



LETTER MEMORANDUM NO. 2021-03

TO : ALL ACCESSING ENTITIES AND SPECIAL ACCESSING ENTITIES

SUBJECT : TRANSFERABILITY OF CIC CREDIT REPORTS (CREDITS)

DATE : 26 NOVEMBER 2021

To maximize and optimize the use of CIC Credit Reports for risk management and credit-decisioning activities, and to increase interaction among Accessing Entities (AEs) and Special Accessing Entities (SAEs), the CIC added a feature to its Covered Entity (CE) Portal that allows the transferability of CIC Credit Reports – hereinafter referred to as **Credits** for this purpose.

All AEs and SAEs should be guided by the following:

1. Credits may now be transferred from:

- AE to AE
- AE to SAE
- SAE to AE
- SAE to SAE

2. Conditions for transferring Credits are as follows:

- The minimum number of Credits that can be transferred should be **100 Credits**.
- The maximum number of Credits that can be transferred should be equal to the number of Credits over the re-order point (default re-order point is 50%).
i.e., Total Available Balance - Re-order point = Maximum transferable amount of Credits
- To transfer or zero out remaining Credits, an AE must coordinate with CIC.
- There is a maximum of three (3) transfers or transactions in a day.
- For more than three (3) transactions in a day (e. g.: group buying), please coordinate with CIC.

3. The “transferor” on the AE side, by default, is the Primary Contact Person (**PCP**).

4. The Billing and Collection Point Persons (BCPP) of both the transferor and the transferee will receive a notification that a transfer of Credits involving their organization has been made.

5. Transfers of Credits from one account to another are assumed to come from the account holder in the same manner that any updates or documents uploaded to the CE Portal are assumed to be duly authorized by and emanated from the AE’s PCP.

6. The Module in the CE Portal for the transfer of Credits is available for both AEs and SAEs and functions similar to mobile or online banking applications where you can transfer load/funds from your account to another account. This module for transferability also logs the transaction history with running and current balances.

7. There is a mandatory field in the module provided to indicate the purpose of the transfer which is either a Sale, meaning for valuable consideration, or a plain Transfer where no consideration is



involved. Under either category, the CIC will not charge a transfer fee for the Credits in the meantime.

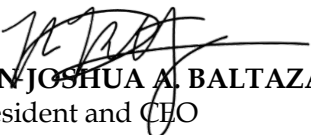
8. Attributes of the Credits transferred will be retained even after the transfer. Thus, the expiration date of the Credits transferred are the same as the original expiry date and **not reset**.

9. Transfer of the non-expiring Credits will still be non-expiring with the transferee but will follow the First In, First Out (FIFO) rule in the case of use. Non-expiring Credits will be used first (irrespective of acquisition date) and deducted from an AE or SAE's account.

10. To instill confidence in all users and maintain the integrity of the transfers, the CIC is unable to transfer amounts unilaterally and such may only be initiated from the user side. In cases of disputes, the transfer back of Credits mistakenly sent will require the recipient to initiate such back transfer. If no agreement is made between the parties, they may resort to legal remedies and the CIC will abide by the ensuing judgment or arbitration.

This feature will be available in the menu of the CE Portal on 01 December 2021.

For your information and guidance.


BEN JOSHUA A. BALTAZAR
President and CEO