



Bangko Sentral ng Pilipinas
MAYNILA, PILIPINAS

Office of the Governor

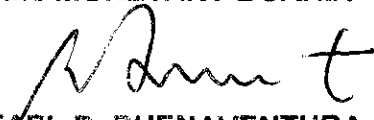
**Memorandum to All Commercial Banks
And Non-Bank Financial Intermediaries Performing Trust,
Other Fiduciary Business and Investment Management Activities**

The Monetary Board, in its Resolution No. 63 dated January 17, 2002, amended by MB Resolution No. 163 dated January 31, 2002, approved the reduction in the liquidity reserve requirement against peso denominated common trust funds (CTF) and trust and other fiduciary activities (TOFA) – Others of All Universal Banks (UBs) and Commercial Banks (KBs) and Non-bank Financial Intermediaries performing trust and other fiduciary business, common trust funds and investment management activities by two (2) percentage points, from 10 percent to 8 percent. The regular reserve requirements are maintained at 6 percent.

The required liquidity reserves may be maintained in the form of short-term market yielding government securities purchased directly from the Bangko Sentral Ng Pilipinas (BSP) – Treasury Department, pursuant to Circular 10 dated December 29, 1993.

This Memorandum shall take effect January 18, 2002.

For the MONETARY BOARD:


RAFAEL B. BUENAVENTURA
Governor

February 15, 2002