

[BSP CIRCULAR NO. 827, February 28, 2014]

**AMENDMENTS TO THE RISK-BASED CAPITAL ADEQUACY
FRAMEWORK FOR STAND-ALONE THRIFT BANKS, RURAL BANKS,
AND COOPERATIVE BANKS**

The Monetary Board in its Resolution No. 232 dated 7 February 2014 approved the amendments to Appendix 63c and other related provisions of the Manual of Regulations for Banks (MORB) on the revised risk-based capital adequacy framework for stand-alone thrift banks (TBs), rural banks (RBs), and cooperative banks (Coop Banks):

Section 1. Part III of Appendix 63c of the MORB on credit risk-weighted assets, is hereby amended as follows:

"Part III. Credit Risk-Weighted Assets

"x x x

"A. On-Balance Sheet Assets

"x x x

"a) 0% risk weight –

"x x x

"c) 50% risk weight –

- i. Loans to individuals for housing purpose, fully secured by first mortgage on residential property that is or will be occupied by the borrower which are not classified as non-performing.
- ii. Foreign currency denominated claims on or portion of claims guaranteed by or collateralized by foreign currency denominated securities issued by the Philippine National Government and the BSP.

"d) 75% risk weight –

"x x x

"e) 100% risk weight –

- i. Non-performing loans to individuals for housing purpose, fully secured by first mortgage on residential property that is or will be occupied by the borrower.

"x x x"