



LRA CIRCULAR NO. 02-2025

SUBJECT: OPERATIONALIZATION OF THE PERSONAL PROPERTY SECURITY REGISTRY

WHEREAS, Republic Act (RA) No. 11057, otherwise known as the Personal Property Security Act (PPSA), signed on 17 August 2018, was enacted to strengthen the secured transactions framework in the Philippines, and provide for the creation, perfection, determination of priority and enforcement of security interests in personal properties;

WHEREAS, pursuant to Section 26 of the PPSA and Section 5.01 of the PPSA Implementing Rules and Regulations (PPSA IRR), the Land Registration Authority (LRA) shall establish and administer a centralized and nationwide Electronic Personal Property Security Registry (PPSR), which shall provide an electronic means for registration and searching of notices relating to security interest in personal property;

WHEREAS, under Section 8.08 of the PPSA IRR, during the Transitional Period, registration of the security agreement with the LRA shall be in accordance with Section 4 of Act No. 1508, otherwise known as "*The Chattel Mortgage Law*";

WHEREAS, pursuant to Section 8.08 of the PPSA IRR, the Chattel Mortgage Registry (CMR) is the system of provisional registration of security agreements during such Transitional Period, as determined by the LRA;

WHEREAS, the LRA has caused the design, development, testing, and deployment of the PPSR which shall be accessible to LRA clients online or over the public internet;

WHEREFORE, in consideration of the foregoing premises, this Authority provides these guidelines:

SECTION 1. Coverage and objective. This circular shall cover the operations of the PPSR. The objective of this Circular is to ensure that the PPSR shall be operational, pursuant to the PPSA and its IRR.

SECTION 2. Administration and operation of the PPSR. The LRA, through its designated office or unit, shall administer and operate the PPSR.

SECTION 3. Commencement of operation. The LRA shall commence the operationalization of the PPSR on 03 February 2025.

Chief, Records Section
NORMIN T. TOMAS
2/10/2025





SECTION 4. Function of the PPSR and covered transactions. The PPSR is a centralized and nationwide electronic registry where notice of a security interest and a lien in personal property may be registered.

The PPSR shall thus allow the registration and search of all notices duly registered therein, such as:

- a. Initial Notice
- b. Amended Notice
- c. Termination Notice
- d. Notices of Auction Sale

SECTION 5. Effectivity of Notice. A notice shall be effective at the time it is discoverable on the records of the PPSR. The system shall automatically terminate a notice based on the indicated "term end date." Nonetheless, the period of effectiveness of a notice may be continued or extended by registering an amendment notice that identifies the initial notice by its registration number. As provided under Section 33 of the PPSA, the said continuation notice may be registered only within six (6) months before the expiration of the effective period of the notice.

SECTION 6. Certifications. The PPSR shall also allow the request for certified true copies of notices and user account registration. The certified true copies of user account registration shall contain the pertinent details of users which may be referred to by creditors for due diligence purposes.

SECTION 7. Nature of duty. Under Section 35 paragraph (f) of the PPSA, the duties of the PPSR shall be merely administrative in nature. By registering a notice or refusing to register a notice, the PPSR does not determine the sufficiency, correctness, authenticity, or validity of any information contained in the notice.

SECTION 8. Who may register and search. Any person, natural or juridical may register notices and conduct a search of such notices; provided, however, that such person has registered a PPSR account, either as a secured creditor or a grantor.

SECTION 9. Schedule of PPSR Fees. As provided under the Department of Finance (DOF) Administrative Order No. 001, series of 2021, the fees for the services of the PPSR are as follows:

Services	Amount (In pesos)
Registration of new notice	380.00
Registration of amendment notice	30.00
Registration of termination notice	No fee

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Queries	No fee
Certifications	30.00

No fee of any kind shall be charged or collected for electronic searches of the PPSR records or the registration of termination notices.

SECTION 10. *Partial cessation of the CMR.* Upon operationalization of the PPSR, the CMR shall no longer operate to accept transactions covering security interests in movable collateral, except those that are non-registrable in the PPSR, such as but not limited to, security interests over aircraft and ships; provided that transactions that have been registered or entered in the CMR prior to the operationalization of the PPSR may still be processed using the CMR.

SECTION 11. *Transitory provision.* The Transitional Period commences on 09 February 2019 until 03 February 2025. Security interests created and registered in the CMR during the Transitional Period, may still be searched, amended, and cancelled using the CMR.

SECTION 12. *Other matters.* Other matters that have not been stated in this Circular, and are necessary for the operations of the PPSR may be brought to the attention of this Authority, for consideration and implementation.

SECTION 13. *Repealing Clause.* Any circular or any part thereof contrary or inconsistent herewith is hereby repealed, modified, or amended accordingly.

SECTION 14. *Separability Clause.* In the event that any of the provisions of this Circular are declared void or unenforceable by final judgment of a court of competent jurisdiction, the other provisions unaffected thereby shall remain in full force and in effect.

SECTION 15. This Circular shall take effect immediately.

Issued 05 FEB 2025, Quezon City, Philippines.

GERARDO PANGA SIRIOS
Administrator

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