



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM NO. M-2007 - 021

To : ALL AUTHORIZED BANKS

Subject : Amendments of certain provisions of Memorandum to All Agent Banks dated 29 August 1967 and Circular No. 222 dated 24 December 1999

Pursuant to its Resolution Nos. 732 dated 28 June 2007 and 1478 dated 18 November 2005, both relative to Memorandum to All Agent Banks dated 29 August 1967 and Circular No. 222 dated 24 December 1999, the Monetary Board approved the following policies:

- A. Allowing banks to extend Peso loans to non-immigrants holding visas issued under Sections 9(d) and 9(g) of the Immigration Act of 1940, Special Investor's Resident Visa and visas issued by the Philippine Economic Zone Authority, Provided, that such loans shall be limited to peso consumer loans including credit cards, auto loans and appliance loans, but excluding real estate or housing loans: Provided further, that the lending bank institutes measures to mitigate credit risk such as requiring the submission of a comfort letter from the visa holder's employer, limiting the term of the loan to the period of the visa's validity, submission of SIRV identification card, as well as subjecting the visa holder to the usual credit processes/requirements.
- B. Allowing banks to extend peso loans to embassy officials (foreign diplomats and career consular officials and employees who are physically residing in the Philippines for a term of one year or more): Provided, that such loans shall be limited to consumer loans, including credit cards, auto loans, appliance loans and others that may henceforth be allowed by the Monetary Board: Provided, further, that the lending bank institutes measures to mitigate credit risk such as requiring the submission of a Comfort Letter from the Embassy employing said officials; and

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- C. Allowing embassy officials to open peso savings deposit accounts with Philippine banks, provided, they submit proof of conversion of the foreign currency to Peso with Philippine banks.

For information and guidance.


NESTOR A. ESPENILLA, JR.
Deputy Governor

15 August 2007