

[BSP CIRCULAR NO. 648, S. 2009, March 02, 2009]

AMENDMENTS TO THE GUIDELINES ON THE BSP REDISCOUNTING FACILITY

Pursuant to Monetary Board (M.B.) Resolution No. 246 dated 12 February 2009, the provisions of Subsections (§) X 268.3, X 269.2, X 269.4 and X 269.6 of the Manual of Regulations for Banks, covering the guidelines on the Bangko Sentral ng Pilipinas (BSP) Rediscounting Facility are hereby amended as follows:

x x x

§ X 268.3 Approval/Renewal of the Line. The approval/renewal of the Line shall be subject to the bank's full compliance with the following requirements:

x x x

d. NPL ratio lower or equal to the industry average adjusted upward by ten percent based on the latest available report of the SDC, or the allowable NPL ratio approved by the MB;

x x x

Banks with approved rediscounting line shall, thereafter, submit the following:

x x x

b. Item b is deleted

x x x

§ X269.2 Eligible Papers and Collaterals. The BSP shall accept credit instruments covering all economic activities except the following:

x x x

The following paragraph is hereby added after Item a.(2) and immediately before Item b to read as follows:

The outstanding National Food Authority papers that a bank can rediscount shall not exceed the rediscounting bank's single borrower's limit (25% of its net worth) or P3 billion, whichever is lower.

x x x

§ X 269.4 Loan Value - The loan value of all eligible papers shall be 90% of the outstanding balance of the borrower's credit instrument but not