



Bangko Sentral ng Pilipinas

OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM TO ALL RURAL BANKS AND COOPERATIVE BANKS

Subject: Revised Report Form for the Computation of the Risk-Based Capital Adequacy Ratio Covering Credit Risks

To incorporate the recent amendments to the risk-based capital adequacy guidelines under Circular No. 416 dated 21 January 2004, attached is the revised report form for the Computation of the Risk-Based Capital Adequacy Ratio Covering Credit Risks for Rural Banks and Cooperative Banks.

The revised format shall be used for the quarter ending 31 March 2004 and thereafter.

For information and guidance.

ALBERTO V. REYES
Deputy Governor

3 February 2004

MAG-IMPOK SA BANGKO

Revised January 2004

DEADLINE : 15 banking days after
end of reference
quarter (solo basis)

30 banking days
after end of reference
quarter (consolidated
basis)

SUBMISSION : Original copy to SED IV

FOR RURAL BANKS AND COOPERATIVE BANKS

(Name of Bank)		(Code)
(Address)		

COMPUTATION OF THE RISK-BASED CAPITAL ADEQUACY RATIO
COVERING CREDIT RISKS

(Indicate if for Solo Basis or Consolidated Basis)

As of _____

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

I solemnly swear that all matters set forth in this report and all its supporting schedules are true and correct, to the best of my knowledge and belief.

(Signature of President/Senior/
Executive Vice President)

SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of
20____, affiant exhibiting to me his Community Tax
Certificate No. _____ issued at _____ on
_____ 20____.

Notary Public
Until December 31, 20____
PTR No. _____
Place _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

PART II. RISK-WEIGHTED ON-BALANCE SHEET ASSETS (Amounts in P0.000 million)

Item	Nature of item	Book Value	X Risk Weight (In %)	= Risk Weighted Amount
A. 0% Risk Weight –				
(1)	Cash on hand			
(2)	Claims on or portions of claims guaranteed by or collateralized by securities issued by Philippine national government and BSP			
(a)	Due from BSP			
(b)	TAS – loans			
i)	GS purchased under resale agreement			
ii)	GS purchased under certificate of assignment/participation with recourse			
iii)	GS purchased under reverse repurchase agreement with BSP			
(c)	TAS – investments			
i)	GS purchased			
ii)	GS sold under repurchase agreements			
(d)	ASS – GS			
(e)	IBODI			
i)	GS			
ii)	Agrarian reform credit – PD 717			
(f)	Loans and discounts secured by CBCI and other GS			
(g)	Agrarian reform/other agricultural credit and alternative development incentive loans secured by CBCI and other GS			
(h)	Others			

Item	Nature of item	Book Value	X Risk Weight (In %)	= Risk Weighted Amount
(3)	Claims on or portions of claims guaranteed by or collateralized by securities issued by multilateral development banks			
(4)	Claims on or portions of claims guaranteed by or collateralized by securities issued by central governments and central banks of foreign countries with the highest credit quality as defined in Subsec. X116.3			
(5)	Loans and discounts to the extent covered by hold-out on, or assignment of, deposits/deposit substitutes maintained with the lending bank			
(6)	Agrarian reform/other agricultural credit and alternative development incentive loans to the extent covered by hold-out on, or assignment of, deposits/deposit substitutes maintained with the lending bank			
(7)	Loans or acceptances under LCs to the extent covered by margin deposits			
(a)	Customers' liability on bills/drafts under LCs/TRs to the extent covered by margin deposit			
(b)	Customers' liability on acceptances outstanding to the extent covered by margin deposit			
(8)	Portions of STD loans covered by IGLF guarantee			
(9)	Real estate mortgage loans to the extent guaranteed by the HGC			
(10)	Loans to the extent covered by the TIDCORP			
(11)	Loans to exporters to the extent guaranteed by the GFSME outstanding as of the date of the effectivity of the merger of the SBGFC and the GFSME, except those renewed after the merger of the SBGFC and the GFSME			
(12)	Foreign currency notes and coins on hand acceptable as international reserves			
(13)	Gold bullion held either in own vaults, or in another's vaults on an allocated basis, to the extent it is offset by gold bullion liabilities			
(14)	Sub-total (Sum of A(1) to A(13))		0	0

Item	Nature of item	Book Value	X Risk Weight (In %)	= Risk Weighted Amount
B. 20% Risk Weight -				
(1)	Checks and other cash items			
(2)	Claims on or portions of claims guaranteed by or collateralized by securities issued by non-central government public sector entities of foreign countries with the highest credit quality as defined in Subsec. X116.3			
(3)	Claims on or portions of claims guaranteed by Philippine incorporated banks/quasi-banks with the highest credit quality as defined in Subsec. X116.3			
(4)	Claims on or portions of claims guaranteed by foreign incorporated banks with the highest credit quality as defined in Subsec. X116.3			
(5)	Loans to exporters to the extent guaranteed by SBGFC			
(6)	Foreign currency checks and other cash items denominated in currencies acceptable as international reserves			
(7)	Claims on Philippine incorporated banks, which claims obtain and maintain credit ratings of at least equal to that of the Philippine national government			
(8)	Sub-total (Sum of B(1) to B(7))		20	
C. 50% Risk Weight -				
(1)	Loans for housing purpose, fully secured by first mortgage on residential property that is or will be occupied or leased out by the borrower			
(2)	LGU bonds which are covered by Deed of Assignment of IRA of the LGU and guaranteed by LGUGC			
(3)	Securities issued by SPVs against assignment of receivables arising from future payments of the Philippine national government in connection with projects undertaken in pursuance of R.A. No. 6957, as amended, which securities obtain and maintain a credit rating of not more than one notch lower than that of the Philippine national government			

Item	Nature of item	Book Value	X Risk Weight (In %)	= Risk Weighted Amount
(4)	Claims on Philippine incorporated banks, which claims obtain and maintain credit ratings of not more than one notch lower than that of the Philippine national government			
(5)	Sub-total (Sum of C(1) to C(4))		50	
D. 75% Risk Weight –				
(1)	Direct loans component of defined SME and microfinance loan portfolio		75	
E. 100 % Risk Weight –				
(1)	Other assets (Total assets, gross of general loan loss provision less sum of A(14), B(8), C(5) and D(1))			
E.1	Deductions From Other Assets			
(1)	Total outstanding unsecured credit accommodations, both direct and indirect, to DOSRI			
(2)	Deferred income tax			
(3)	Goodwill			
(4)	Sinking fund for redemption of limited life redeemable preferred stock (to the extent deducted from capital)			
(5)	Equity investments in unconsolidated subsidiary banks (for solo basis)			
(6)	Investments in debt capital instruments of unconsolidated subsidiary banks (for solo basis)			
(7)	Equity investments in subsidiary insurance companies and subsidiary non-financial allied undertakings			
(8)	Reciprocal investments in equity of other banks/enterprises			

Item	Nature of item	Book Value	X Risk Weight (In %)	= Risk Weighted Amount
(9)	Reciprocal investments in unsecured subordinated term debt instruments of other banks, in excess of the lower of (i) an aggregate ceiling of 5% of total Tier 1 capital of the bank; or (ii) 10% of the total outstanding unsecured subordinated term debt issuance of the other bank.			
(10)	Net due "from" head office, branches, subsidiaries, and other offices outside the Philippines, if any (for foreign bank branches)			
(11)	Total Deductions (Sum of E.1(1) to E.1(10))			
E.2	Net Other Assets (E(1) minus E.1(11))		100	
F. TOTAL BOOK VALUE, GROSS OF GENERAL LOAN LOSS PROVISION (Sum of A(14), B(8), C(5), D(1) and E(1))				
TOTAL RISK-WEIGHTED ON-BALANCE SHEET ASSETS (Sum of A(14), B(8), C(5), D(1), E.2)				