



Bangko Sentral ng Pilipinas

Maynila, Pilipinas

OFFICE OF THE GOVERNOR

CIRCULAR NO. 519 **Series of 2006**

Subject: Amendments to Foreign Exchange Rules and Regulations (BSP Circular No. 1389, as amended) and Calculation of Foreign Exchange Position (Circular No. 1327, as amended)

The Monetary Board, in its Resolution Nos. 100 and 170, dated 26 January and 10 February 2006, respectively, approved the following amendments to the regulations on foreign exchange and calculation of foreign exchange position –

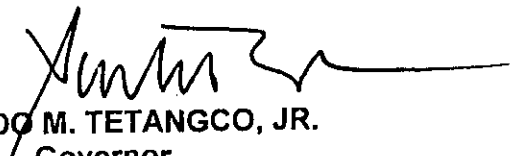
1. Amendment of Section 72 of BSP Circular No. 1389, as amended, so as to include issuance of Hybrid Tier 1 (HT1) capital instruments among the authorized activities of foreign currency deposit units (FCDUs)/expanded FCDUs (EFCDUs); and
2. Amendment of Circular No. 15 dated 19 February 1994, so as to include the following among the items that may be excluded in the computation of net foreign exchange position prescribed under BSP Circular No. 1327, as amended –
 - a. "Due from Head Office/Branches/Agencies Abroad-Assigned Capital" account, to the extent of the lower of assigned capital approved by the Bangko Sentral ng Pilipinas or the amount of capital actually remitted; and
 - b. Amount of foreign currency-denominated assets pertaining to the net proceeds of outstanding issues of foreign currency-denominated HT1 capital instruments.

Attached is the revised schedule on the Details of the Accounts Excluded in the Computation of Net Open Foreign Exchange Position, which is an attachment to Schedule 13 of the FX Form I report.

PANANALAPING MATATAG, BANSANG PANATAG

This Circular shall take effect after fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

16 March 2006

Attachment

Name of Bank

**DETAILS OF ACCOUNTS EXCLUDED IN THE COMPUTATION OF
NET OPEN FOREIGN EXCHANGE POSITION**

As of _____ 20__

		<u>AMOUNT</u>
I.	Original Investments in New Money Bonds	
	<u>P a r t i c u l a r s</u>	\$
	Total	\$ _____
II.	100% Foreign Currency Cover for L/Cs Issued, Deposited with Advising/Confirming Banks Abroad	
	<u>Name of Bank</u> <u>Importer</u>	\$
	Total	\$ _____
III.	Equity Investments in Foreign Subsidiaries	
	<u>Name of Foreign Subsidiary</u> <u>Location</u>	\$
	Total	\$ _____
IV.	"Due from Head Office/Branches/Agencies Abroad-Assigned Capital" Account	
	<u>Name of Branch/Agency Abroad</u> <u>Location</u>	\$
	Total	\$ _____
V.	Foreign Currency-Denominated Assets Pertaining to the Net Proceeds of Outstanding Issues of Foreign Currency-Denominated Hybrid Tier 1 (HT1) Capital Instruments	
	<u>P a r t i c u l a r s</u>	\$
	Total	\$ _____
	TOTAL AMOUNT EXCLUDED	\$ _____

Authorized Signatory