



Bangko Sentral ng Pilipinas

OFFICE OF THE GOVERNOR

CIRCULAR LETTER Series of 2003

**TO : All Banks with Banking Offices
in the Province of Isabela**

**SUBJECT : Debt Relief and Rehabilitation for Borrowers
Adversely Affected by the Super Typhoon**

The Bangko Sentral ng Pilipinas (BSP) recognizes the urgent need to provide temporary debt relief in order to expedite rehabilitation of areas severely affected by the super typhoon that devastated the Province of Isabela last 20 July 2003.

Towards this end, the BSP will be flexible in the regulatory treatment and will relax the classification and provisioning requirements of loans that may be restructured/rescheduled by banks to allow a borrower reasonable period of time to recover from the disaster. Loans restructured/rescheduled under this program shall be treated as regular loans and shall be subject to the general loan loss provision of ONE PERCENT (1%) instead of Five Percent (5%) applicable to restructured loans: Provided, That the restructuring/rescheduling of said loans are effected not later than 31 DECEMBER 2003: Provided, further, That the restructured/rescheduled loans are subsequently maintained in performing status or have complied with the terms of the restructuring agreement.

For your guidance.

ARMANDO L. SURATOS
Officer-in-Charge

November 13, 2003

MAG-IMPOK SA BANGKO