



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 578
Series of 2007

Subject: Inclusion of Foreign Securities Lending and Other Domestic Securities Lending Programs Duly Recognized by the BSP among the Exclusions from the Single Borrower's Loan Limit

Pursuant to Monetary Board Resolution No. 815 dated 19 July 2007, the provisions of Subsection X303.4 of the Manual of Regulations for Banks, are hereby amended as follows:

"Subsection X303.4. Exclusions from loan limit.

x x x

- f. Loans and other credit accommodations or portions thereof, specifically provided for with valuation reserves, Provided, That the bank has no unbooked valuation reserves;
- g. Loans and other credit accommodations as a result of an underwriting or sub-underwriting agreement of debt securities outstanding for a period not exceeding thirty (30) calendar days; and
- h. FOREIGN SECURITIES LENDING UNDER SECTION X531 OF THE MANUAL OF REGULATIONS FOR BANKS AND OTHER DOMESTIC SECURITIES LENDING PROGRAMS DULY RECOGNIZED BY THE BANGKO SENTRAL NG PILIPINAS CONTAINING SAFEGUARDS CONSISTENT WITH BEST INTERNATIONAL PRACTICES, TO PROTECT SECURITIES LENDERS' RISK EXPOSURES."

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

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

17 August 2007

PANANALAPING MATATAG, BANSANG PANATAG