



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

Office of the Governor

Circular No. 228
Series of 2000

The Monetary Board, in its Resolution No. 211 dated 9 February 2000, approved the definition of "first class collaterals", as follows:

The term "first class collaterals" refers to assets and securities which have relatively stable and clearly definable value and/or greater liquidity and are free from lien/encumbrance, such as:

- a. Real estate;
- b. Evidence of indebtedness of the Republic of the Philippines and of the Bangko Sentral ng Pilipinas, and any other evidences of indebtedness or obligations the servicing and repayment of which are fully guaranteed by the Republic of the Philippines;
- c. Hold out on and/or assignment of deposit/deposit substitutes maintained in the lending institutions;
- d. "Blue chip" shares of stocks, except those issued by the lending entity. For this purpose, the issuer corporation must be a listed corporation with a net worth of at least P1 billion and with a record of at least 5 consecutive years earnings reckoned from the immediately preceding 5 years; and

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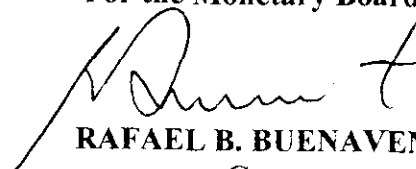
MAG-IMPOK SA BANGKO

- e. Such other collaterals that the Monetary Board may declare as first class collaterals from time to time.

It is understood that the loan value to be assigned the collateral shall be as prescribed under existing regulations.

This Circular shall take effect immediately.

For the Monetary Board:



RAFAEL B. BUENAVENTURA
Governor

29 February 2000