



Bangko Sentral ng Pilipinas

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

**MEMORANDUM TO ALL NON-BANK FINANCIAL
INTERMEDIARIES WITH QB FUNCTIONS (NBQBs)**

All Non-Bank Financial Intermediaries with Quasi-Banking Functions shall observe the following guidelines for purposes of implementing the provisions of Circular 444 dated 18 August 2004 under Monetary Board Resolution No. 914 and 1713 dated 26 June 2003 and 20 November 2003, respectively, in reporting the deposit substitutes evidenced by repurchase agreements (repos) covering government securities:

1. The maximum allowable amount of repos covering government securities that will qualify for the reduced statutory reserve requirement of 2 percent shall be determined by the Supervisory Data Center (SDC) based on the revised Consolidated Report of Required and Available Reserves Against Deposit Substitutes and Special Financing (CRRAR) which are transmitted by concerned entities on a weekly basis.
2. In calculating the 2 percent required reserves, SDC shall base its computation on the adjusted Tier 1 capital as reported by the NBQBs in their weekly CRRAR, or the balance of the deposit substitutes evidenced by repurchase agreements covering government securities reported under CRRAR, whichever is lower. The adjusted Tier 1 capital reported in the CRRAR should approximate the amount of adjusted Tier 1 capital as reported in the quarterly Report on the Computation of the Risk Based Capital Adequacy Ratio Covering Credit Risk as required under Circular 400 dated 1 September 2003.
3. Any material differences that may be noted by SDC on the adjusted Tier 1 capital as reported in the CRRAR and the quarterly report shall be considered as erroneous report, and shall be subject to penalties under existing regulations.
4. In calculating the 2 percent statutory reserve requirement for deposit substitutes evidenced by repurchase agreements covering government securities, the lagged system in the measurement of an entity's reserve requirement as provided under Circular 254 dated 31 July 2000 shall be followed.

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5. In case the deposits substitutes evidenced by repurchase agreements covering government securities as reported in the CRRAR is more than the balance of the adjusted Tier 1 capital, the excess shall be treated as a regular deposit substitutes and shall be subject to the regular statutory and liquidity reserve requirements under existing regulations.
6. The new reporting requirement shall be implemented effective for week ended 25 March 2005. The revised report is shown in Annex A.

For compliance.


ALBERTON V. REYES
Deputy Governor

29 February 2005

DEADLINE: 4th banking day after end of reference week

Submission: e-mail or email to SRSO, hard copy to DTBNBF

Financing Companies

0

20

0440

Name of NBQIB

Bank Industry

Bank Code

Address

CONSOLIDATED REPORT ON REQUIRED AND AVAILABLE RESERVES AGAINST DEPOSIT SUBSTITUTES AND SPECIAL FINANCING

For Week Ended

June 4, 2004

to

June 10, 2004

(mm/dd/yyyy)

ACCOUNT NAME

A. Gross Deposit Substitutes

1. Non-Interbank Borrowings

- a. With original maturities of 730 days or less (Item 3 of Sched 1)
b. With original maturities of more than 730 days (Item 3 of Sched 2)

2. Interbank Borrowings

- a. Subject to — %
b. Subject to — %

B. Deposit Substitutes Exempted From Reserve Requirements

1. Item 2 of Schedule 1

2. Item 2 of Schedule 2

C. Special Financing

1. With original maturities of 730 days or less
2. With original maturities of more than 730 days

D. Deposits Substitutes Evidenced by Repurchase

Agreements (Repos) Covering Government

Securities (Circular 444 dated 18 August 2004)

E. Government Securities - (Circular 10 dated 12.29.93)

F. Available Reserves

1. Due from BSP
2. Eligible government securities (except those sold under repurchase agreement)

3. Deposit in Banks - Demand

4. Others (Specify)

Rec No	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21							
22							
30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31							
32							
33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34							
35							
40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41							
42							
45							
50							
60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
61							
62							
63							
64	0.00	0.00	0.00	0.00	0.00	0.00	0.00
65							
66							
67							
68							
69							
501							

Certified Correct

(Name and Signature)

(Designation)

Additional Information:

1. Adjusted Tier 1 Capital