



Bangko Sentral ng Pilipinas

MAYNILA PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 250

Series of 2000

Pursuant to Monetary Board Resolution No. 1003 dated June 20, 2000, the following implementing guidelines shall govern the new rediscount window available to all universal and commercial banks under Section 82 © of R. A. No. 7653, for the purpose of providing liquidity assistance to investment houses (IH).

Section 1. Criteria for Eligibility

1.1 Eligible Papers

Promissory note of the universal/commercial bank executed in favor of the Bangko Sentral ng Pilipinas and secured by a Deed of Pledge or Assignment of unencumbered/unhypothecated commercial papers with a rating of triple "A" and double "A".

1.2 Loan Limit

Availments against this facility shall be charged against the rediscount ceiling of the borrowing bank (100% of net worth) as of the end of the quarter immediately preceding the date of application.

Section 2. Terms and Conditions

- a) The loan shall be assessed an annual interest rate equivalent to one percent (1%) below the weighted average of the 91-day Treasury Bill rate for the last auction of the immediately preceding month.
- b) The loan shall have a term of one hundred eighty (180) days from date of availment.
- c) The loan value shall be 90% of the face value of the commercial paper.
- d) The BSP will automatically debit the demand deposit account of the commercial bank upon maturity of the rediscounting loan.

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- e) The Chief Executive Officer of the bank or his equivalent must certify that the rediscounted commercial paper is still outstanding as of the time of assignment.
- f) The universal and commercial banks shall comply with the documentary requirements of the Department of Loans and Credit.

Section 3. Duration

Qualified universal and commercial banks may avail of this facility until December 2000.

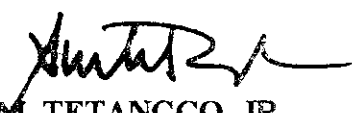
Section 4. Repealing Clause

This circular supersedes/amends/modifies provisions of existing circular, memoranda and/or regulations that are inconsistent herewith.

Section 5. Effectivity

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Officer-In-Charge

 June 2000