



Bangko Sentral ng Pilipinas
MAYNILA, PILIPINAS

Office of the Governor

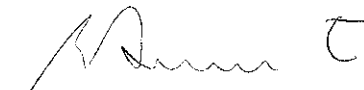
**Memorandum to All Commercial Banks
And Non-Bank Financial Intermediaries Performing Trust,
Other Fiduciary Business and Investment Management Activities**

The Monetary Board, in its Resolution No. 1930 dated December 6, 2001, approved the reduction in the liquidity reserve requirement against peso denominated common trust funds (CTF) and trust and other fiduciary activities (TOFA) – Others of all universal banks (UBs) and commercial banks (KBs) and non-bank financial intermediaries with trust license by two (2) percentage points from 12 percent to 10 percent. The regular reserve requirements are maintained at 6 percent.

The required liquidity reserves may be maintained in the form of short-term market yielding government securities purchased directly from the Bangko Sentral Ng Pilipinas (BSP) – Treasury Department, pursuant to Circular 10 dated December 29, 1993.

This Memorandum shall take effect on December 7, 2001.

For the MONETARY BOARD:


RAFAEL B. BUENAVENTURA
Governor

December 11, 2001