

**E-FILED**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
Second Regular Session

House Resolution No. 1147



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**Introduced by the Honorable Precious Hipolito Castelo**

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**A RESOLUTION**

**URGING BANKS AND OTHER FINANCIAL INSTITUTIONS TO RELAX CONDITIONS FOR DEBT REPAYMENT AND TO EXEMPT BORROWERS FROM GETTING A BAD CREDIT RATING FOR RESTRUCTURED LOANS DURING THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC**

WHEREAS, the world is currently facing the defining health crisis of our time – in which the enemy is a virus that has taken the lives of many people around the world already;

WHEREAS, the COVID-19 pandemic has left many Filipinos strapped for cash as the inflation rate and unemployment rate increase;

WHEREAS, it cannot be denied that this crisis has caused many negative consequences to the economy as many businesses were forced to close due to low consumer demand amid community quarantine restrictions;

WHEREAS, many have resorted to availing loans from banks and other financial institutions to stimulate their struggling businesses;

WHEREAS, some borrowers who have outstanding loans from banks and other financial institutions have applied for the restructuring of their loans for failure to pay on the basis of the original terms and conditions of their contracts;

WHEREAS, restructuring loans often gives a “bad credit rating” to the borrower, making it difficult for him to avail loans in the future;

NOW, THEREFORE, BE IT RESOLVED by the House of Representatives to urge banks and other financial institutions to relax conditions for debt repayment and to exempt borrowers from getting a bad credit rating for restructured loans during the COVID-19 pandemic.

*ADOPTED,*

  
**PRECIOUS HIPOLITO CASTELO**