading of TRANSCO Sub-Transmission Assets (TRANSCO STA)
- Purchase of capital equipment
- Working Capital Requirement
- Fulfillment of prudential requirements

DOCUMENTARY REQUIREMENTS

Pre-Processing Requirements

- **Corporate Papers:**
 - National Electrification Administration (NEA) or CDA Registration
 - Articles of Cooperation and By-laws
 - Board Resolution to borrow
 - List of authorized signatories and specimen signatures
 - Information Sheet of Board of Directors and Officers
 - List of offered collateral
- **Financial Documents:**
 - Three-year audited Financial Statement (FS)
 - Latest Interim FS
 - List of existing and past loans
- **For projects involving construction:**
 - Project plans and specifications
 - Cost estimates
 - Bill of Materials
 - Work program/schedule duly approved by the Board
- **For machineries and equipment acquisition:**
 - List, description and estimate cost of machineries and equipment based on price quotation
 - Certification from dealer/supplier as to the availability of spare parts in the local market, and other after-sales services

Pre-Release Requirements

- Submission of ERC approval on the following proposed projects/activities
 - Major Electric Capital Project expenditure
 - Major Non-Electric Capital Project
 - ERC approval on Power Supply Contract
- In case the electric cooperative or private utility has an existing loan with NEA, submission of latest Statement of Account from NEA and proof of payment

CREDIT FACILITY

- Short Term Loan/Line
- Term loan
- Stand-by Letter of Credit

LOAN TENOR

- Short Term Loan/Line - maximum of 360-day Promissory Note (PN)
- Term Loan

| Purpose | Tenor | |
|---|---|---|
| | Internal Fund | ODA Funds |
| Feasibility Study Preparation | N/A | Maximum of 3 years without grace period on principal |
| Equipment Acquisition | Based on the economic useful life of the equipment but not to exceed 10 years | |
| Construction of power generation/ Distribution system | Maximum of 10 years inclusive of maximum of 2 years grace period on principal | Maximum of 15 years inclusive of maximum of 2 years grace period on principal |
| Acquisition of STAs | Maximum of 10 years inclusive of maximum of 2 years grace period on principal | Maximum of 15 years inclusive of maximum of 2 years grace period on principal |

- Stand-by Letter of Credit - maximum of 360-day

FINANCING MIX

- Internal fund – 75:25
- ODA/Special Fund - applicable project cost-sharing

COLLATERAL/SECURITY

- Any of the following:
 - Deed of assignment of receivables
 - Real Estate Mortgage
 - Chattel Mortgage
 - Hold out on deposits, government bonds and securities
 - Other securities acceptable to the Bank