



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 1007

Series of 2018

Subject: Implementing Guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio

The Monetary Board, in its Resolution No. 865 dated 24 May 2018, approved the implementing guidelines on the adoption of the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio (NSFR).

Section 1. Subsection X176.5/4176Q.5 of the Manual of Regulations for Banks (MORB)/Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) is hereby added to set out guidelines on NSFR.

“Subsection X176.5/4716Q.5 Net Stable Funding Ratio (NSFR). To promote long-term resilience of a bank/quasi-bank (QB) against liquidity risk, it shall maintain a stable funding profile in relation to the composition of its assets and off-balance sheet activities. The Net Stable Funding Ratio (NSFR) seeks to meet this objective by limiting overreliance on short-term wholesale funding and promoting enhanced assessment of funding risk across all on- and off-balance sheet accounts. The NSFR complements the Liquidity Coverage Ratio (LCR), which promotes short term resilience of a bank’s/QB’s liquidity profile.

The NSFR framework shall apply to all universal and commercial banks (UBs/KBs) and their subsidiary banks and QBs, hereinafter referred to as “covered banks/QBs”, on both solo (head office plus branches) and consolidated (parent bank plus subsidiary financial allied undertakings, but excluding insurance companies) bases.

a. *Minimum requirement.* The NSFR is the ratio of a covered bank’s/QB’s available stable funding (ASF) to its required stable funding (RSF), as shown below:

$$\text{Basel III Net Stable Funding Ratio (\%)} = \frac{\text{Available stable funding (ASF)}}{\text{Required stable funding (RSF)}}$$

The covered bank/QB shall maintain an NSFR of at least 100.0 percent (100%) at all times.

The NSFR shall be computed and reported in a single currency, i.e., in peso equivalent terms of all currencies. Notwithstanding this requirement, a covered bank/QB shall internally measure and monitor NSFR per significant currency. A currency is considered *significant* if the aggregate liabilities

denominated in that currency amount to five percent (5%) or more of the covered banks'/QBs' total liabilities as of NSFR measurement date. The guidelines implementing the NSFR are provided in Appendix 74e/Q-44-e (**Attachment 1**).

b. *Reporting and monitoring requirements.* Covered banks/QBs shall comply with the minimum NSFR on a daily basis, and shall have appropriate systems in place to ensure the same. For reporting purposes, the covered banks/QBs shall submit a report of their NSFR (**Attachment 2**) to the Bangko Sentral, through the Supervisory Data Center (SDC), on both solo and consolidated bases, in accordance with the following timelines:

Reporting Details	Solo Basis	Consolidated Basis
Frequency	Monthly	Quarterly
Measurement Date	End-of-month	End-of-quarter
NSFR Calculation Period	One (1) year from measurement date	
Submission Deadlines	15 banking/business days from measurement date	30 banking/business days from measurement date

The NSFR reports shall be accompanied by a certification under oath to the effect that a covered bank/QB has fully complied with the NSFR requirement on all calendar days of the reference period in the form provided under Appendix 74f/Q-44f (**Attachment 3**). This requirement shall take effect on 01 January 2019. The solo and consolidated NSFR reports, together with the Sworn Certification, shall be classified as *Category A-1* reports.

The submission of the NSFR report shall be subject to the governance process on the quality of bank reporting under Section X184 of the MORB. Any non-compliance with the reporting standards, or non-submission or delayed submission of the NSFR report shall be subject to the monetary and non-monetary sanctions provided under Subsection X184.3 of the MORB/fines for delayed reports under Subsection 4192Q.2 of the MORNBFi.

c. *Implementation.* The implementation of the minimum NSFR shall be phased in to help ensure that the covered banks/QBs can meet the standard through reasonable measures without disrupting credit extension and financial market activities. In order to facilitate compliance, covered banks/QBs shall undergo an observation period before the minimum NSFR becomes a requirement. The timelines are set out in the table below:

	Timelines
Observation period	01 July 2018 – 31 December 2018
Actual implementation	01 January 2019 and thereafter – 100%

Requirements during the observation period. Consistent with the expectations set out on the governance process for an effective reporting system, the Board and Senior Management shall ensure the generation of

complete, accurate, consistent, and reliable reports that are timely submitted to the Bangko Sentral. For monitoring purposes, covered banks/QBs shall submit the solo and consolidated NSFR Reports in accordance with the following timelines:

	Reporting Details
Frequency	Quarterly
Measurement Date	End-of-quarter
Submission Deadlines	30 banking/business days from measurement date

Any non-submission or delayed submission of the NSFR Reports during the observation period shall be subject to monetary and non-monetary sanctions provided under Subsection X184.3 of the MORB/fines for delayed reports under Subsection 4192Q.2 of the MORNBFi.

During the observation period, the Bangko Sentral is not precluded from assessing the covered bank's/QB's compliance with the NSFR requirement. The covered banks/QBs with NSFRs that are already at or near the prescribed minimum should not view the transition period as an opportunity to reduce their stable funding profile. Where a covered bank/QB is unable to meet the minimum NSFR for two consecutive weeks during the observation period, the covered bank/QB shall immediately adopt a board-approved stable funding build-up plan. The plan should clearly articulate the covered bank's/QB's defined strategies and timelines for meeting the required NSFR by 01 January 2019, and should include estimates of the NSFR at every quarter prior to the effectivity date. In modifying its stable funding profile, the covered bank/QB should ensure that all other minimum liquidity requirements shall be complied with. The build-up plan shall be submitted to the Bangko Sentral, through the appropriate supervisory department, within ten (10) banking/business days after it is approved by the board. The appropriate supervisory department concerned will evaluate the continuing compliance of the covered bank/QB with the said plan. In case of non-submission of, or non-compliance with, the said build-up plan, the Bangko Sentral may require the covered bank/QB to undertake a set of actions. The Bangko Sentral may likewise impose enforcement actions as provided under Subsection X176.20/4176Q.20 of the MORB/MORNBFi."

Section 2. Subsection X176.7/4176Q.7 of the MORB/MORNBFi is hereby amended as follows:

"Subsection X176.7/4176Q.7. Supervisory Framework for the Minimum Prudential Liquidity Requirements.

a. General Provisions

- (1) xxx
- (2) xxx
- (3) As the stock of liquid assets is intended to serve as a defense against the potential onset of liquidity stress, banks/QBs are allowed to use

their stock of liquid assets as necessary during a period of financial stress in order to meet unforeseen liquidity needs, thereby causing the LCR to temporarily fall below the minimum requirement or the MLR to be breached. This may also alter the stable funding profile of banks/QBs and result in non-compliance with the required NSFR.

Under this condition, the Bangko Sentral will assess the situation to determine the extent to which the reported decline in the LCR or NSFR/non-compliance with the MLR is due to a bank-/QB-specific or market-wide shock and will accordingly provide the supervisory response necessary to address the circumstances. The action of the Bangko Sentral shall be proportionate to the drivers, magnitude, duration and frequency of the reported liquidity deficit.

In all cases, the Bangko Sentral will be cognizant of the procyclicality of supervisory actions if applied in circumstances of market-wide stress. Likewise, the Bangko Sentral will consider the potential for contagion to the financial system and the additional restricted flow of credit or reduced market liquidity due to actions to maintain a minimum LCR, NSFR, or the MLR. Overall, the supervisory response will be based on a forward-looking assessment of macroeconomic and financial conditions of the financial system as a whole.

b. Liquidity ratios below the minimum

- (1) In the event that a shortfall in the stock of HQLA/eligible liquid assets/available stable funding occurs on three (3) banking/business days within any two-week rolling calendar period, thereby causing the LCR or NSFR to fall below the minimum threshold/the MLR to be breached on such days, the bank/QB must notify the Bangko Sentral, through the appropriate supervising department, of such non-compliance within the banking/business day immediately following the occurrence of the third liquidity/stable funding shortfall, notwithstanding the restoration of the LCR or NSFR/compliance with the MLR on the day that the shortfall must be reported.

The shortfall notice shall be signed by the bank/QB President or officer of equivalent rank, and by the officer charged with managing the liquidity of the bank/QB. It shall contain the following minimum information:

- (a) The dates the shortfalls occurred;
- (b) The reason/s or factor/s leading to the utilization of the stock of liquid assets and non-compliance with the minimum LCR/MLR/NSFR;
- (c) The action/s the bank/QB has taken and/or will take to achieve full compliance with the minimum requirement;
- (d) The expected duration and possible extent of the shortfall

(although this may no longer be applicable if the LCR or NSFR has been restored/MLR has been met); and

- (e) A commitment to submit its LCR/MLR/NSFR Report weekly until the bank/QB is able to comply with the required LCR /NSFR/MLR.

A shortfall will not necessarily result in supervisory or enforcement
xxx

- (2) The Bangko Sentral will require effective and timely remedial action from the bank/QB to address the deficiency in its liquidity position within a committed timeline under the following circumstances:

- (a) The liquidity requirement is not met for a prolonged period of time or if the Bangko Sentral has determined that the bank/QB is otherwise materially non-compliant with the minimum LCR, NSFR, or the MLR; or
- (b) The reported shortfall is caused by a firm-specific stress situation
xxx

Subject to the approval of the Monetary Board, banks/QBs may xxx”

Section 3. Subsection X176.20/4176Q.20 of the MORB/MORNBF1 is hereby amended as follows:

“Subsection X176.20/4176Q.20 Supervisory enforcement actions. Consistent with Section X009/4009Q of the MORB/MORNBF1, the Bangko Sentral may deploy enforcement actions xxx and bring about timely corrective actions. xxx Sanctions may likewise be imposed on a bank/QB and/or its directors, officers and/or employees.

The Bangko Sentral reserves the right, upon authority of the Deputy Governor, SES, to require the submission of reports and information prescribed under Item “b” of Subsec. X176.1/4176Q.1, under Item “b” of Subsec. X176.3/4176Q.3, and under Item “b” of Subsec. X176.5/4176Q.5 outside the regular reporting periods, and to conduct on-site inspections outside of regular or special examinations, for the purpose of ascertaining the accuracy of calculations of the minimum liquidity requirement/s as well as the integrity of the related monitoring and reporting systems.

If a bank/QB experiences a shortfall in respect of its minimum prudential liquidity requirement and fails to restore its liquidity position within the committed timeline, the Bangko Sentral may deploy more stringent enforcement actions. In cases where a bank’s/QB’s liquidity problem is deemed to be exceptionally serious from the outset, or when the bank/QB refuses to restore the required liquidity position, the Bangko Sentral may employ more drastic measures based on existing laws, rules and regulations.”

Section 4. Effectivity. This Circular shall take effect fifteen (15) calendar days after publication in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


NESTOR A. ESPENILLA, JR.
Governor

06 June 2018

Appendix 74e/Q-44e
GUIDELINES ON THE BSP IMPLEMENTATION OF THE
NET STABLE FUNDING RATIO (NSFR)

The guidelines on the implementation of the NSFR are aligned with the provisions of the “Basel III: The Net Stable Funding Ratio” document issued by the Basel Committee on Banking Supervision (BCBS). National discretion is exercised in certain areas considering domestic conditions. For purposes of these guidelines, the definitions used in the Liquidity Coverage Ratio (LCR) Framework as provided in *Appendix 74a* of the Manual of Regulations for Banks (MORB) shall apply, unless otherwise explicitly provided.

A. Available Stable Funding

1. The available stable funding (ASF) represents the portion of a covered bank's/QB's capital and liabilities that are expected to be reliable sources of funds over a one-year time horizon. The amount of ASF is determined by assigning the carrying value of the covered bank's/QB's capital and liabilities to different ASF categories, multiplying each category by an ASF factor and adding the weighted amounts. The carrying value of the covered bank's/QB's capital and liabilities shall refer to the recorded amount before the application of any regulatory deductions and other adjustments.

Characteristics of Funding Stability

2. Under the NSFR framework, liabilities are accorded with presumed degree of stability as reflected in their corresponding ASF factor. The factors are scaled from 100.0 percent (100%) to 0.0 percent (0%) with 100.0 percent (100%) representing the most stable account.
3. Three (3) characteristics are identified for funding stability, namely: tenor, type and counterparty:
 - a. Funding Tenor. Longer-term liabilities are assumed to be more stable than short term liabilities. As such, funding that matures in more than one year is considered more stable than those maturing in less than a year.
 - b. Funding type. The framework recognizes that certain types of funding are inherently more stable than other types without considering the tenor. Retail deposits are generally considered more stable than wholesale deposits.
 - c. Funding counterparty. The covered bank's/QB's counterparty influences the stability of funding such that retail customers or counterparties are considered more stable than similar types of funding provided by wholesale customers. Likewise, funds provided by non-financial corporates/entities are considered more stable than those provided by financial corporates/entities.

Maturity of Funding

4. Funding instruments with options to redeem and deposits with withdrawal notice periods shall be assumed to be redeemed through the exercise of an option or withdrawn on the earliest date possible.

5. For long dated liabilities, only the portion of cash flows due beyond six months and one year time horizon shall receive an ASF factor based on residual maturity of six months to less than one year and one year or more, respectively.

ASF Categories

Liabilities and capital with 100.0 percent (100%) ASF factor

6. Liabilities and capital instruments receiving 100.0 percent (100%) ASF factor include:
 - a. Total amount of regulatory capital¹ before the application of regulatory adjustments excluding Tier 2 instruments with residual maturities of less than one year or those instruments with explicit or embedded options that, if exercised, would reduce the expected maturities to less than one year.
 - b. Other capital instruments not included above, that have effective residual maturities of one year or more, but excluding any instruments with explicit or embedded options that, if exercised, would reduce the expected maturity to less than one year.
 - c. Secured and unsecured funding with residual maturities of one year or more.
 - d. Wholesale non-operational deposits with residual maturities of one year or more.
 - e. Retail term deposits with residual maturities of one year or more.

Liabilities with 95.0 percent (95%) ASF factor

7. Retail non-maturity deposits and retail term deposits with residual maturities of less than one year and that have an outstanding balance of P500,000.00 and below.

Liabilities with 90.0 percent (90%) ASF factor

8. Retail non-maturity deposits and retail term deposits with residual maturities of less than one year and that have an outstanding balance of more than P500,000.00.

Liabilities with 50.0 percent (50%) ASF factor

9. Wholesale non-operational deposits with residual maturities of less than one year from the Philippine National Government (NG) and other sovereigns, Local Government Units (LGUs), Government Owned and Control Corporations (GOCCs), Public Sector Entities (PSEs) of Foreign Countries, and Multilateral Organizations including Multilateral Development Banks (MDBs).
10. Wholesale non-operational deposits with residual maturities of less than one year from non-financial corporates.
11. Wholesale non-operational deposits with residual maturities of six months to less than one year from the BSP, other central banks, banks and financial corporates.

¹ Regulatory capital is the sum of Tier 1 and Tier 2 capital before the application of any regulatory deductions and other adjustments.

12. Wholesale operational deposits. All current and savings accounts (CASA) including negotiable order of withdrawal accounts are automatically categorized as operational deposits.
13. Secured and unsecured funding with residual maturities of less than one year provided by the NG and other sovereigns, LGUs, GOCCs, PSEs of Foreign Countries, and Multilateral Organizations including MDBs.
14. Secured and unsecured funding with residual maturities of less than one year provided by non-financial corporates.
15. Secured and unsecured funding with residual maturities of six months to less than one year provided by the BSP, other central banks, banks and financial corporates.
16. Other sources of funding with residual maturities of six months to less than one year.
17. For foreign bank branches, any balance of "Net due to head office/branches/agencies abroad" excluding accumulated "unremitted profits" and "losses in operation".

Liabilities and equities with 0.0 percent (0%) ASF factor

18. Wholesale non-operational deposits with residual maturities of less than six months from the BSP, other central banks, banks and financial corporates.
19. Secured and unsecured funding with residual maturities of less than six months provided by the BSP, other central banks, banks and financial corporates.
20. Other sources of funding with residual maturities of less than six months.
21. All other liabilities and equity items not included in the above categories. The liabilities shall include those without a stated maturity such as short positions and open maturity positions. Two exceptions shall be recognized for liabilities without a stated maturity:
 - First, deferred tax liabilities, which shall be treated according to the nearest possible date on which such liabilities could be realized; and
 - Second, minority interest, which shall be treated according to the term of the instrument, usually in perpetuity.

These liabilities shall then be assigned either a 100.0 percent (100%) ASF factor if the effective maturity is one year or greater, or 50.0 percent (50%), if the effective maturity is between six months and less than one year.

22. Trade date payables arising from purchase of financial assets pending actual receipt/settlement of the underlying securities.

B. Required Stable Funding

23. The amount of required stable funding (RSF) represents the amount of funding needed to support a covered bank's/QB's assets and off-balance sheet (OBS) exposures based on their liquidity characteristics or liquidity risk profile. RSF is calculated by assigning the carrying value of assets and OBS exposures to the relevant RSF category. The carrying value is then multiplied by the corresponding RSF factor to arrive at the weighted amounts. The carrying value of an asset shall be gross of the general loan loss provisions (GLLP) and net of specific provisions.

Considerations for Asset Liquidity

24. Similar to ASF, a set of standardized weightings shall be used to determine the amount of stable funding a covered bank/QB must maintain. RSF factors shall be scaled from 0.0 percent (0%) to 100.0 percent (100%) based on the liquidity characteristics of asset and OBS exposures.
25. The RSF factor assigned to each asset represents the amount of a particular asset estimated to be funded, either because the asset will be rolled over or because it could not be monetized through sale or be used as collateral in secured borrowing transaction, over the course of one year.
26. The following characteristics are considered collectively for each asset, as applicable:
- a. **Credit Quality.** Assets with higher credit quality are perceived to attract more demand from market participants than those with lower credit quality, and thus more liquid than the latter. Under the framework, assets with lower credit quality shall require more stable funding than those with higher credit quality.
 - b. **Tenor.** Assets with longer maturities are expected to require more funding than those with shorter maturities. This is in view of the longer time necessary for the asset to be converted to cash or for cash inflows to be realized from the asset. Additionally, assets with longer tenor may liquidate at a discount because of the higher market and credit risks associated with the longer time to wait for cash inflows.
 - c. **Counterparty.** Relationships with counterparties are critical in continuing business. Covered banks/QBs would generally roll over certain exposures to non-financial counterparties to maintain business relationship and generate additional business in the future.
 - d. **Market Characteristics.** Assets that are traded in an exchange tend to exhibit a higher degree of liquidity, thus, shall require less stable funding.
 - e. **Asset Encumbrance.** In general, encumbered assets cannot be monetized during the period they are encumbered. The longer an asset is encumbered, the more stable funding it would require.

27. For purposes of determining the RSF, covered banks/QBs shall include financial instruments, foreign currencies, and commodities for which a purchase order has been executed and shall exclude those for which a sales order has been executed.

Maturity of assets

28. In determining the maturity of an instrument, it shall be assumed that investors will exercise any option to extend maturity. On the other hand, for assets with options exercisable at the discretion of the covered bank/QB, the reputational factors which may limit a covered bank's/QB's ability not to exercise the option shall be considered. For amortizing loans, the portion that comes due within the one-year period shall be classified under the less than one year residual maturity category.

Asset Encumbrance

29. The RSF factor for an encumbered asset is either the same as, or higher than, the RSF factor for an equivalent unencumbered asset. The specific RSF factors for encumbered assets depend on the remaining period of encumbrance. On-balance sheet assets that are encumbered for one year or more shall have an RSF factor of 100.0 percent (100%) while assets encumbered for a period of six months to less than one year shall have a 50.0 percent (50%) RSF factor. Encumbered assets with less than six months remaining in the encumbrance period shall receive the same RSF factor as if the equivalent asset was unencumbered.
30. Where beneficial ownership is retained in assets that are encumbered in a repo or other securities financing transactions, and these assets are included in the balance sheet, such assets shall be allocated in their respective RSF category.

RSF Categories**Assets assigned a 0.0 percent (0%) RSF factor**

31. Cash on hand, checks and other cash items.
32. Covered bank/QB reserves in the BSP and all claims on the BSP (including demand, overnight, and term deposits and reverse repos where the BSP is the counterparty) with residual maturities of less than six months.
33. Trade date receivables arising from sale of financial assets pending actual settlement/delivery of the underlying securities.

Assets assigned a 5.0 percent (5%) RSF factor

34. Eligible securities representing claims on or guaranteed by the NG, the BSP, sovereigns, other central banks and PSEs of Foreign Countries, and Multilateral Organizations including MDBs. These securities are assigned 0.0 percent (0%) risk weight under the standardized approach for credit risk and are not direct obligations of a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.

Assets assigned a 10.0 percent (10%) RSF factor

35. Loans to banks, financial corporates and other central banks with residual maturities of less than six months and where the loans are secured by Level 1 assets as defined in the LCR rules.

Assets assigned a 15.0 percent (15%) RSF factor

36. Eligible securities representing claims on or guaranteed by the LGUs, GOCCs, sovereigns, other central banks and PSEs of Foreign Countries, and Multilateral Organizations including MDBs. These securities are assigned a 20.0 percent (20%) risk weight under the standardized approach for credit risk and are not direct obligations of a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
37. Corporate debt securities (including commercial papers) assigned with a credit rating equal or equivalent to at least AA- by a third-party credit assessment agency recognized by the BSP, and not issued by a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
38. Loans to banks, financial corporates, and other central banks with residual maturities of less than six months
39. Non-operational deposits held at other banks with residual maturities of less than six months.

Assets assigned a 50.0 percent (50%) RSF factor

40. Eligible securities representing claims on or guaranteed by the LGUs, GOCCs, sovereigns, other central banks and PSEs of Foreign Countries, and Multilateral Organizations including MDBs. These securities are assigned a 50.0 percent (50%) risk weight under the standardized approach for credit risk and are not direct obligations of a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
41. Corporate debt securities (including commercial papers) assigned with a credit rating of between A+ and BBB- or equivalent by a third-party credit assessment agency recognized by the BSP, and not issued by a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
42. Common equity shares that are included in the main index of an organized exchange and not issued by a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
43. Other debt securities with residual maturities of less than one year.
44. Loans to banks, financial corporates, the BSP and other central banks, with residual maturities of between six months to less than one year.
45. Non-operational deposits held at other banks with residual maturities of between six months to less than one year.

- 46. Operational deposits held at other banks.
- 47. Loans to the NG, LGUs, GOCCs, sovereigns, PSEs of Foreign Countries, and Multilateral Organizations including MDBs with residual maturities of less than one year.
- 48. Loans to non-financial corporates and micro, small and medium enterprises (MSME) with residual maturities of less than one year.
- 49. Consumer loans with residual maturities of less than one year.
- 50. For foreign bank branches, any balance of "Net due from head office/branches/agencies abroad" excluding accumulated "unremitted profits" and "losses in operation".

Assets assigned a 65.0 percent (65.0%) RSF factor

- 51. Loans to the NG, LGUs, GOCCs, sovereigns, PSEs of Foreign Countries, and Multilateral Organizations including MDBs with residual maturities of one year or more and would qualify for a 50.0 percent (50%) or lower risk weight under the standardized approach for credit risk.
- 52. Loans to non-financial corporates with residual maturities of one year or more and would qualify for a 50.0 percent (50%) or lower risk weight under the standardized approach for credit risk.
- 53. Residential real estate loans with residual maturities of one year or more and would qualify for a risk weight of 50.0 percent (50%) under the standardized approach for credit risk.

Assets assigned an 85.0 percent (85%) RSF factor

- 54. Loans to the NG, LGUs, GOCCs, sovereigns, PSEs of Foreign Countries, and Multilateral Organizations including MDBs with residual maturities of one year or more and would not qualify for a 50.0 percent (50%) risk weight under the standardized approach for credit risk.
- 55. Loans to non-financial corporates and MSMEs with residual maturities of one year or more and would not qualify for a 50.0 percent (50%) risk weight under the standardized approach for credit risk.
- 56. Residential real estate loans with residual maturities of one year or more, which do not qualify for a risk weight of 50.0 percent (50%) under the standardized approach for credit risk.
- 57. Other consumer loans with residual maturities of one year or more.
- 58. Other traded equity securities and debt securities with residual maturities of one year or more and not issued by a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.

Assets assigned a 100.0 percent (100%) RSF factor

59. Loans to banks, financial corporates, the BSP and other central banks, with residual maturities of one year or more.
60. Non-operational deposits held at other banks with residual maturities of one year or more.
61. Non-traded equity securities which are not issued by a covered bank/QB or any of a covered bank's/QB's financial allied undertakings.
62. Non-performing loans and securities.
63. Items deducted from regulatory capital; and
64. All other assets.

C. Off-Balance Sheet Exposures

65. For OBS exposures, the covered bank/QB shall apply the RSF factor shown below:

RSF Factor	Off-balance Sheet Items
5%	Guarantees and financial standby letters of credit Irrevocable and conditionally revocable credit and liquidity facilities
RSF Factor	Off-balance Sheet Items
1%	Other transaction and trade-related contingent items Unconditionally revocable credit and liquidity facilities
0%	Non-contractual obligations

D. Derivatives

66. The amount of NSFR derivative assets is calculated based on the replacement cost for derivative contracts (obtained by marking to market) where the contract has a positive value. On the other hand, where the contract has a negative value, this shall be reflected as NSFR derivative liabilities. For contracts that inherently require net settlement (e.g., non-deliverable forward exchange contract), the expected derivatives exposure shall be reported on a net basis.
67. NSFR derivative assets are assigned a 100.0 percent (100%) RSF factor while NSFR derivative liabilities would not be considered a source of stable funding and would be assigned a 0.0 percent (0%) ASF factor. When the NSFR derivative assets are greater than the NSFR derivative liabilities, a 100.0 percent (100%) RSF factor shall be assigned to 5.0 percent (5%) of the NSFR derivative liabilities.

15 banking days after
end of reference month

30 banking days after
end of reference quarter

FOR UNIVERSAL BANKS/COMMERCIAL BANKS AND THEIR SUBSIDIARY BANKS AND QUASI-BANKS

_____	_____
(Name of Bank/Quasi-Bank)	(Code)

Address	

BASEL III NET STABLE FUNDING RATIO REPORT

(Indicate if for Solo Basis or Consolidated Basis)

As of _____
(Month-end/Quarter-end)

Name of Bank/Quasi-Bank
Basel III NSFR Report
(Solo / Consolidated)
As of (Month-end/Quarter-end)

PART I. CALCULATION OF NET STABLE FUNDING RATIO (In Absolute Amount)			
Item	Reference	Account Code	Weighted Amount
A. Available Stable Funding	Part II Item A	xxx	
Capital	Part II Item 1	xxx	
Retail Deposits	Part II Item 2	xxx	
Wholesale Deposits	Part II Item 3	xxx	
Secured and Unsecured Funding	Part II Item 4	xxx	
Other Liabilities and Equities	Part II Item 5	xxx	
B. Required Stable Funding	Part III Item A	xxx	
NSFR High-Quality Liquid Assets (HQLA)	Part III Item 1	xxx	
Deposits Held at other Financial Institutions	Part III Item 2	xxx	
Performing Loans and Non-HQLA Securities	Part III Item 3	xxx	
Other assets	Part III Item 4	xxx	
Off-Balance Sheet Exposures	Part III Item 5	xxx	
C. Net Stable Funding Ratio [A/B]		xxx	

Name of Bank/Quasi-Bank
Basel III NSFR Report
(Solo / Consolidated)
As of (Month-end/Quarter-end)

PART II. CALCULATION OF AVAILABLE STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
A. Available Stable Funding (ASF) (Sum of Items 1 to 5)^{1/}			
(1) Capital (Sum of Items 1.a to 1.b)			
(1.a) Total amount of regulatory capital ^{2/}		100%	
(1.b) Other capital instruments not included above ^{3/}		100%	
(2) Retail Deposits (Sum of Items 2.a to 2.b)			
(2.a) Term deposits			
(2.a.1) With residual maturity of one year or more			
(2.a.1.i) With outstanding balance P500,000.00 and below		100%	
(2.a.1.i) With outstanding balance of more than P500,000.00		100%	
(2.a.2) With residual maturity of less than one year			
(2.a.2.i) With outstanding balance P500,000.00 and below		95%	
(2.a.2.i) With outstanding balance of more than P500,000.00		90%	
(2.b) Non-maturity deposits ^{4/}			
(2.b.1) With outstanding balance P500,000.00 and below		95%	
(2.b.2) With outstanding balance of more than P500,000.00		90%	
(3) Wholesale Deposits (Sum of Items 3.a to 3.b)			
(3.a) Wholesale deposits (except operational deposits) (Sum of Items 3.a.1 to 3.a.3)			
(3.a.1) With residual maturities of one year or more			
(3.a.1.i) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries, Multilateral Organizations including Multilateral Development Banks (MDBs)		100%	
(3.a.1.ii) Non-financial corporates		100%	
(3.a.1.iii) BSP, Central banks, Banks and Financial Corporates		100%	
(3.a.2) With residual maturities of six months to less one year			
(3.a.2.i) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries, Multilateral Organizations including Multilateral Development Banks (MDBs)		50%	
(3.a.2.ii) Non-financial corporates		50%	
(3.a.2.iii) BSP, Central banks, Banks and Financial Corporates		50%	

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PART II. CALCULATION OF AVAILABLE STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(3.a.3) With residual maturities of less than six months			
(3.a.3.i) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries, Multilateral Organizations including Multilateral Development Banks (MDBs)		50%	
(3.a.3.ii) Non-financial corporates		50%	
(3.a.3.iii) BSP, Central banks, Banks and Financial Corporates		0%	
(3.b) Operational deposits ^{5/}		50%	
(4) Secured and Unsecured Funding (Sum of Items 4.a to 4.c)			
(4.a) With residual maturities of one year or more (Sum of Items 4.a.1 to 4.a.6)			
(4.a.1) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries		100%	
(4.a.2) Multilateral organizations including Multilateral Development Banks (MDBs)		100%	
(4.a.3) Non-financial corporates		100%	
(4.a.4) BSP and other central banks		100%	
(4.a.5) Banks and Financial corporates		100%	
(4.a.6) Others		100%	
(4.b) With residual maturities of six months to less than one year (Sum of Items 4.b.1 to 4.b.6)			
(4.b.1) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries		50%	
(4.b.2) Multilateral organizations including Multilateral Development Banks (MDBs)		50%	
(4.b.3) Non-financial corporates		50%	
(4.b.4) BSP and other central banks		50%	
(4.b.5) Banks and Financial corporates		50%	
(4.b.6) Others		50%	
(4.c) With effective residual maturities of less than six months (Sum of Items 4.c.1 to 4.c.6)			
(4.c.1) Philippine National Government (NG) and other sovereigns; Local Government Units (LGUs); Government-Owned and Controlled Corporations (GOCCs); public sector entities (PSEs) of foreign countries		50%	

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PART II. CALCULATION OF AVAILABLE STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(4.c.2) Multilateral organizations including Multilateral Development Banks (MDBs)		50%	
(4.c.3) Non-financial corporates		50%	
(4.c.4) BSP and other central banks		0%	
(4.c.5) Banks and Financial corporates		0%	
(4.c.6) Others		0%	
(5) Other Liabilities and Equities (Sum of Items 5.a to 5.f)			
(5.a) Deferred Tax Liabilities (Sum of Items 5.a.1 to 5.a.3)			
(5.a.1) With residual maturities of one year or more		100%	
(5.a.2) With residual maturities of six months to less than one year		50%	
(5.a.3) With residual maturities of less than six months		0%	
(5.b) Minority Interests (Sum of Items 5.b.1 to 5.b.3)			
(5.b.1) With residual maturities of one year or more		100%	
(5.b.2) With residual maturities of six months to less than one year		50%	
(5.b.3) With residual maturities of less than six months		0%	
(5.c) NSFR derivative liabilities		0%	
(5.d) Trade date payables ^{6/}		0%	
(5.e) Net due to (for foreign bank branches)		50%	
(5.f) All other liabilities and equities not defined		0%	

1/ The NSFR adopts the definitions used in Circular No. 905 dated 10 March 2016 on Liquidity Coverage Ratio unless otherwise explicitly provided.

2/ Before the application of regulatory adjustments, excluding Tier 2 instruments with residual maturity of less than one year or those instruments with explicit or embedded options that, if exercised, would reduce the expected maturity to less than one year.

3/ That has an effective residual maturity of one year or more, but excluding any instruments with embedded or explicit options that, if exercised, would reduce the expected maturity to less than one year

4/ All current and savings accounts (CASA) including negotiable order of withdrawals

5/ All current and savings accounts (CASA) including negotiable order of withdrawals are automatically categorized as operational deposits.

6/ Arising from purchases of financial instruments, foreign currencies and commodities that (i) are expected to settle within the standard operating cycle or period that is customary for the relevant exchange or type transaction, or (ii) have failed to, but are still expected to settle.

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PART III. CALCULATION OF REQUIRED STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
A. Required Stable Funding (RSF) (Sum of Items 1 to 5)^{1/}			
(1) NSFR High-Quality Liquid Assets (HQLA) (Sum of Items 1.a to 1.d)			
(1.a) Cash on hand, checks and other cash items		0%	
(1.b) Bank reserves in the BSP (including excess reserves)		0%	
(1.c) All claims on the BSP ^{2/}		0%	
(1.d) Eligible securities ^{3/} that are — (Sum of Items 1.d.1 to 1.d.6)			
(1.d.1) Issued or guaranteed by the Philippine National Government (NG) and the BSP - Peso Denominated (Sum of i to ii) -			
(i) Unencumbered		5%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		5%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.2) With a 0% Basel II credit risk weight issued or guaranteed by — (Sum of Items 1.d.2.a to 1.d.2.b)			
(a) Sovereigns, other central banks or PSEs of foreign countries (Sum of i to ii)			
(i) Unencumbered		5%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		5%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(b) Multilateral organizations including MDBs ^{4/} (Sum of i to ii)			
(i) Unencumbered		5%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		5%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.3) With a 20% Basel II credit risk weight issued or guaranteed by — (Sum of Items 1.d.3.a to sum of 1.d.3.c)			
(a) Local Government Units (LGUs) and Government-owned and Controlled Corporations (GOCCs) (Sum of i to ii)			
(i) Unencumbered		15%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		15%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(b) Sovereigns, other central banks or PSEs of foreign countries (Sum of i to ii)			
(i) Unencumbered		15%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		15%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(c) Multilateral organizations including MDBs ^{4/} (Sum of i to ii)			

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PART III. CALCULATION OF REQUIRED STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(i) Unencumbered		15%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		15%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.4) With a 50% Basel II credit risk weight issued or guaranteed by — (Sum of Items 1.d.4.a to 1.d.4.d)			
(a) Issued or guaranteed by the Philippine National Government (NG) and the BSP (Foreign Currency - Denominated) (Sum of i to ii)			
(i) Unencumbered		50%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		50%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(b) Local Government Units (LGUs) and Government-owned and Controlled Corporations (GOCCs)(Sum of i to ii)			
(i) Unencumbered		50%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		50%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(c) Sovereigns, other central banks or PSEs of foreign countries (Sum of i to ii)			
(i) Unencumbered		50%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		50%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(d) Multilateral organizations including MDBs ^{4/} (Sum of i to ii)			
(i) Unencumbered		50%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		50%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.5) Eligible corporate securities ^{3/} (including commercial papers) (Sum of Items 1.d.5.a to 1.d.5.b)			
(1.d.5.a) With long-term credit rating of at least AA- or its equivalent			
(i) Unencumbered		15%	
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		15%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.5.b) With long-term credit rating of between A+ and BBB- or its equivalent			
(i) Unencumbered		50%	

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PART III. CALCULATION OF REQUIRED STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(ii) Encumbered; of which: (Sum of ii.a to ii.c)			
(ii.a) Remaining period of encumbrance - less than six months		50%	
(ii.b) Remaining period of encumbrance - between six months to less than one year		50%	
(ii.c) Remaining period of encumbrance - one year or more		100%	
(1.d.6) Eligible common equity shares ^{3/} that are included in the main index of an organized exchange		50%	
(2) Deposits Held at other Financial Institutions (Sum of Items 2.a to 2.b)			
(2.a) For operational purposes		50%	
(2.b) For non-operational purposes (including deposits received under correspondent banking and brokering services) (Sum of Items 2.b.1 to 2.b.3)			
(2.b.1) With residual maturities of less than six months		15%	
(2.b.2) With residual maturities between six months to less than one year		50%	
(2.b.3) With residual maturities of one year or more		100%	
(3) Performing loans and non-HQLA securities (Sum of Items 3.a to 3.b)			
(3.a) Performing loans (Sum of Items 3.a.1 to 3.a.7)			
(3.a.1) Loans to BSP (Sum of Items 3.a.1.a to 3.a.1.c)			
(3.a.1.a) With residual maturities of less than six months		0%	
(3.a.1.b) With residual maturities between six months and less than one year		50%	
(3.a.1.c) With residual maturities of one year or more		100%	
(3.a.2) Loans to banks, financial corporates and other central banks (Sum of Items 3.a.2.a to 3.a.2.d)			
(3.a.2.a) With residual maturities of less than six months, where the loan is secured by Level 1 assets provided that the banks has the ability to freely rehypothecate the received collateral for the life of the loan		10%	
(3.a.2.b) With residual maturities of less than six months		15%	
(3.a.2.c) With residual maturities between six months to less than one year		50%	
(3.a.2.d) With residual maturities of one year or more		100%	
(3.a.3) Loans with residual maturities of one year or more and would qualify for a 50% Basel II risk weight or lower (Sum of Items 3.a.3.a to 3.a.3.d)			
(3.a.3.a) Philippine NG and other sovereigns; LGUs; GOCCs; PSEs of foreign countries		65%	
(3.a.3.b) Multilateral organizations including MDBs		65%	
(3.a.3.c) Non-financial corporates		65%	
(3.a.3.d) Retail clients ^{5/}		65%	
(3.a.4) Loans with residual maturities of one year or more and have a higher than 50% Basel II risk weight (Sum of Items 3.a.4.a to 3.a.4.d)			
(3.a.4.a) Other sovereigns; LGUs; GOCCs; PSEs of foreign countries		85%	
(3.a.4.b) Multilateral organizations including MDBs		85%	
(3.a.4.c) Non-financial corporates		85%	
(3.a.4.d) Retail clients ^{5/}		85%	
(3.a.5) Loans with residual maturities of less than one year (Sum of Items 3.a.5.a to 3.a.5.d)			
(3.a.5.a) Philippine NG and other sovereigns; LGUs; GOCCs; PSEs of foreign countries		50%	

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Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(3.a.5.b) Multilateral organizations including MDBs		50%	
(3.a.5.c) Non-financial corporates		50%	
(3.a.5.d) Retail clients ^{5/}		50%	
(3.a.6) Residential Real Estate Loans (Sum of Items 3.a.6.a to 3.a.6.b)			
(3.a.6.a) With residual maturities of less than one year		50%	
(3.a.6.b) With residual maturities of one year or more (sum of (i) to (ii))			
(i) Qualified for a 50% Basel II risk weight or lower		65%	
(ii) Not qualified for a 50% Basel II risk weight		85%	
(3.a.7) Other Consumer Loans (Sum of Items 3.a.7.a to 3.a.7.b)			
(3.a.7.a) With residual maturities of less than one year		50%	
(3.a.7.b) With residual maturities of one year or more		85%	
(3.b) Performing Non-HQLA Securities (Sum of Items 3.b.1 to 3.b.4)			
(3.b.1) Other debt securities with residual maturities of less than one year		50%	
(3.b.2) Other traded equity securities		85%	
(3.b.3) Debt securities with residual maturities of one year or more		85%	
(3.b.4) Non-traded equity securities		100%	
(4) Other assets (Sum of Items 4.a to 4.f)			
(4.a) Net due from - for foreign bank branches		50%	
(4.b) Items deducted from regulatory capital		100%	
(4.c) Non-performing loans and securities		100%	
(4.d) NSFR derivative assets ^{6/}		100%	
(4.e) Trade date receivables		0%	
(4.f) All other assets		100%	
(5) Off-Balance Sheet Exposures (Sum of items 5.a to 5.e)			
(5.a) Direct credit substitutes (e.g. general guarantees of indebtedness and acceptances) (Sum of Items 5.a.1 to 5.a.4)			
(5.a.1) Guarantees issued		5%	
(5.a.2) Financial standby letters of credit - domestic		5%	
(5.a.3) Financial standby letters of credit - foreign		5%	
(5.a.4) Other irrevocable and conditionally revocable credit and liquidity facilities to any client		5%	
(5.b) Transaction-related contingencies (e.g., performance bonds, bid bonds, warranties and stand-by LCs related to particular transactions) (sum of Items 5.b.1 to 5.b.3)			
(5.b.1) Performance Standby LCs – domestic (net of margin deposit) established as a guarantee that a business transaction will be performed		1%	
(5.b.2) Performance Standby LCs – foreign (net of margin deposit) established as a guarantee that a business transaction will be performed		1%	
(5.b.3) Note issuance facilities and revolving underwriting facilities		1%	

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PART III. CALCULATION OF REQUIRED STABLE FUNDING (In Absolute Amount)			
Item	Amount (a)	Factor (b)	Weighted Amount (a x b)
(5.c) Trade-related contingencies arising from movement of goods (e.g., documentary credits collateralized by the underlying shipments) and commitments with an original maturity of up to one (1) year (Sum of Items 5.c.1 to 5.c.10)			
(5.c.1) Trade related guarantees – LCs confirmed		1%	
(5.c.2) Trade related guarantees – shipside bonds/airway bills		1%	
(5.c.3) Sight LCs - domestic (net of margin deposit)		1%	
(5.c.4) Sight LCs - foreign (net of margin deposit)		1%	
(5.c.5) Usance LCs - domestic (net of margin deposit)		1%	
(5.c.6) Usance LCs - foreign (net of margin deposit)		1%	
(5.c.7) Deferred LCs - domestic (net of margin deposit)		1%	
(5.c.8) Deferred LCs - foreign (net of margin deposit)		1%	
(5.c.9) Revolving LCs - domestic (net of margin deposit) arising from movement of goods and/or services		1%	
(5.c.10) Revolving LCs - foreign (net of margin deposit) arising from movement of goods and/or services		1%	
(5.d) Other Commitments (Sum of Items 5.d.1 to 5.d.5)			
(5.d.1) Note issuance facilities and revolving underwriting facilities		1%	
(5.d.2) Underwritten accounts sold		1%	
(5.d.3) Committed credit lines for commercial papers issued		1%	
(5.d.4) Credit card lines		1%	
(5.d.5) Others (please specify)		1%	
(5.e) Non-contractual obligations (Sum of Items 5.e.1 to 5.e.3)			
(5.e.1) Potential requests for debt repurchases of the bank's own debt or that of related conduits, securities investment vehicles and other such financing facilities		0%	
(5.e.2) Structured products where customers anticipate ready marketability, such as adjustable rate notes and variable rate demand notes (VRDNs)		0%	
(5.e.3) Managed funds that are marketed with the objective of maintaining a stable value		0%	

1/ As defined in Circular No. 905 dated 10 March 2016

2/ Overnight and term deposits with the BSP, including reverse repos where the BSP is the counterparty, with residual maturity of less than six (6) months.

3/ Must not be issued by the bank or any of the bank's financial allied undertakings.

4/ Include the Bank of International Settlements, the International Monetary Fund, the European Central Bank and European Community and the multilateral development banks (MDBs).

5/ Refer to individual clients including sole proprietorships and partnerships, and those classified as micro and small enterprises

6/ When NSFR derivatives assets are greater than NSFR derivatives liabilities, a 100.0% RSF factor shall be assigned to 5.0% of NSFR derivatives liabilities.

**Appendix 74f/Q-44f
(Appendix to Subsec. X176.5/4176Q.5)**

**(FORMAT)
SWORN CERTIFICATION OF COMPLIANCE WITH
THE NET STABLE FUNDING RATIO (NSFR) REQUIREMENTS**

<NAME OF BANK/QUASI-BANK>

C E R T I F I C A T I O N

Pursuant to Subsection X176.5/4716Q.5 of the Manual of Regulations for Banks/Manual of Regulations for Non-Bank Financial Institutions, we hereby certify that the Bank/QB has fully complied with the minimum NSFR requirement on all calendar days of the month/quarter ended _____ 20__.

We further certify to the best of our knowledge that above statement is true and correct.

President/CEO or Country Head
TIN: _____

[Other authorized signatories for Category A-1 report]
TIN: _____

*[Officer Charged with Liquidity
Management Function]*
TIN: _____

Compliance Officer
TIN: _____

SUBSCRIBED AND SWORN TO before me this ____ day of _____ 20__,
at _____, Philippines affiant/s exhibiting their government-issued
identification cards as follows:

NAME	GOVERNMENT-ISSUED ID	DATE OF ISSUE	PLACE OF ISSUE

Witness my hand and notarial seal on the date and place above-written.

NOTARY PUBLIC

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 20__.

(In case of occurrences of non-compliance during the month/quarter, the certification should read as follows:)

Pursuant to Subsection X176.5/4716Q.5 of the Manual of Regulations for Banks (MORB)/Manual of Regulations for Non-Bank Financial Institutions (MORNBFi), we hereby certify that the Bank/QB have fully complied with the minimum NSFR requirement on all calendar days of the month/quarter ended _____ 20____, except on (example):

Dates (Day)	NSFR Compliance (%)
11 January 2018 (Thursday)	99.56%
15 January 2018 (Monday)	98.10%
16 January 2018 (Tuesday)	98.97%

A shortfall notice containing the minimum information required under Subsection X176.7/4176Q.7 of the MORB/MORNBFi had been submitted to the BSP on 17 January 2018, through the appropriate supervisory department.

We further certify to the best of our knowledge that above statement is true and correct.

President/CEO or Country Head
TIN:

[Other authorized signatories for Category A-1 report]
TIN:

TIN:

[Officer Charged with Liquidity
Management Function]
TIN:

Compliance Officer
TIN:

SUBSCRIBED AND SWORN TO before me this ____ day of _____ 20____,
at _____, Philippines affiant/s exhibiting their government-issued
identification cards as follows:

NAME	GOVERNMENT-ISSUED ID	DATE OF ISSUE	PLACE OF ISSUE

Witness my hand and notarial seal on the date and place above-written.

NOTARY PUBLIC

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 20____.