

302 AMORTIZATION ON LOANS AND OTHER CREDIT ACCOMODATIONS

The amortization schedule of bank loans and other credit accommodations shall be adapted to the nature of the operations to be financed.

In case of loans and other credit accommodations with maturities of more than five (5) years, provisions must be made for periodic amortization payments, but such payments must be made at least annually: *Provided, however,* That when the borrowed funds are to be used for purposes which do not initially produce revenues adequate for regular amortization payments, the bank may permit the initial amortization payment to be deferred until such time as said revenues are sufficient for such purpose, but in no case shall the initial amortization date be later than five (5) years from the date on which the loan or other credit accommodation is granted: *Provided, further,* That in the case of agriculture and fisheries projects with long gestation periods, the initial amortization payment may be deferred for a longer period based on the economic life of the project as provided under Section 24 of R.A. No. 8435 and implemented under Sec. 313 (*Agriculture and Fisheries Projects with Long Gestation Periods*).