



Bangko Sentral ng Pilipinas

Office of the Governor

CIRCULAR No 386
Series of 2003

TO: ALL UNIVERSAL AND COMMERCIAL BANKS

In its Resolution No. 512 dated 10 April 2003, the Monetary Board decided that for uniformity and consistency in reporting, foreign currency denominated credit accommodations of banks' FCDUs/EFCDUs to the BSP shall be booked as "Interbank Term Loans Receivable", under the sub-control account "Interbank Term Loans Receivable-BSP-FCDU/EFCDU".

Accordingly, BSP Circular No. 108 dated 02 October 1995, as amended by BSP Circular No. 201 dated 01 May 1999 [Manual of Accounts for Universal and Commercial Banks (UBs/KBs)], is amended further as follows –

- a. Creation of the sub-control account "Interbank Term Loans Receivable-BSP-FCDU/EFCDU" which shall be used for loans and discounts granted to the BSP by FCDUs/EFCDUs of banks, which credit exposures shall be recorded at their respective foreign currency amounts.
- b. Amendment of the definition of the "Due from BSP - Foreign Currency-FCDU/EFCDU" account so as to delete the phrase "claims in foreign currency from BSP, i.e., due to purchase of BSP paper (due to BSP assumption of foreign liability of the reporting bank)".

Pages 2 and 4 of of the Manual of Accounts for UBs/KBs are hereby amended as shown in Annex "A."

This Circular shall take effect immediately.

For the Monetary Board:

RAFAEL B. BUENAVENTURA
Governor

Attachment

14 May 2003

MAG-IMPOK SA BANGKO

Due from BSP – Foreign Currency***Due from BSP – Foreign Currency – Regular^{1/}***

This represents the balance of the deposit account in foreign currency maintained with the Bangko Sentral and other claims in foreign currency from BSP of the reporting bank to cover the required reserves against the bank's foreign currency liabilities which shall be recorded at their respective foreign currency amounts and at their local currency equivalent at the applicable rate of exchange on transaction dates.

Due from BSP – Foreign Currency – FCDU/EFCDU

This represents the balance of the deposit account in foreign currency maintained with the Bangko Sentral, including the required reserves against the bank's foreign currency liabilities under the FCDU/EFCDU systems which shall be recorded at their respective foreign currency amounts.

4. DUE FROM OTHER BANKS [1-1-08-00]**a. Due from Other Banks – Local Banks [1-1-08-02]**

This represents balances of funds on deposit with other local banks excluding loans and advances to other banks and balances in banks which have been closed or banks under receivership/liquidation. The following sub-control accounts shall be maintained:

Due from Local Banks – Domestic***Due from Local Banks – Domestic Demand Deposits***

This represents balances of demand deposits with other local banks.

Due from Local Banks – Domestic Savings Deposits

This represents balances of savings deposits with other local banks.

Due from Local Banks – Domestic Time Certificates of Deposits

This represents balances of time certificates of deposits with other local banks.

Due from Local Banks – Domestic Others

This represents debit balances maintained with other local banks for settlement of interbank claims in places where there are no BSP clearing facilities.

Due from Local Banks – FCDU/EFCDU***Due from Local Banks – FCDU/EFCDU Demand Deposits***

This represents demand deposit accounts maintained with local correspondent banks for transactions of FCDUs/EFCDUs covered by Circular No. 1389 which shall be recorded at their respective foreign currency amounts.

Due from Local Banks – FCDU/EFCDU Savings Deposits

This represents savings deposit accounts maintained with local correspondent banks for transactions of FCDUs/EFCDUs covered by Circular No. 1389 which shall be recorded at their respective foreign currency amounts.

^{1/} Refer to Guidelines on Revaluation in Appendix A.

b. **Interbank Term Loans Receivable** [1-2-02-04]

Interbank Term Loans Receivable – Local

This represents loans/placements other than call/demand loans granted to local banks and non-bank financial intermediaries engaged in quasi-banking functions.

Interbank Term Loans Receivable – Foreign Regular¹⁷

This represents loans and discounts/placements granted to foreign banking/financial institutions and OBUs, allowed under existing rules and regulations, which shall be recorded at their respective foreign currency amounts and at their local currency equivalent at the applicable rate of exchange prevailing on transaction dates. Sub-control accounts shall be maintained for: (a) OBUs; and (b) Other Banks Abroad.

Interbank Term Loans Receivable – FCDU/EFCDU

This represents loans and discounts/placements granted to foreign banking/financial institutions and OBUs by FCDUs/EFCDUs which shall be recorded at their respective foreign currency amounts. Sub-control accounts shall be maintained for: (a) OBUs; and (b) Other Banks Abroad.

Interbank Term Loans Receivable – BSP – FCDU/EFCDU

This represents loans and discounts granted to the BSP by FCDUs/EFCDUs, which credit exposures shall be recorded at their respective foreign currency amounts.

Interbank Term Loans Receivable – Local Bank – FCDU/EFCDU

This represents loans and discounts/placements granted to FCDUs/EFCDUs of other local banks which shall be recorded at their respective foreign currency amounts.

6. **LOANS AND DISCOUNTS** [1-2-04-00]

a. **Demand Loans** [1-2-04-02]

This represents loans granted with no fixed maturity dates but which become due and payable upon call or demand by the lending bank.

b. **Bills Discounted** [1-2-04-04]

This represents loans which are payable on a fixed date (usually within a period of one year), the interest of which is collected in advance or discounted from the face value of the covering promissory note.

c. **Time Loans** [1-2-04-06]

This represents loans which are payable on a fixed date or within a specified period of time (usually more than one year).

d. **Mortgage Contract Receivable** [1-2-04-08]

This represents the balance of the price of assets acquired which are sold under a plan of settlement, whereby the title to said asset is transferred to the buyer who executes a real estate mortgage contract in favor of the bank.

¹⁷ Refer to Guidelines on Revaluation in Appendix A.