



**BANGKO SENTRAL NG PILIPINAS**

OFFICE OF THE GOVERNOR

**CIRCULAR NO. 776**

Series of 2012

**Subject: Amendment of Subsection (§) X268.3 of the Manual of Regulations for Banks (MORB) to include a provision on the grant of temporary rediscounting lines to newly merged or consolidated banks**

Pursuant to Monetary Board Resolution No. 1619 dated 4 October 2012, the provisions of § X268.3 of the MORB, covering the guidelines on the Bangko Sentral ng Pilipinas (BSP) Rediscounting Facility are hereby amended to include a paragraph after item h and immediately before the provision on the requirements on microfinance facility, as follows:

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§ X268.3 Approval/Renewal of the Line. The approval/renewal of the Line shall be subject to the bank's full compliance with the following requirements:

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For newly merged or consolidated banks, a temporary line not exceeding 50% of its adjusted net worth as of latest date may be granted for a period of 180 days while awaiting the required reports/data from the appropriate Supervision and Examination Sector Department, renewable for another 180 days or until such time that the required reports/data are made available, whichever comes earlier, subject to the following conditions:

- a. Compliance with the requirements cited under Items e and f, and other guidelines issued by the DLC; and
- b. One of the merging or consolidating banks has CAMELS composite rating of at least 3 and minimum CAR of 10% based on the latest available SDC data.

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The above provision shall not limit the Monetary Board from granting rediscounting line incentives to merged/consolidated banks pursuant to § X108.3 of the MORB.

Effectivity. This Circular shall take effect on 07 DEC 2012.

FOR THE MONETARY BOARD:

  
JUAN D. DE ZUÑIGA, JR.  
Officer-In-Charge

7 December 2012