



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

MEMORANDUM NO. M-2012- 052

To: ALL BANKS

Subject: Amendments to Prudential Reports on Non-Performing Loans

Pursuant to Circular No. 772 dated 16 October 2012 amending regulations governing non-performing loans (NPLs), the following amendments to regulations and guidelines regarding prudential reports on NPLs are hereby adopted:

Section 1. The line item instructions of the Financial Reporting Package (FRP) issued under Circular No. 512 dated 3 February 2006, as amended, and the Simplified FRP issued under Circular No. 644 dated 10 February 2009, as amended, are further amended, as follows:

"X X X

"Schedules 11a (Total Amount), 11a1 (Peso Accounts), 11a2 (Foreign Regular), 11a3 (FCDU/EFCDU) and 11a4 (Foreign Offices) – Loans and Receivables – Others – Classified as to Status

"Report the *amortized cost* of Loans and Receivables-Others including restructured loans classified according to the status of the account as follows:

- "(1) Current**
- "(2) Past Due But Not Yet Non-Performing**
- "(3) Past Due and Already Non-Performing**
- "(4) Items in Litigation**

"Non-Performing Loans shall refer to gross non-performing loans as defined under Subsection X309.1 of the MORB.

"Total Loans – Report in this column the sum of Item Nos. 1 to 4.

"X X X

"Schedules 11b (Total Amount), 11b1 (Peso Accounts), 11b2 (Foreign Regular), 11b3 (FCDU/EFCDU) and 11b4 (Foreign Offices) – Restructured Loans and Receivables – Classified as to Status

"Report the *amortized cost* of Loans and Receivables-Others including restructured loans classified according to the status of the account as follows:

- "(1) Current
- "(2) Past Due But Not Yet Non-Performing
- "(3) Past Due and Already Non-Performing
- "(4) Items in Litigation

"Non-Performing Loans are defined under the line item instructions for Schedule 11a.

"**Total Loans** – Report in this column the sum of Item Nos. 1 to 4.

"x x x

"**Schedules 11d (Total Amount), 11d1 (Peso Accounts), 11d2 (Foreign Regular), 11d3 (FCDU/EFCDU) and 11d4 (Foreign Offices) – Gross Loans and Receivables-Others – Classified as to Type of Business/Industry of Counterparty**

"x x x

"**Additional Information**

"Report the *amortized cost* (i.e. gross of allowance for credit losses) of Loans and Receivables – Others classified as to the following status:

- "(a) Current
- "(b) Past Due But Not Yet Non-Performing
- "(c) Past Due and Already Non-Performing
- "(d) Items in Litigation

"Non-Performing Loans are defined under the line item instructions for Schedule 11a.

"x x x

"**Schedule 11 g – Real Estate Exposure**

"***Sub-schedule 1 – Real Estate Exposure***

"Report in the appropriate column the following required information:

"**I. Residential Real Estate Loans**

"x x x

"Status of Accounts

"Report the *amortized cost* (i.e. gross of allowance for credit losses) of real estate loans extended classified as to the following status:

"(c) **Current**

"(d) **Past Due But Not Yet Non-Performing**

"(e) **Past Due and Already Non-Performing**

"(f) **Items in Litigation**

"Non-Performing Loans are defined under the line item instructions for Schedule 11a.

"Collateral

"x x x

"II. Loans Secured by REM (Other than those reported under Item I)

"x x x

"Status of Accounts

"Report the *amortized cost* (i.e. gross of allowance for credit losses) of real estate loans extended secured by REM that are classified as follows:

"(c) **Current**

"(d) **Past Due But Not Yet Non-Performing**

"(e) **Past Due and Already Non-Performing**

"(f) **Items in Litigation**

"Non-Performing Loans are defined under the line item instructions for Schedule 11a.

"(g) **Secured by REM**

"x x x."

Banks shall adopt these amendments to the line item instructions of the FRP (both solo and consolidated basis) issued under Circular No. 512, as amended, and the Simplified FRP issued under Circular No. 644, as amended, beginning 1 January 2013.

Section 2. Beginning 1 January 2014, the FRP issued under Circular No. 512, as amended, and the Simplified FRP issued under Circular No. 644, as amended, shall be further amended, as follows:

1. Line Item Instructions

"X X X

"Schedule 11 – Loans and Receivables – Others (Net Carrying Amount)

"X X X

"(13) Geographic Regions of Non-Resident Counterparties – Report the amortized cost of loans and receivables – others classified as to geographic regions in accordance with the structure of the FRP under item 3.b.

"Disclosure of FCDU/EFCDU Loans and Receivables - Others for Purposes of Computing FCDU/EFCDU cover

"X X X."

2. Reportorial Template

Schedule 11 of the FRP issued under Circular No. 512, as amended, and of the Simplified FRP issued under Circular No. 644, as amended, shall be revised to delete rows pertaining to loans classified as "Loss", credit card receivables classified as "Loss", and credit card receivables classified as "Loss" during the period.

Details of the scheduled amendments to the reportorial templates of the FRP for Banks and the Simplified FRP for Rural and Cooperative Banks are shown in Annexes A and B.

Section 3. The dissemination of the revised data entry templates of the FRP and the Simplified FRP shall be covered by a separate issuance.

For strict compliance.



DR. JOHNNY NOE E. RAVALO
Sector-In-Charge

20 November 2012

[illegible]

2/ Row to be deleted beginning with the reporting period starting 1 January 2014

[illegible]

[illegible]

1/ Includes Restructured Loans

2/ Row to be deleted beginning with the reporting period starting 1 January 2014