BILATERAL

file:1294985411524772878.html

Read online (full-text search, related cases, audio case brief): https://batas.org/library/97aa3317208f/

THIS AGREEMENT is made the 4th day of February 1986

AMONG

CENTRAL BANK OF THE PHILIPPINES
of Manila, Philippines

("the Borrower")

AND

THE REPUBLIC OF THE PHILIPPINES
of Manila, Philippines

("the Guarantor")

AND

EXPORT FINANCE AND INSURANCE CORPORATION of Sy`dney, Australia

("EFIC")

WHEREAS the Borrower, the Guarantor and EFIC have agreed to reschedule certain debts owing by persons in the Philippines to persons in Australia,

THEREFORE in consideration of EFIC agreeing to accept payment in accordance with the terms hereof at the request of the Borrower and of the Guarantor, the parties agree as follows:

1. In this Agreement:

"Australian Currency" means the lawful currency of the Commonwealth of Australia.

"Contract Date" means the date or dates in the column headed "CONTRACT DATE" in Schedule A or Schedule B of this Agreement corresponding to an amount which was or is to be due under or in respect of the contract giving rise to the payment.

"Prior Interest Rate" means the interest rate or rates applicable to a debt prior to the signing of this agreement and designated as such in Schedule A and Schedule B of this Agreement.

"Nominated Interest Rate" means a rate of interest which is 0.5% per annum above the prevailing yield on 13-weeks Commonwealth of Australia Treasury Notes for the last week (or in the absence of a rate for that week for the immediately preceding issue) of February or August immediately preceding the date on which the relevant payment of interest falls due.

"Schedule A Debt" means the amount in the column headed "TOTAL" corresponding to each Contract Date as described in Schedule A of this Agreement.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

"Schedule Bl Debt" means 40% of the amount in the column headed "INTEREST" corresponding to each Contract Date as described in Schedule B of this Agreement.

"Schedule B2 Debt" means the aggregate of the amount in the column headed "PRINCIPAL" and 60% of the amount in the column headed "INTEREST" corresponding to each Contract Date as described in Schedule B of this Agreement.

2. The Borrower hereby assumes liability to EFIC for each Scheduled Debt, Schedule Bl Debt and Schedule B2 Debt and for the payment of interest thereon at the Prior Interest Rate up to but excluding the date of this Agreement and at the Nominated Interest Rate thereafter until the debt is paid in full.

3. The Borrower shall pay to EFIC:

(1) each Schedule A Debt in three instalments being one-quarter on 15 June, 1985, one-quarter on 15 December, 1985 and one-half on 15 June, 1986; and

(2) on 15 June, 1985, 15 December, 1985 and 15 June, 1986 interest at the prior Interest Rate up to but excluding the date of this Agreement and at the Nominated Interest Rate thereafter accruing daily on the unpaid balance of each Schedule A Debt from and including the corresponding Contract Date.

4. The Borrower shall pay to EFIC:

(1) each Schedule Bl Debt in three instalments being one-third on the corresponding Contract Date, one-third on 15 September, 1986 and one-third on 15 September, 1987; and

(2) on 15 September, 1986 and 15 September, 1987 interest at the Prior Interest Rate up to but excluding the date of this Agreement and at the Nominated Interest Rate thereafter accruing daily on the unpaid balance of each schedule B1 Debt from and including the corresponding Contract Date.

5. The Borrower shall pay to EFIC:

(1) each Schedule B2 Debt in ten instalments being one-tenth on each of ten successive semi-annual calendar dates commencing on 15 March, 1991 and concluding on 15 September, 1995; and

(2) on each of nineteen successive semi-annual calendar dates commencing on 15 September, 1986 and concluding on 15 September 1995 interest at the Prior Interest Rate up to but excluding the date of this Agreement and at the Nominated Interest Rate thereafter accruing daily on the unpaid balance of each Schedule B2 Debt from and including the corresponding Contract Date.

6. Each amount payable hereunder, which derives from a debt expressed or payable in a currency other than Australian Currency, shall be converted into Australian Currency at the rate at which Australian Currency is offered by Commonwealth Banking Corporation in Sydney in exchange for the purchase of that other currency on the day on which the payment is due hereunder (or if no such rate is offered on that day, on the next preceding day on which such a rate is offered).

7. All payments to EFIC pursuant to this Agreement shall be made by deposit of Australian Currency into the account of EFIC at the Reserve Bank of Australia, Sydney numbered 21020/4 or into such other account or by such other means as EFIC may from time to time notify to the Borrower.

8. Each payment due hereunder is to be received by EFIC in full without deduction and free and clear of Philippine taxes and duties and accordingly the Borrower shall pay to EFIC any additional amount necessary to ensure that EFIC receives payment in full in the event that a deduction is made by compulsion of Philippine law.

9. The Guarantor hereby guarantees to EFIC performance of all the obligations of the Borrower hereunder and

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

agrees to make payment to EFIC hereunder, without the need for further action by EFIC, in the event that the Borrower fails to do so

10. This Agreement in the English language is signed in three copies being equally valid and effective.

SCHEDULE A

Debts due but unpaid on or before 31 December, 1984;

(1) Under supplier credit insured by EFIC

BUYER: PHILIPPINE NATIONAL CONSTRUCTION CORPORATION
SUPPLIER: ACROW PTY LTD
CONTRACT CURRENCY: SINGAPORE DOLLARS
PRIOR INTEREST RATES: 8.875% p. a.
to 15 June 1985 then 9.185% p.a. thereafter.

CONTRACT DATE	PRINCIPAL	INTEREST	TOTAL
	($S)	($S)	($S)
5 December, 1983	78,200		

-

78,200

5 June, 1984

78,200

-

78,200

5 December, 1984

78,200
_____

8,625
_____

86,825
_____

234,600

8,625

243,225

(2) Under loans guaranteed by EFIC

BORROWER: MANILA ELECTRIC CORPORATION
LENDER: WESTPAC BANKING CORPORATION
LOAN CURRENCY: AUSTRALIAN DOLLARS
DATE: 15 MARCH, 1974
PRIOR INTEREST RATE: 11.5% p.a.

CONTRACT DATE

PRINCIPAL

INTEREST

TOTAL

($S)

($S)

($S)

31 March, 1984

51,769

-

51,769

30 September, 1984

51,242

2,954

54,196

103,

234,600

8,625

243,225

CONTRACT DATE PRINCIPAL

($A) INTEREST
($A) TOTAL
($A)

31 March, 1984 51,769 — 51,769
30 September, 1984 51,242 2,954 54,196

_____ _____ _____
103,011 2,954 105,965
_____ _____ _____

(3) Under loans guaranteed by EFIC and loans made by EFIC for overdue interest on payments delayed

(A) BORROWER: MARINDUQUE MINING AND INDUSTRIAL CORPORATION
LENDER: EXPORT FINANCE AND INSURANCE CORPORATION
LOAN CURRENCY: AUSTRALIAN DOLLARS

DATE: 22 JANUARY, 1982, AMENDED 3 MAY, 1983
GUARANTOR: DEVELOPMENT BANK OF THE PHILIPPINES
OVERDUES: 30 SEPTEMBER TO 11 DECEMBER, 1984

(B) BORROWER: MARINDUQUE MINING AND INDUSTRIAL CORPORATION
LENDER: EXPORT FINANCE AND INSURANCE CORPORATION
LOAN CURRENCY: AUSTRALIAN DOLLARS
DATE: 22 JANUARY, 1982, AMENDED 3 MAY, 1983
GUARANTOR: DEVELOPMENT BANK OE THE PHILIPPINES
OVERDUES: 30 SEPTEMBER TO 11 DECEMBER, 1984

CONTRACT DATE TOTAL
($A)

(A) 11 December, 1984 19,895
(B) 11 December, 1984 1,533

_____
21,428
_____

SCHEDULE B

Debts due on or from 1 January 1985 to and including 30 June, 1986:

BORROWER: MARINDUQUE MINING AND INDUSTRIAL CORPORATION
LOAN CURRENCY: AUSTRALIAN DOLLARS
DATE: 22 JANUARY, 1982 AMENDED 3 MAY, 1983
GUARANTOR: DEVELOPMENT BANK OF THE PHILIPPINES
PRIOR INTEREST RATE: 10% p,a.

CONTRACT DATE PRINCIPAL

($A) INTEREST
($A) TOTAL
($A)

TRANCHE 1

31 March, 1985 364,286 199,308 564,094
30 September, 1985 364,286 182,642 546,928
31 March, 1986 364,285 163,479 527,764

_____ _____ _____
1,092,857 545,929 1,638,786
_____ _____ _____

TRANCHE 2

31 March, 1985 32,632 17,899 50,531
30 September, 1985 32,633 16,361 48,994
31 March, 1986 32,633 14,644 47,277

_____ _____ _____

97,898 48,904 146,802

_____ _____ _____

Signed on behalf of CENTRAL BANK OF THE PHILIPPINES

Signed on behalf of THE REPUBLIC OF THE PHILIPPINES

Signed on behalf of EXPORT FINANCE AND INSURANCE CORPORATION

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.