



REPUBLIKA NG PILIPINAS
KAGAWARAN NG KATARUNGAN
PANGASIWAAN SA PATALAAN NG EUMIN CENTER
(LAND REGISTRATION AUTHORITY) ADMINISTRATIVE REVIEW
East Avenue cor. NIA Road
Quezon City



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AUG 04 2021
TIME: 9:20 BY: [Signature]

LRA Circular No. 19 - 2021

SUBJECT: GUIDANCE ON THE REGISTRATION OF SECURITY INTERESTS DURING THE TRANSITIONAL PERIOD, AS PROVIDED IN THE PERSONAL PROPERTY SECURITY ACT

WHEREAS, the Land Registration Authority ("LRA") is a government agency under the Department of Justice ("DOJ") mandated by law to preserve the integrity of the land registration process, protect the sanctity of the Torrens System, and act as a central repository of records relative to original registration of land titled under the Torrens System, including subdivision and consolidation plans of titled lands and, through its Registry of Deeds Offices nationwide, be the repository of records of instruments affecting registered and unregistered lands, chattel mortgages and personal properties in the province and the city wherein such office is situated;

WHEREAS, to support its mandate, LRA is currently implementing the Land Titling Computerization Project ("LTCP") which seeks, among others, to maintain online information on titles that is current, complete and accurate; maintain the security and integrity of records by safeguarding these from tampering or destruction and deter substitution or insertion of questionable data; ensure the integrity of the land titling registration system by moving from a largely paper-based to a largely paperless system; protect land titles from loss due to fire, theft, natural disasters and the normal ravages of time; and, implement more reliable and predictable land registration procedures;

WHEREAS, the Registries of Deeds are mandated to keep a primary entry book and a registration book for chattel mortgages, pursuant to Act No. 1508, entitled "An Act providing for the Mortgaging of Personal Property and for the Registration of the Mortgages so Executed" (the "Chattel Mortgage Law") and record an instrument presented for registration dealing with real or personal property which complies with all the requisites for registration, pursuant to Section 10 of Presidential Decree No. 1529;

WHEREAS, in support of its mandate to record deeds and instruments affecting Chattel and other Personal Properties, an Electronic Primary Entry Book and Electronic Registry for Chattel Mortgage and their corresponding databases (the "Electronic Chattel Mortgage Registry" or "eCMR") were established as part of the LTCP, where deeds and instruments affecting Chattel and Personal Properties, as presented by LRA's clients in the Registry of Deeds having jurisdiction on the transaction, are entered and recorded;

WHEREAS, Republic Act 11057, otherwise known as the Personal Property Security Act ("PPSA"), was enacted to strengthen the secured transactions framework in the Philippines, and shall provide for the creation, perfection, determination of priority, establishment of a centralized, nationwide Notice Registry (i.e., the "Philippines Personal Property Security Registry" or the "PPSR"), and enforcement of security interests in personal properties;

WHEREAS, under Rule VIII of the PPSA Implementing Rules and Regulations (the "PPSA IRR"), which was promulgated on November 18, 2019, the PPSA "Transitional Period" shall begin on February 9, 2019, which shall be the effectivity date of the PPSA pursuant to Section 67 thereof;

WHEREAS, Section 8.08 of the PPSA IRR provides that during the Transitional Period, the registration of the security agreement with the LRA shall be in accordance with Section 4 of Act No. 1508 or the Chattel Mortgage Law;

WHEREAS, the LRA shall allow the registration of notices in the PPSR after the LRA Fees to be charged for such services are finalized with the Department of Finance;

LAND REGISTRATION SYSTEMS, INC.
RECEIVED
PROJECT MANAGEMENT OFFICE
DATE: 08-05-21 BY: J. Domingo

CERTIFIED TRUE COPY:
[Signature]
NORILYN T. TOMAS
Chief, Central Records Section

PROJECT NO. 4-2021-08-0015
2



WHEREFORE, the foregoing considered, all are guided as follows:

1. The eCMR is still open for the registration of deeds and instruments affecting personal properties, **until further notice of LRA, upon full operationalization of the PPSR;** and,
2. The fees to be charged for the use of the eCMR shall be based on existing eCMR Fees, **which covers LRA Fees pursuant to LRA Circular No. 11-2002 dated September 10, 2002, as well as IT Service Fees in accordance with the Build-Own-Operate Agreement between LRA and third party provider Land Registration Systems, Inc. dated May 26, 2000.**

If any provision of this Circular, or any application thereof, is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

This Circular shall be published in a newspaper of general circulation, and filed with the University of the Philippines Law Center.

Issued this **JUL 26 2021**, Quezon City, Philippines.


RENATO D. BERMEJO
Administrator

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8/3/2021
NORILYN T. TOMAS
Chief, Central Records Section