



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS
OFFICE OF THE GOVERNOR

Circular No. 220

Series of 1999

The Monetary Board, in its resolution No. 1471 dated October 15, 1999, approved the following guidelines and the imposition of monetary penalties on banks for willful violation with the foreign currency deposit unit (FCDU) cover and other reporting requirement as follows:

1. Continuance of the monthly submission of the compliance report with a certification under oath, signed by the bank's President or Country Manager, in case of local branch of foreign banks, Compliance Officer and Head of Treasury, to the effect that the bank has fully complied with the foreign currency deposit unit (FCDU) cover requirement any day of the reference month; (format of certification attached)
2. Imposition of a maximum monetary penalty of P30,000 per day (to be reckoned from the date the deficiency started until it is corrected) in case of false certification issued by banks in addition to the penal sanctions provided under Sections 35 and 36 of R.A. No. 7653;
3. Imposition of monetary penalties for delayed and erroneous/incomplete submission of bank's "Consolidated Report on Compliance with FCDU Cover Requirement" following the penalties for late submission imposed on other Supervision and Examination Sector required reports;
4. Imposition of monetary penalties for non-compliance with the prescribed 100% FCDU cover and 30% liquid cover equivalent to 1/10 of 1% of the deficiency, converted to its peso equivalent at an exchange rate prevailing at the time of the deficiency but not to exceed P 30,000 per deficiency each day; and
5. Compliance for at least six (6) months with the FCDU cover requirement be made as a pre-condition in the following:
 - a. Declaration of cash dividends;

ITAGUYOD ANG PHILIPPINES 2000



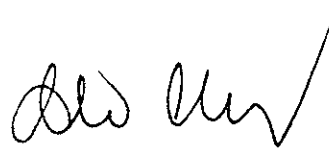
MAG-IMPOK SA BANGKO

b. Bank's application for branching; and

c. In the case of foreign banks, remittance of profits to their Head Office abroad.

This circular shall take effect after fifteen (15) days following the completion of its publication in a newspaper of general circulation.

FOR THE MONETARY BOARD:

A handwritten signature in black ink, appearing to read 'AS Suratos', with a long, sweeping flourish extending upwards and to the right.

ARMANDO L. SURATOS
Officer-In-Charge

December 7, 1999

Attachment

**FORMAT OF THE SWORN CERTIFICATION OF COMPLIANCE WITH
THE COVER REQUIREMENTS**

CERTIFICATION

Pursuant to the requirement of BSP Circular letter dated _____ we hereby certify that we have fully complied with the FCDU cover requirements (both 100% Foreign Currency Cover and 30% Liquid Cover) on all banking days during the month of _____, 1999.

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

_____ President or Country Manager (in case of FXBs)	_____ Compliance Officer	_____ Head of the Treasury Department
TIN:	TIN:	TIN:
Com. Tax Cert. No.:	Com. Tax Cert. No.:	Com. Tax Cert. No.:
Issued On:	Issued On:	Issued On:
Issued At:	Issued At:	Issued At:

Subscribed and sworn to before me this _____ day of _____, _____
affiants exhibiting their Community Tax Certificates as indicated above.

Person Administering Oath