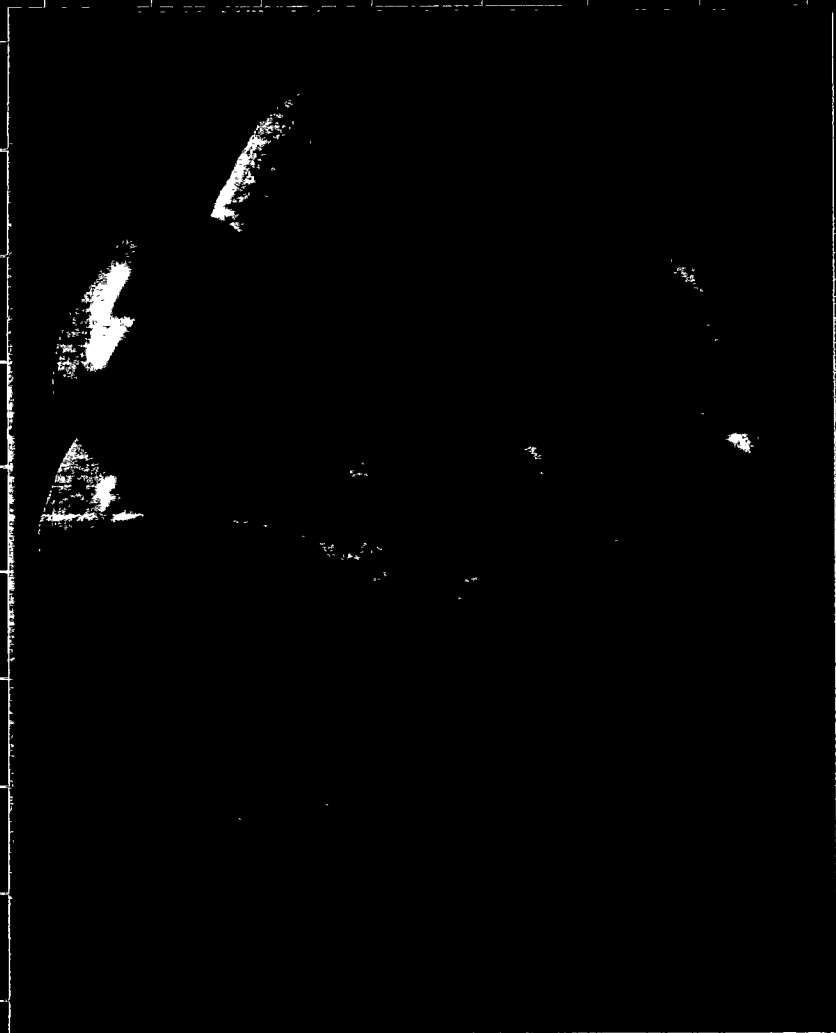


Philippine Deposit Insurance Corporation



AP
621
PHI
1983
6.1

Annual Report 1983

-PIND-

Letter of Transmittal

FR
321
FR
1983
01

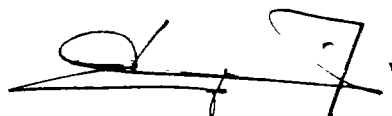
January 20, 1984

His Excellency
President Ferdinand E. Marcos
Malacañang, Manila

Dear Sir:

Pursuant to the provisions of Section 15 of Republic Act No. 3591, as amended, I have the honor to submit the Annual Report of the Philippine Deposit Insurance Corporation for the calendar year 1983.

Very truly yours,



EUGENIO NIERRAS, JR.
Acting President

№ 0000115

Extra copy
Turned over by PDIC RC

PD 11.05.2010

DATA Resource Center

Report of the President



Important events in 1983 marked the PDIC's 15-year operation. High on the list was the closure of some seven banks involving the Corporation in one of the largest payoffs in its entire history. In one of these banks, Corporation exposure was over P141 million, exceeding the total disbursements made so far by the Corporation since 1970 for the protection of depositors in closed insured banks.

1983 Financial Performance

Amidst this development, the Corporation still managed to register appreciable gains in its finances in 1983.

Total operating income posted a year-end level of P114.588 million, reflecting a 19 percent improvement on the income attained last year. Contributing to this increase was the continued growth of assessment income from banks which went up by 22 percent. Operating expenses took 13 percent of the Corporation's income and rose nearly 30 percent to P15.234 million.

With these improved operation results, the Corporation increased its assets by over 28 percent, bringing the total at the end of the year to P455.792 million. Against these assets were liabilities of only P3.566 million.

Consequently, the Corporation in 1983 approached the threshold of attaining adequacy in its Deposit Insurance Fund. Such a condition is shown in the growth of this Fund by 28 percent to P452.226 million. At this level, the Fund equalled about 0.87 percent of the PDIC's risk exposure, estimated at over P52 billion.

Major Accomplishments

The favorable financial picture, however, was only one aspect of our accomplishments in 1983.

The structural overhaul of the Corporation was completed in the later part of 1983. One of the notable features engrafted into the new organization was the designation of the Central Bank Governor as chairman of the PDIC's board of directors, where under the old set-up he was only an ex-officio member of the board.

This development has resulted in some changes in the top management hierarchy to the end that new enthusiasm, vitality and discipline were infused into the Corporation. Under this new setting, programs and activities were redirected and objectives and approaches reoriented to react favorably to the changing requirements and needs of the Corporation's clientele.

Pursuant to our mission of insuring deposits in banks, we disbursed P62.809 million to satisfy 39,910 depositors' claims in 54 banks seven of which were recently closed. One stock SLA closed in August involved the biggest payment of P58.279 million to over 24,000 depositors.

As in previous years, we conducted examinations and investigations on a number of banks with existing problem conditions and those requesting or have outstanding financial assistance from the Corporation. Along with these examinations, desk and field audits were also made on certified statements of deposit insurance assessments filed by banks for the purpose of determining the correctness of premiums paid to the Corporation. Some thirty-one banks were billed a total of P15.139 million for deficiency assessments revealed by these audits.

Certain guidelines designed to achieve economy of operations were issued late in the year, particularly in the area of energy conservation and office supplies usage.

Based on current estimates, about 97 percent of the total deposit accounts in banks are fully protected by deposit insurance while 39 percent or an estimated P52 billion deposits are insured.

Under the mantle of PDIC's protection as of December 31, 1983 were 1,133 banks of which 960 were rural banks.

New Directions

Now pending in the *Batasang Pambansa* is our proposal for the increase in insurance coverage from the present P15,000 to P40,000* for each depositor. By this increase in coverage, we hope to provide greater protection to bank depositors and at the same time lend support to the government's intensified efforts to generate more savings for economic development.

Pursuant to our program of increased coverage, we are committed to give top priority to the continuous build-up of the Corporation's resources for the protection of depositors. We have programmed the growth of our Deposit Insurance Fund at 30 percent in order to attain in a few more years the appropriate level of this Fund in relation to insured deposits.

A meaningful effort towards efficient collection of assessment premiums from banks will also be undertaken. This thrust will be pursued through a debit mechanism scheme we have devised to assure prompt payments by banks of their assessment premiums as well as amortizations on financial assistance and subrogated claims.

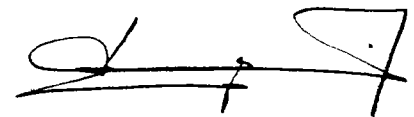
*Presidential Decree No. 1897 dated January 11, 1984 increased the insurance coverage to P40,000.

Priority will likewise be accorded to human resource development. This calls not only for the upgrading of skills and technical knowledge of PDIC personnel but also the improvement of their physical and material well-being.

Acknowledgement

It is a fact that the depositing public is now aware of the important role PDIC plays in the economic progress of the country. By its effort in insuring deposits in banks, it has contributed in no small measure to the development of a sound and stable banking system. If PDIC has been able to discharge this role effectively, the support and cooperation of the monetary authorities as well as the banking system must be given much credit.

In closing, I wish to express my gratitude and appreciation to my predecessor, Mr. Luis Tirso Rivilla, under whose guidance and leadership the PDIC has grown to what it is today.



EUGENIO NIERRAS, JR.

Acting President

Background Information

The Philippine Deposit Insurance Corporation (PDIC) is a government agency created under Republic Act No. 3591 on June 22, 1963, for the purpose of insuring the deposit liabilities of all banks in the Philippines. The purpose arose from the need to foster greater faith and confidence in the banking system and encourage further the savings habits of the public.

Created in 1963, the PDIC became operational only in November 1968 with the appointment by President Ferdinand E. Marcos of the first members of the board of directors. Its activation came in the wake of a run on several banking institutions which were later ordered closed by the Central Bank. To contain the run and preserve public confidence in the banking system, a special law (Republic Act No. 5517) was passed by the Congress of the Philippines which appropriated P15 million for the reimbursement of 100,000 depositors of the closed banks. PDIC was authorized to make the payments to these depositors.

To strengthen the Corporation and be able to effectively discharge its function of ensuring the safety of deposits in the country's banks, the original charter of PDIC has undergone amendments. The most significant of these amendments are the following:

Republic Act No. 6037, approved August 4, 1969, made membership in the PDIC compulsory and automatic for all banks or banking institutions engaged in the business of receiving deposits from the public. The amendatory law also included stock savings and loan associations under the PDIC's risk coverage.

Presidential Decree No. 120, approved January 29, 1973, increased

the permanent insurance fund from P5 million (original appropriation under R.A. No. 4083, June 18, 1964) to P20 million. The decree provided that PDIC's annual operating expenses should not amount to more than the equivalent of the annual gross income from the investment of the permanent insurance fund and not more than 15 percent of the first P10 million of all other income plus not more than 10 percent of the excess over the first P10 million of the other income.

Presidential Decree No. 653, approved February 1, 1975, removed the ceiling of P100 million on the aggregate of loans PDIC may obtain at any one time from the Central Bank for insurance purposes. The Corporation is now authorized to borrow from the CB "such funds as in the judgment of the Board of Directors of the Corporation are from time to time required for insurance purposes."

Presidential Decree No. 1451, approved June 11, 1978, increased the insurance coverage from P10,000 to P15,000 for each depositor to provide depositors greater protection from loss of their deposits arising from bank closures

Executive Order No. 890, signed April 8, 1983, reconstituted the Corporation's governing board and top management structure. Under its mandate, the positions of president and chairman of the Board were separated. Likewise, a reorganization of the Corporation within a period of six months was authorized.

Insurance Coverage

The maximum amount of insurance coverage for each depositor was set under the original Act at P10,000 on deposits held in the same right and

capacity in each member bank. This insurance protection was increased to a maximum of P15,000 under the provisions of Presidential Decree No. 1451 of June 11, 1978.

Deposits insured are those maintained in current or demand, time and savings accounts, including trust funds whether retained or deposited in any other department of the depository bank or deposited in another bank. Foreign currency deposits are also covered pursuant to the provisions of R.A. No. 6426 (Foreign Currency Deposit Act of the Philippines).

Cost of Insurance

The cost of insuring deposits is covered by assessments paid by insured banks. The present assessment rate is 1/15 of one percent annually of total deposit liabilities. Assessment premiums are paid to the Corporation semi-annually, on or before January 15 and July 15 of each year. Premiums paid by banks constitute the principal source of income of the Corporation.

Other Sources of Financing

Aside from assessments, PDIC also derives income from its investments in Philippine Government securities in the form of interest payments on these investments.

As provided also in its charter, the PDIC can borrow from the Central Bank any amount for insurance purposes. Moreover, the Corporation is empowered to issue bonds, debentures, and other obligations whenever its capital or funds are not sufficient to meet its obligations to depositors whose deposits are insured.

Financial Highlights

	1983	1982	Increase (Decrease)	
			Amount	Percent
PDIC Assets				
Total Assets	455.792	353.886	101.906	28.80
Securities Guaranteed by the Philippine Government	148.663	146.130	2.533	1.73
Assets Acquired in Bank Assistance and Deposit Subrogation Transactions	133.976	70.950	63.026	88.83
Current Assets	153.436	116.346	37.090	31.88
Fixed and Other Assets	19.716	20.460	(0.744)	(3.64)
PDIC Liabilities				
Total Liabilities	3.566	1.305	2.261	173.26
PDIC Deposit Insurance Fund				
Total Deposit Insurance Fund	452.226	352.581	99.645	28.26
Permanent Insurance Fund	20.000	20.000	—	—
Reserve for Insurance Losses	427.749	328.742	99.007	30.12
Retained Earnings	4.477	3.839	0.638	16.62
PDIC Income and Expenses (For the Year)				
Income from Operations	114.588	96.372	18.216	18.90
Assessment Income	77.612	63.679	13.933	21.88
Other Income	36.976	32.693	4.283	13.10
Total Operating Expenses	15.234	11.694	3.540	30.27
Provision for Insurance Losses	99.010	84.375	14.635	17.34
Net Income	0.344	0.303	0.041	13.53

Review of Operations

Membership

As of December 31, 1983, there were 1,133 operating banks whose deposits were insured by PDIC. These included 34 commercial banks, eight savings and mortgage banks, 45 private development banks, 83 stock savings and loan associations, 960 rural banks, and three specialized government banks.

To service a wider segment of the

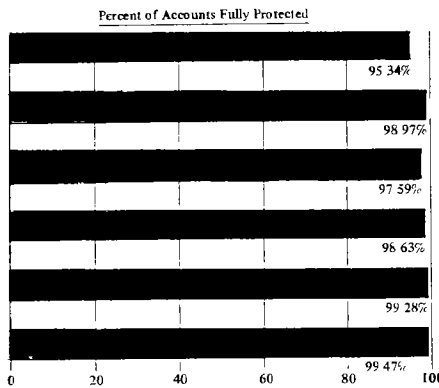
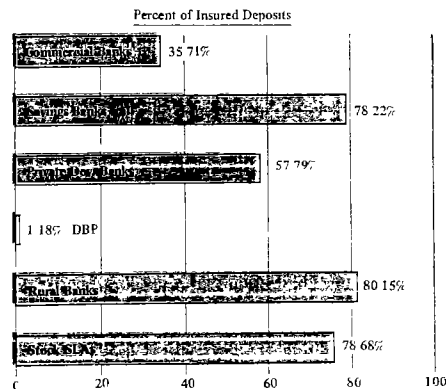
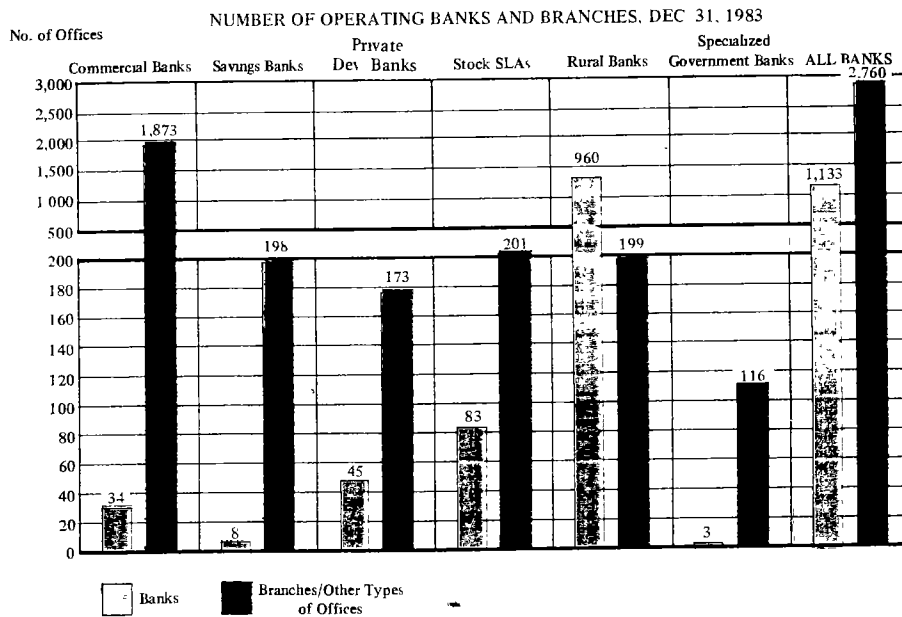
population, some 146 additional banking facilities were established during the year, mostly in pioneer areas or places not yet reached by banks.

Opened were seven rural banks and 46 other types of offices of existing rural banks; 54 branches, six extension offices and five money shops/service offices of commercial banks; 13 branches of savings banks; 12 branches and two savings agencies of

stock SLAs; and 14 branches and one extension office of a private development bank.

In 1983, however, the Central Bank found six rural banks and one stock SLA insolvent and ordered them closed. Other offices that stopped operations included five branches and five money shops/service offices of a stock SLA; one extension office of a rural bank; one money shop of a commercial bank; and one extension office of a savings bank.

The banking system therefore registered a net increase of only 144 banking offices during the year, with the number of banks or head offices remaining the same as the previous year.



*As of September 30 1983

PDIC Risk Exposure

On September 30, 1983 (latest date for which estimates are available), 1,133 operating banks reported 28,614,829 deposit accounts and total deposits of P134,644 billion. About 97.08 percent of the deposit accounts had balances of P15,000 or less and were consequently protected by deposit insurance. The Corporation's exposure was estimated at P52.122 billion, or 38.71 percent of total deposits in all banks. About 29.40 percent of the deposits were held in accounts having balances of P15,000 or less.

The proportion of deposits insured has shown remarkable improvement since 1979, the first full year of implementation of the increased coverage of P15,000. From 31.72 percent, the proportion of deposits insured increased to 38.71 percent at the end of September 1983, presumably as a result of the increase in the deposit insurance cover to P15,000. The proportion of accounts having balances of P15,000 and below averaged 97 percent over that period.

Payoff in Closed Banks

For 1983, Corporation payments to protect depositors in 54 closed banks serviced during that year amounted to P62.809 million in 39,910 accounts. Of these payments, seven banks (one stock SLA and six rural banks) closed during the year appropriated P60.623 million while 47 other banks closed in prior years claimed P2.186 million.

The payoff conducted at the First Peso SLA, Inc. was one of the more important highlights of PDIC activities during the year in review. First Peso was closed by the Central Bank pursuant to Monetary Board Resolution No. 1318 on August 12, 1983 when it failed to honor withdrawals made by its clients. On date of its closure, the bank held 134,642 deposit accounts totalling P144.812 million distributed among its head office and nine branches. Out of this, the Corporation has serviced a total of 24,620 depositors' claims amounting to P58.279 million, or nearly 93 percent of the PDIC's total disbursements for the year.

With these payments, the Corporation's releases to depositors of 94 banks closed since 1970 reached P173.815 million as of December 31, 1983, broken down by bank group as follows:

Type of Bank	No. of Banks	No. of Accounts	Amount of Deposits
Commercial Banks	3	56,687	P 45.209 Million
Savings Banks	1	29,598	11.547 Million
Private Development Banks	1	4,978	8.187 Million
Stock SLAs	6	54,815	84.869 Million
Rural Banks	83	72,462	24.003 Million
TOTAL	94	218,540	P173.815 Million

In addition to payoff activities, the Corporation since 1981 has been handling the liquidation of the assets of six rural banks under authority granted by Monetary Board Resolution No. 459 dated March 13, 1981. The banks involved are the RB of Lucena (Quezon), Inc.; RB of Natividad (Pangasinan), Inc.; RB of Obando (Bulacan), Inc.; RB of Tayug (Pangasinan), Inc.; RB of Tuguegarao (Cagayan), Inc.; and RB of Villasis (Pangasinan), Inc.

Related to payoff, the Claims and Liquidation Committee composed of the Vice-President as chairman; and the Assistant Vice-President for Operations, Chief Legal Counsel, and managers of the Liquidation and Accounting departments as members, was reconstituted during the year to handle and resolve problematic depositors' claims referred to it by Claim Agents.

Examination and Assessment Activities

The Corporation's examinations or investigations during the year were confined to the following banks:

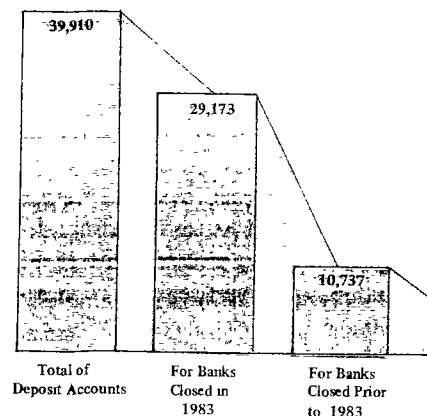
1. Banks seeking renewal of maturing obligations from the Corporation. — Two rural banks found to be in financially sound condition after analy-

sis and evaluation of their financial operations were able to obtain a restructuring of outstanding PDIC advances amounting in the aggregate to over half a million pesos.

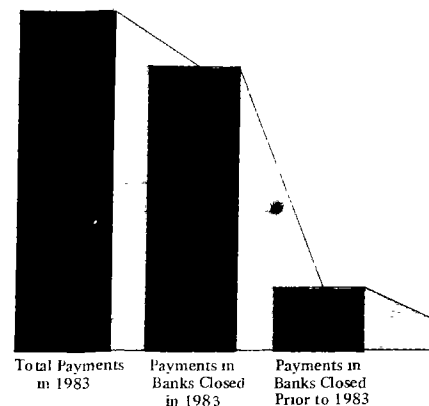
2. Three rural banks faced with temporary problems of liquidity were examined for the purpose of obtaining information needed by the Corporation in acting upon their application for emergency financial assistance.

3. Four banks which have been rehabilitated were also examined in connection with their proposed plans for payment of subrogated deposits. For the determination of the Corpo-

Number of Deposit Accounts Paid in 1983



Amount of Deposits Paid in 1983



ration's exposure or insurance liability on deposits, the Corporation likewise looked into the affairs of eight banks recently closed by the Central Bank. As in previous occasions, the PDIC coordinated closely with the Central Bank in these matters.

Along with these examinations, the Corporation also conducted desk audits of some 1,753 certified statements submitted by banks to determine the correctness of premiums paid to the Corporation. Field examinations conducted on 31 banks resulted in billings for deficiency assessments totalling P15.139 million, of which only P2.685 million was collected during the year. Deficiency assessments of the four branches of foreign banks constituted about 63 percent or P9.587 million of the total deficiency assessments.

In a related development, the Corporation called the attention of 20 banks (9 commercial banks, 3 savings banks, 6 stock SLAs, and 2 private development banks) violating the PDIC regulation on advertisement of membership.

Financial Assistance to Member Banks

The Board of Directors has recently adopted a set of guidelines to implement the emergency financial assistance program of the PDIC. Under the guidelines, the stipulations as to nature/form/amount of financial assistance are that:

1. the emergency financial assistance shall be in the form of a regular interest-bearing time deposit placement with maturities of not more than one year;
2. the amount of emergency financial assistance shall not exceed ten percent of the applicant bank's total deposits; and

3. the emergency financial assistance shall be used solely for meeting deposit withdrawals.

The conditions that would prevent acceptance of applications are:

1. the applicant bank has delinquent assessment fees;
2. the applicant bank's deteriorated financial condition arose from fraud committed by its principal stockholders/officers/directors; and
3. the applicant bank has uncorrected material violations since last Central Bank regular examination.

While no new financial assistance was granted in 1983, the Corporation renewed the emergency financial assistance previously extended to two rural banks in the aggregate amount of P0.565 million.

One rural bank's outstanding balance of P0.065 million was renewed on March 31, 1983 in two time deposit placements of P0.030 million and P0.035 million, maturing on October 28, 1983 and January 26, 1984, respectively. Another rural bank's outstanding balance of P0.500 million was renewed entirely on July 2, 1983, split into four deposit placements with different maturities of not more than one year.

From 1970 to date, the Corporation has extended a total of P3.272 million in emergency financial assistance to 16 stock SLAs and 10 rural banks primarily to support their liquidity requirements.

Legal Developments

During the year, the Acting President obtained authority from the Board to settle out of court suits brought against branches of foreign banks for the recovery of unpaid as-

sessments. The action was prompted by the need to establish rapport and promote harmonious relations with the banking community.

The cases concerned deficiency assessments arising from disallowances of claimed deductions/exclusions and noninclusion of assessable deposits most of which involved foreign currency deposits received by the banks under Circular Nos. 343 and 547 of the Central Bank.

PDIC held that such disputed deficiency assessments were deposits in the contemplation of the PDIC Law, supported by Legal Opinion Nos. 51 and 26 of the Office of the Government Corporate Counsel dated June 15, 1979 and March 26, 1981, respectively.

On the other hand, the banks' refusal to pay the said deficiencies was made on the ground that those covered by deficiency billings were not deposits within the meaning of the law and therefore not assessable.

The out-of-court settlement would mean non-imposition of any of the interests and penalties on the banks and consequently allowing them to pay the principal of the deficiency assessments on a staggered basis as may be deemed proper

Other Activities

1. Research and Statistics

In 1983, the Corporation's research sector made further revisions in the format of the "Quarterly Report of Deposit Liabilities" (PDIC Form C-16, as amended) submitted quarterly by all banks. This report forms the basis of the estimates of the Corporation's risk exposure or liability in insuring deposits of banks. The revision was undertaken to enable the Corporation to estimate its risk under higher coverage

limits.

Comments and observations were submitted to the management regarding the proposal to enlarge the PDIC's insurance coverage on bank deposits from the present P15,000 to P40,000 in support for possible legislation on this matter.

For the period ended December 31, 1983, four issues of the quarterly *Monograph* were prepared (for quarters ended Dec. 31, 1982, March 31, June 30, and Sept. 30, 1983), featuring special reports on accounts and deposits of stock SLAs (by size of account) and the distribution of bank deposits in the Metro Manila area.

Estimates of the Corporation's risk exposure on bank deposits were also prepared for the quarters ended Dec. 31, 1982, March 31, 1983 and September 30, 1983, which were incorporated in the *Statistical Report* submitted to the management as guide in decision-making.

2. Personnel Development

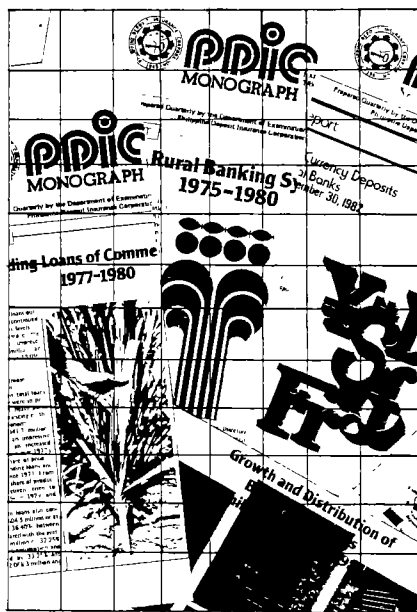
PDIC puts a high premium on personnel training to equip its employees with the necessary knowledge, skills, and attitudes that will enhance their productivity and enable them to meet the demands and challenges of their assignments. With PDIC employees and officials thus intellectually updated, they extend maximum contribution to the attainment of the Corporation's avowed goals as mandated by law

A review of the Corporation's training activities over the last five years shows that some 60 officers and employees have participated in various training programs and seminars under the sponsorship not only of the PDIC but also other agencies here and abroad.

For the year 1983, the following were the training programs and seminars attended by Corporation officers and employees:

Planning and Production of In-House Publications

Two employees of the Research staff attended this course which was conducted by the Asian Institute of Journalism on April 25-29, 1983. The



participants were exposed to modern journalistic practices thus improving their writing skills and technical know-how related to the preparation of in-house publications such as newsletters, brochures, pamphlets, and annual reports.

Seminar-Workshop on Appointments and Other Personnel Actions

Two employees of the Personnel and Administrative Services Depart-

ment participated in this seminar-workshop organized by the Civil Service Commission last October 24-28, 1983. The seminar-workshop aimed to acquaint participants with the new policies on civil service decrees and familiarize them with the new requirements and/or procedures in the preparation of appointments and other personnel transactions pursuant to P.D. No. 807 or the Civil Service Decree.

First PDIC Corporate Planning Session

PDIC officers led by Acting President Eugenio Nierras, Jr. attended a corporate planning session held at the Puerto Azul Beach Hotel November 12-13, 1983. The meeting, which had as its theme "PDIC Towards a New Perspective: Improving Operational Efficiency," laid the groundwork for the programs and activities to be pursued in 1984 or years after. It also identified problems in attaining operational efficiency, and proposed strategies and measures to solve these problems.

Due to lack of training facilities, the Corporation during the year obtained the approval of the Central Bank for participation of PDIC personnel in training programs to be conducted by the Central Bank Institute beginning 1984.

3. Austerity Measures

Towards the end of 1983, the management of the Corporation announced cost saving measures in line with the fiscal restraint program of the government. Included among these measures were the proper and economical use of lighting, air conditioners, elevators, copying machines, and office supplies.

Organization and Personnel

Reorganization

In light of new developments and reforms in the Philippine financial system and in order to make the PDIC more responsive to the requirements of the banking industry, the President of the Philippines through Executive Order No. 890 (signed April 8, 1983) mandated the reorganization of the Corporation effective October 7, 1983.

Under the reorganized set-up, the Governor of the Central Bank is now the chairman of the PDIC Board of Directors, where before this he was merely a director.

The President of the Corporation is ex-officio member who acts as chairman whenever the chairman of the Board is unable to attend its meeting, or in the event of a vacancy in the Office of the Governor of the Central Bank.

The third member is the Deputy Minister of Finance designated by the Minister of Finance from among his deputies.

To implement the reorganization sought under the Executive Order, major changes in the Corporation's structure were instituted, as follows:

* The President is the chief executive officer of the Corporation, and his office, aside from handling policy formulation, shall act on problems related to receivership, financial assistance/monitoring and special projects.

* The Vice-President is the chief operating officer, and his office shall also handle research and publication.

* Two new positions of Assistant Vice-President have been created — one to handle assessment, examination and liquidation and the other to oversee the Treasury, Accounting, and Personnel & Administrative Services departments.

* An Internal Audit Unit with direct responsibility to the President has also been created to review and evaluate the adequacy and effectiveness of internal control procedures/systems of the Corporation.

* The examination function of the defunct Department of Examination and Research has been transferred to the new Assessment and Examination Department.

* The Legal Department assumes the functions of the Corporate Secretary, and reports directly to the Vice-President on legal matters and to the Board of Directors on board matters.

* The Cash Department is renamed Treasury Department to undertake functions of cash management, investment and financial planning, and budget preparation and management. The Accounting Department will continue to handle general accounting work including payroll preparation.

* The Public Relations Office has been abolished, and its functions are transferred to the Office of the President. The Research Group under the former DER is now under the Office of the Vice-President.

* The Security and Medical offices have been transferred to the Personnel and Administrative Services Department from the Office of the President.

Management

The functions and powers of the Corporation are vested in a board of directors whose members are appointed by the President of the Philippines.

As reorganized, the new members of the board of directors of the Corporation are the following:

Jaime C. Laya (Governor of the Central Bank of the Philippines), chairman;

Victor C. Macalincag (Deputy Minister of Finance), member; and Eugenio Nierras, Jr. (Deputy Governor of the Central Bank of the Philippines), member.

Laya replaced Luis Tirso Rivilla who had been chairman and president of the Corporation since it started operations in November 1968. A new vice-president has been appointed in the person of Isayas G. Peneyra, formerly the Civil Service Officer of the Central Bank of the Philippines.

Personnel

As of December 31, 1983, the Corporation's personnel (excluding the three members of the board) numbered 113, showing a decrease of 31 over the previous year's 144 personnel total.

As a result of the reorganization, 34 employees were promoted during the year, two of them to career executive positions and another two to managerial positions. Promoted to Assistant Vice-Presidents were Carmelita C. Vidal for Operations and Eduardo P. Santos for Corporate Services. Promoted to managers were Ma. Elena E. Bienvenida for the Treasury Department and Ernesta C. Barona for the Accounting Department. Along with these movements was the adjustment in rank of eight division chiefs, which was done to achieve consistency in the alignment of salary grades for all positions of similar rank. Shiftings in the top echelon of management were also undertaken to ensure efficiency of operations in the organization.

With the implementation of the reorganization, 31 officers and employees have opted to avail themselves of the Corporation's early retirement and incentive plan (ERIP).

Program for 1984

The major policy thrusts of the Corporation in 1984 or years after include the following:

* With a view to encouraging more depositors, the Corporation will seek to increase the maximum insurance coverage from the present P15,000 to P40,000 for each depositor. This is in lieu of the P100,000 coverage sought in Parliamentary Bill No. 3090 introduced by Assemblyman Arnulfo P. Fuentebella (KBL, Bicol) in the *Batasang Pambansa*.

According to a PDIC study, under the limit of P40,000 about 99.71 percent of total deposit accounts in banks will be completely covered by deposit insurance, leaving only 0.29 percent not fully protected. At this limit, PDIC will be insuring an estimated P56.616 billion deposits, or 47.16 percent of the total deposits in the banking system.

A 100 percent protection will be afforded depositors of savings banks, private development banks, rural banks, and stock SLAs while in the case of commercial banks, 99 percent of the deposit accounts and 44 percent of the deposits will be fully protected.

Under the PDIC's program, the P40,000 coverage will not entail additional costs to the banks. The Corporation will continue the present assessment rate of 1/15 of one percent per annum of their net deposit liabilities.

* The program of capital buildup will be pursued more vigorously to strengthen PDIC's capability in fulfilling its deposit insurance obligations. This is to be achieved by maximizing earnings and reducing expenses to the minimum.

Based on a 30 percent annual growth rate of the Deposit Insurance Fund, it is expected that by 1988 or

thereabouts, PDIC will be able to reach the appropriate level of the Fund vis-a-vis its risk exposure or insured deposits.

* To assure prompt payments by banks of their assessment premiums, the Corporation in concert with the Central Bank hopes to adopt the "Direct Debiting Mechanism" for commercial banks and other selected banks. Under this scheme, the Central Bank will debit on due dates the demand deposit accounts of the banks concerned and remit to the PDIC the total amount debited within a specified period.

* With the creation of the Internal Audit Unit, the Corporation envisions the implementation of a performance audit system designed to improve the effectiveness and efficiency of its operations. A thorough review and evaluation of the Corporation's internal control systems will be undertaken with a view to identifying major problem areas and recommending appropriate solutions.

* Regarding human resource development and management, the Corporation has programmed the following activities:

1. Undertake analysis of present manpower resources in relation to present needs and the organizational changes that have taken place, and analysis of the planned operations of the organization in order to determine and evaluate personnel and equipment requirements in the coming years, taking into account a normal growth rate and turnover of personnel as a result of retirement, disabilities, etc.

2. Conduct staff training and development programs to ensure smooth and continuous functioning of operations by providing the needed skills at all times. Training will focus not only

on the area of bank examination and supervision but also in reorientation of attitudes and values for leadership, decision-making, team building and cooperation, creativity and innovation. Maintenance of linkages with professional organizations will be encouraged.

3. Institute a reward system to be implemented semi-annually to recognize high performing personnel. Human resource maintenance, aimed at keeping personnel satisfied with the various conditions in the Corporation to minimize personnel turnover, will give attention to wage and salary administration, personnel movement, fringe benefits, health and physical welfare, working conditions, etc.

4. Due to the inadequacy of the present performance rating system, the Corporation will adopt beginning next year the New Performance Appraisal System (NPAS) as a more effective means of evaluating employee performance. The new system is basically oriented towards performance results. In preparation of its implementation, a NPAS seminar will be conducted early next year to orient supervisors responsible for rating employees on the mechanics of the new system.

* Simplification of the present accounting system will be undertaken for the purpose of achieving greater efficiency. The areas where improvements may be initially introduced are in the ticketing system of accounting for all corporate transactions; reports, records, and schedules; and forms design.

Financial Performance

Assets and Liabilities

Continuing the pace of growth established earlier, the Corporation achieved new levels in its financial condition as of December 31, 1983.

Assets marked a significant rise of 28.80 percent, reaching P455.792 million by the end of the year. Most of the gains were represented by current assets (cash and other cash items) which went up 31.88 percent from P116.346 million to P153.436 million, indicating the Corporation's highly liquid condition at year's end.

The Corporation's investment portfolio consisting mainly of Philippine Government securities improved 1.73 percent to P148.663 million, or a share of 32.62 percent of the total assets.

Assets acquired in bank assistance and deposit subrogation transactions rose 88.83 percent to P133.976 million, of which P132.404 million constituted subrogated claims paid.

Fixed assets of P4.077 million and miscellaneous assets of P15.639 mil-

lion made up the remaining assets of the Corporation.

Total liabilities at end-December 1983 were P3.566 million as against P1.305 million last year.

Deposit Insurance Fund

The addition of P99.007 million to the Reserve for Insurance Losses caused the Deposit Insurance Fund to expand further to P452.226 million at year's end. The total represented an increase of 28.26 percent over the previous year's DIF of P352.581 million.

Over the five-year period from 1979 to 1983, the DIF had grown by 206 percent or an average annual rate of 32.29 percent due to the increased assessment income from banks.

Earnings and Expenses

For the year, the total income from operations reached P114.588 million, which was 18.90 percent larger than

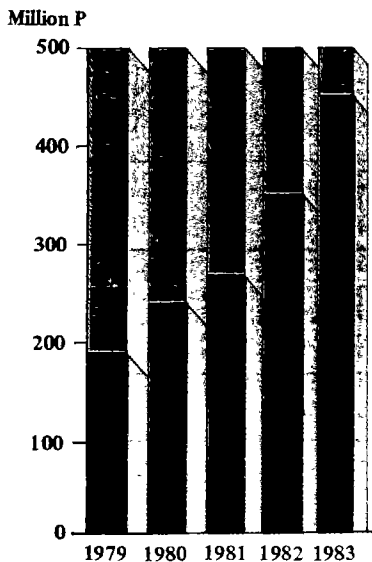
the income for the previous period. The major portion or 67.73 percent of this income was assessment premiums amounting to P77.612 million.

Assessment income went up 21.88 percent from the level of P63.679 million in 1982, mainly as a result of the large influx of deposits into the banking system. The 1983 level, moreover, had been augmented by collections of deficiency assessments from banks.

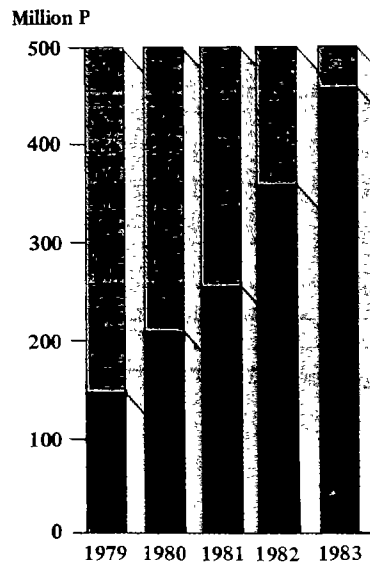
Earnings from investments in Philippine Government Obligations grew to P17.980 million, contributing 15.70 percent to total income. Interest earned on savings and time deposits aggregating P17.273 million made up the other income of the Corporation.

Operating expenses amounting to P15.938 million surpassed the previous year's expenses by 30 percent. Personal services increased 44 percent in 1983 and absorbed 85 percent of total operating expenses. Provision for insurance losses increased P14.635 million or 17.34 percent to P99.010 million.

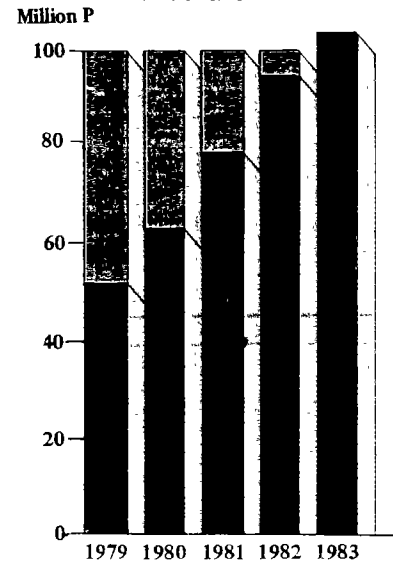
PDIC Assets



PDIC Deposit Insurance Fund



PDIC Income



STATEMENT OF INCOME AND EXPENSES
For the Period January 1 to December 31, 1983

Income from Operations		
Assessment Income		P 77,611,793.85
Other Income		
Interest Earned	P 35,265,433.17	
Earned Discount	1,634,139.33	
Miscellaneous Income	76,568.80	P 36,976,141.30
 Total Income		 P114,587,935.15
Less: Expenses		
Personal Services	P 9,823,400.11	
Management Expenses	250,863.60	
Property Expenses	691,712.87	
Communication Expenses	123,740.57	
Taxes	2,420,396.24	
Travel	766,185.35	
Other Services	1,157,717.13	
 Total Operating Expenses		 P 15,234,015.87
 Operating Income Before Provision for Insurance Losses		 99,353,919.28
 Provision for Insurance Losses		 99,010,000.00
 NET INCOME		 P 343,919.28

Financial Statements of the Corporation

STATEMENT OF CONDITION As of December 31, 1983

ASSETS

CURRENT ASSETS

Cash on Hand	P	302,541.04	
Cash in Bank (Current Account)		963,392.91	
Cash in Bank (Savings Account)		20,878,589.80	
Cash in Bank (Time Deposit)		113,000,000.00	
Cash on Hand (Working Cash Fund)		—	
Cash With Claim Agent-in-Charge		40,546.51	
Cash Deposit With Transferee Bank		—	
Petty Cash Fund		—	
Accounts Receivable		1,815,887.05	
Cash Advance		—	
Due From Officers and Employees		723,305.63	
Accrued Interest Receivable on PGO		4,883,939.68	
Accrued Interest Receivable on Time Deposit		10,464,580.17	
Accrued Interest Receivable on Savings Deposit		311,966.99	
Inventory of Supplies and Materials		51,749.70	
Total Current Assets			P153,436,499.48

ASSETS ACQUIRED IN BANK ASSISTANCE AND DEPOSIT SUBROGATION TRANSACTIONS

Cash in Bank (Time Deposit)	P	577,000.00	
Notes Receivable		994,580.65	
Subrogated Claims Paid		132,404,274.77	
Total			133,975,855.42

FIXED ASSETS

Land			P	759,000.00	
Building	P4,848,313.85				
Less: Reserve for Depreciation	1,806,402.02			3,041,911.83	
Furniture and Fixtures	P 326,236.24				
Less: Reserve for Depreciation	263,822.33			62,413.91	
Equipment	P 731,885.18				
Less: Reserve for Depreciation	518,279.79			213,605.39	
Total Fixed Assets					4,076,931.13

LONG-TERM INVESTMENTS

Philippine Government Obligations					148,663,000.00
-----------------------------------	--	--	--	--	----------------

OTHER ASSETS

Permanent Insurance Funds Receivable	P	15,000,000.00	
Deferred Transportation Expenses		590,246.19	
Inventory of Decals and Standees		6,158.49	
Deposit With Other Companies		9,536.43	
Subscriber's Investments		33,000.00	
Deposit with the Bureau of Telecommunication		385.70	
Total Other Assets			15,639,326.81

TOTAL ASSETS P455,791,612.84

LIABILITIES AND DEPOSIT INSURANCE FUNDS

LIABILITIES

CURRENT LIABILITIES

Due To Officers and Employees	₱ 115,273.57	
Accounts Payable	1,045,619.72	
Life and Retirement Premiums Payable	26,192.28	
Salary Loans Payable	14,425.00	
Policy Loans Payable	8,180.00	
Workmen's Compensation Contribution Payable	35,493.15	
Income Tax Withheld	252,641.31	
Taxes Withheld	3,014.66	
Pag-Ibig Premiums Payable	11,734.10	
Estimated Taxes Payable	35,527.77	
Total Current Liabilities		₱ 1,548,101.56

OTHER LIABILITIES AND DEFERRED CREDITS

Deferred Assessment Income	₱ 24,906.97	
Unearned Interest	344,731.35	
Unearned Discount	147,372.86	
Unearned Assessment	—	
Funds Held in Trust – RA 5517	1,500,525.59	
Reserve for Insurance Losses	427,749,339.21	
Other Credits		429,766,875.98

PERMANENT DEPOSIT INSURANCE FUNDS

Permanent Deposit Insurance Funds	₱ 20,000,000.00	
Add: Accumulated Net Income	4,476,635.30	
Total Deposit Insurance Funds		24,476,635.30

TOTAL LIABILITIES AND DEPOSIT INSURANCE FUNDS ₱455,791,612.84

NUMBER OF OPERATING BANKING OFFICES
By Type of Bank
As of December 31, 1983

	December 31, December 31 ¹		Net Change	
	1983	1982	Number	Percent
Commercial Banks	1,907	1,842	65	3.53
Head Offices	34	34	—	—
Branches ²	1,873	1,808	65	3.60
Savings & Mortgage Banks	206	193	13	6.74
Head Offices	8	8	—	—
Branches ²	198	185	13	7.03
Development Banks	218	203	15	7.39
Head Offices	45	45	—	—
Branches ²	173	158	15	9.49
Stock Savings & Loan Associations	284	280	4 ³	1.43
Head Offices	83 ³	84	(1)	(1.19)
Branches ²	201	196	5	2.55
Rural Banks	1,159	1,112	47 ⁴	4.23
Head Offices	960 ⁴	959	1	.10
Branches ²	199	153	46	30.07
Specialized Government Banks	119	119	—	—
Head Offices	3	3	—	—
Branches ²	116	116	—	—
ALL BANKS	3,893	3,749	144	3.84
Head Offices	1,133	1,133	—	—
Branches ²	2,760	2,616	144	5.50

¹Source. 1982 CB Annual Report

²Includes other types of offices.

³First Peso SLA with its nine branches was closed in August, 1983.

⁴Six rural banks were closed in 1983.

**DEPOSIT LIABILITIES OF THE PHILIPPINE BANKING SYSTEM AND PDIC RISK EXPOSURE
UNDER P15,000 COVERAGE
As of September 30, 1983**

Type of Bank	Total	Number of Accounts		Percent of Accounts		Deposits (Million Pesos)			Percent to Total Deposits	
		Up to P15,000	Over P15,000	Up to P15,000	Over P15,000	Total	Total	Total	Insured	Uninsured
Commercial Banks	15,758,351	15,023,972	734,379	95.34	4.66	114,415	40,860	73,555	35.71	64.29
Savings Banks	4,634,089	4,586,444	47,645	98.97	1.03	5,910	4,623	1,287	78.22	21.78
D B P	77,407	75,541	1,866	97.59	2.41	5,102	60	5,042	1.18	98.82
Private Development										
Banks	1,175,685	1,159,567	16,118	98.63	1.37	2,985	1,725	1,260	57.79	42.21
Stock SLAs	2,727,723	2,707,998	19,725	99.28	0.72	3,204	2,521	683	78.67	21.32
Rural Banks	4,241,574	4,219,090	22,484	99.47	0.53	3,028	2,427	601	80.15	19.85
TOTAL	28,614,829	27,772,612	842,217	97.06	2.94	134,644	52,216	82,428	38.78	61.22

SOURCES OF BASIC DATA: Quarterly Report of Deposit Liabilities (PDIC Form C-16) and CBP 7-16-05.

**ACCOUNTS AND DEPOSITS OF THE PHILIPPINE BANKING SYSTEM AND PDIC RISK EXPOSURE,
UNDER P15,000 COVERAGE 1979 - 1983 (September)**

ALL BANKS	Total	Number of Accounts		Percent of Accounts		Deposits (Million Pesos)			Percent to Total Deposits	
		Up to P15,000	Over P15,000	Up to P15,000	Over P15,000	Total	Total	Total	Insured	Uninsured
1979	22,101,754	21,515,471	586,283	97.35	2.65	65,422	20,749	44,673	31.72	68.28
1980	23,212,367	22,445,144	767,223	96.69	3.31	82,543	26,242	56,301	31.79	68.21
1981	25,324,654	23,717,703	606,951	97.60	2.40	99,753	29,432	70,321	29.50	70.50
1982	27,635,112	26,740,463	894,649	96.76	3.24	120,048	44,170	75,878	36.79	63.21
1983 (Sept.)	28,614,829	27,772,612	842,217	97.06	2.94	134,644	52,216	82,428	38.71	61.29

**PDIC DISBURSEMENTS IN CLOSED BANKS, By Type of Bank
For the Year 1983**

Type of Bank	No. of Banks	Deposit Liabilities At Date of Closing		PDIC Disbursements	
		Number	Amount ¹	Number	Amount ¹
Development Banks	1	21,825	14,534,240	134	140,828
Stock Savings & Loan Associations	6	251,118	182,835,955	27,904	59,471,008
Rural Banks	47	154,415	27,498,368	11,872	3,197,234
GRAND TOTAL	54	427,358	224,868,563	39,910	62,809,070
Banks Closed in 1983					
Stock Savings & Loan Associations	1	134,642	144,812,208	24,620	58,278,661
Rural Banks	6	23,253	3,463,590	4,553	2,344,682
Total	7	157,895	148,275,798	29,173	60,623,343
Banks Closed Prior to 1983					
Development Banks	1	21,825	14,534,240	134	140,828
Stock Savings & Loan Associations	5	116,476	38,023,748	3,284	1,192,347
Rural Banks	41 ²	131,162	24,034,777	7,319	852,552
Total	47	269,463	76,592,765	10,737	2,185,727

¹Centavos omitted

²Includes RB of Zaragoza closed in 1982, but payment started in 1983.

PHILIPPINE DEPOSIT INSURANCE CORPORATION
Selected Accounts
(In Thousand Pesos)

	1979	1980	1981	1982	1983
PDIC Assets					
(End of Year)					
Total Assets	199,680	234,645	268,679	353,886	455,792
Securities Guaranteed by the Philippine Government	66,770	83,200	86,770	146,130	148,663
Assets Acquired in Bank Assistance and Deposit Subrogation Transactions	59,426	47,422	59,426	70,950	133,976
Current Assets	53,081	83,905	102,677	116,346	153,436
Fixed and Other Assets	20,403	20,098	19,822	20,460	19,716
PDIC Liabilities					
(End of Year)					
Total Liabilities	51,898	33,937	962	1,305	3,566
PDIC Deposit Insurance Fund					
(End of Year)					
Total Deposit Insurance Fund	147,782	200,708	267,717	352,581	452,226
Permanent Insurance Fund	20,000	20,000	20,000	20,000	20,000
Reserve for Insurance Losses	124,670	177,317	244,367	328,742	427,749
Retained Earnings	3,112	3,391	3,350	3,839	4,477
PDIC Income and Expenses					
(For the Year)					
Income from Operations	49,206	64,024	79,384	96,372	114,588
Assessment Income	35,076	44,919	56,099	63,679	77,612
Other Income	14,130	19,105	23,285	32,693	36,976
Total Operating Expenses	10,070	11,077	12,028	11,694	15,234
Provision for Insurance Losses	38,870	52,647	67,050	84,375	99,010
Net Income	266	300	305	303	344

INSURED DEPOSITS AND PDIC DEPOSIT INSURANCE FUND
1979-1983

Year-End	Total Amount of DIF (Million P)	Total Deposits ¹ (Billion P)	Insured Deposits ² (Billion P)	Percent of DIF to	
				Total Deposits	Insured Deposits
1979	147.782	65.422	20.749	0.2259	0.7122
1980	200.708	82.543	26.243	0.2432	0.7648
1981	267.717	99.753	29.432	0.2683	0.9096
1982	352.581	119.154	40.845	0.2959	0.8632
1983	452.226	134.644 ³	52.216 ³	0.3359	0.8661

¹Based on quarterly reports of deposit liabilities submitted by banks to PDIC. Figures may differ from those reported in Consolidated Statement of Condition (CBP 7-16-05) by the amounts of other funds held in fiduciary capacity defined as insurable in various PDIC memo-circulars.

²Estimated from quarterly reports of deposit liabilities.

³As of September 30, 1983.

PDIC ASSESSMENT INCOME
1979-1983
(In Thousand Pesos)

Year-End	Amount of Assessment Income	Increase	
		Amount	Percent
1979	P35,076	P 6,840	24.22
1980	44,919	9,843	28.06
1981	P56,099	11,180	24.89
1982	63,679	7,580	13.51
1983	77,612	13,933	21.88

Average Annual Growth Rate: 22.51%

Banking Offices Opened in 1983

Type of Bank	Type of Office	Service Area	Date Opened
Commercial Banks			
1. Family Bank & Trust Co.	Branch	E. Rodriguez Sr. Blvd., Q.C.	1-21-83
2. Phil. Bank of Communications	Branch	E. Rodriguez-J.P. Rizal, Marikina Metro Manila	1-31-83
3. Bank of the Phil. Islands	Branch	Salcedo Village, Makati, Metro Manila	2-14-83
4. CityTrust Banking Corp.	Branch	Alabang, Muntinlupa, Metro Manila	2-21-83
5. Metropolitan Bank & Trust Co.	Extension Office	Cubao, Quezon City	2-08-83
6. Union Bank of the Phil.	Branch	San Fernando, Pampanga	2-11-83
7. Phil. Commercial & International Bank	Branch	La Carlota City	2-16-83
8. CityTrust Banking Corp.	Branch	Espana, Manila	3-30-83
9. Far East Bank & Trust Co.	Branch	Broadway-Aurora Blvd., Q.C.	3-28-83
10. Phil. Trust Co.	Branch	Pasay Public Market, Pasay City	3-18-83
11. Producers Bank	Branch	Solano, Nueva Vizcaya	3-11-83
12. Producers Bank	Branch	Tarlac, Tarlac	3-11-83
13. Security Bank & Trust Co.	Branch	San Pedro, Laguna	3-14-83
14. Security Bank & Trust Co.	Branch	C.M. Recto-Mendiola Sts., Manila	3-14-83
15. Family Bank & Trust Co.	Branch	Cainta, Rizal	4-18-83
16. Phil. Banking Corp.	Extension Office	Colon-Magallanes, Cebu City	4-18-83
17. Phil. Banking Corp.	Branch	Jones Ave., Cebu City	4-18-83
18. Security Bank & Trust Co.	Branch	MIA-Nayong Pilipino, Parañaque Metro Manila	4-07-83
19. Traders Royal Bank	Money Shop/Service Office	North Drive, Bacolod City	4-08-83
20. Traders Royal Bank	Branch	Estancia, Iloilo	4-25-83
21. Traders Royal Bank	Extension Office	Diliman, Quezon City	4-05-83
22. Allied Banking Corp.	Branch	Meycauayan, Bulacan	5-16-83
23. Allied Banking Corp.	Branch	San Pablo City, Laguna	5-16-83
24. Allied Banking Corp.	Branch	Del Monte Ave., Q.C.	5-30-83
25. Phil. National Bank	Extension Office	Quadrangle Area, Q.C.	5-05-83
26. Phil. National Bank	Mini Bank/Service Office	San Pedro, Laguna	5-16-83
27. Traders Royal Bank	Tellers Facility/Service Office	Laoag City	5-01-83
28. Traders Royal Bank	Branch	South Superhighway and Sucat Interchange, Parañaque, Metro Manila	5-20-83
29. United Coconut Planters Bank	Branch	MIA-Nayong Pilipino, Parañaque, Metro Manila	5-16-83
30. Security Bank & Trust Co.	Branch	Legaspi Village, Makati, Metro Manila	6-07-83
31. United Coconut Planters Bank	Branch	Buendia-Dian Sts., Makati, Metro Manila	14-83
32. Prudential Bank	Branch	B.F. Homes, Parañaque	6-27-83
33. Prudential Bank	Branch	San Andres, Malate, Manila	6-27-83
34. Security Bank and Trust Co.	Branch	Rosario-Gandara Sts., Manila	7-05-83
35. Equitable Banking Corp.	Annex Office/Service Office	R. Regente-J.A. Santos Sts., Manila	7-07-83
36. Insular Bank of Asia & America	Branch	Quezon Boulevard and Circle Area, Quezon City	8-26-83
37. Phil. Commercial & International Bank	Branch	Rizal Ave., Olongapo City	8-18-83
38. Bank of the Phil. Islands	Branch	Baclaran Public Market, Parañaque Metro Manila	9-20-83
39. China Bank	Branch	Cubao, Quezon City	9-01-83
40. Metropolitan Bank	Branch	Makati Commercial Center, Makati Metro Manila	9-06-83
41. Phil. Commercial & International Bank	Branch	Legaspi Village, Makati, Metro Manila	9-05-83
42. Phil. Commercial & International Bank	Service Office	Ayala Ave., Makati, Metro Manila	9-05-83
43. Phil. Commercial & International Bank	Branch	Tacurong, Sultan Kudarat	9-12-83
44. Producers Bank	Branch	Rosario-Gandara Sts., Manila	9-26-83
45. Prudential Bank	Branch	Alabang-Ayala, Muntinlupa	9-23-83
46. Security Bank & Trust Co.	Branch	La Paz, Iloilo	9-05-83
47. Union Bank of the Phil.	Branch	Agdao-Sasa, Davao	9-02-83
48. Manila Banking Corp.	Branch	Baliwag, Bulacan	10-17-83

49. Phil. National Bank	Branch	Pasay Road, Makati, Metro Manila	10-21-83
50. Phil. National Bank	Branch	Bislig, Surigao del Sur	10-28-83
51. Phil. Veterans Bank	Extension Office	South Harbor, Manila	10-07-83
52. Security Bank & Trust Co.	Branch	Salcedo Village, Makati, Metro Manila	10-25-83
53. United Coconut Planters Bank	Branch	Taft Avenue-Rizal Park, Manila	10-10-83
54. Commercial Bank of Manila	Branch	Capitol, Pasig, Metro Manila	11-28-83
55. Insular Bank of Asia and America	Branch	B.F. Homes, Parañaque, Metro Manila	11-14-83
56. International Corporate Bank	Extension Office	Belair-Buendia, Makati, Metro Manila	11-02-83
57. Traders Royal Bank	Branch	Salcedo Village, Makati, Metro Manila	11-07-83
58. Manila Banking Corp.	Branch	Boni Ave., Mandaluyong	12-19-83
59. Manila Banking Corp.	Branch	Nepa-Q-Mart, Quezon City	12-19-83
60. Manila Banking Corp.	Branch	Ortigas, Pasig, Metro Manila	12-19-83
61. Manila Banking Corp.	Branch	Salcedo Village, Makati, Metro Manila	12-19-83
62. United Coconut Planters Bank	Branch	Salcedo Village, Makati, Metro Manila	12-19-83
63. United Coconut Planters Bank	Branch	Galas, Quezon City	12-16-83
64. United Coconut Planters Bank	Branch	Del Monte Ave., Quezon City	12-20-83
65. United Coconut Planters Bank	Branch	Makati Commercial Center, Makati Metro Manila	12-20-83

Savings & Mortgage Banks

1. Banco de Oro	Branch	C.M. Recto-Evangelista Sts., Manila	1-10-83
2. Phil. Savings Bank	Branch	Rosario-Gandara Sts., Manila	1-28-83
3. Banco de Oro	Branch	Shaw Blvd.-Kalentong, Mandaluyong Metro Manila	2-18-83
4. Banco de Oro	Branch	España, Manila	3-07-83
5. Phil. Savings Bank	Branch	C.M. Iznart-J.M. Basa, Iloilo City	3-21-83
6. Home Savings Bank	Branch	C.M. Recto-Evangelista Sts., Manila	4-14-83
7. Banco Filipino	Branch	Vito Cruz-Mabini Sts., Manila	5-20-83
8. Phil. Savings Bank	Branch	Colon-Magallanes, Cebu City	5-17-83
9. P A I C	Branch	Gen. Luna, Iloilo City	6-16-83
10. Banco Filipino	Branch	Alabang, Muntinglupa, Metro Manila	7-07-83
11. Banco Filipino	Branch	Roosevelt-Congressional Road, Quezon City	7-07-83
12. Banco Filipino	Branch	E. Rodriguez Sr. Blvd., Quezon City	8-22-83
13. Banco Filipino	Branch	Ayala Ave., Makati, Metro Manila	11-29-83

Development Banks

1. Urban Development Bank	Branch	Rizal Avenue Extension, Caloocan	1-03-83
2. Midland Development Bank	Branch	Pinaglabanan, San Juan	1-10-83
3. People's Development Bank	Branch	Noveleta, Cavite	1-22-83
4. Premiere Development Bank	Branch	Cañta, Rizal	1-29-83
5. Luzon Development Bank	Branch	Gapan, Nueva Ecija	4-04-83
6. Piso Development Bank	Branch	Calamba, Laguna	4-11-83
7. Piso Development Bank	Branch	Ortigas Ave., Pasig, Metro Manila	4-11-83
8. Capitol City Dev. Bank	Extension Office	Barangka, Marikina, Metro Manila	5-09-83
9. Urban Development Bank	Branch	Greenhills-Unimart, San Juan	5-17-83
10. Premiere Development Bank	Branch	Novaliches, Quezon City	7-25-83
11. Urban Development Bank	Branch	Legaspi Village, Makati, Metro Manila	7-26-83
12. Piso Development Bank	Branch	Salcedo Village, Makati, Metro Manila	8-03-83
13. Piso Development Bank	Branch	Kamuning, Quezon City	9-15-83
14. Luzon Development Bank	Branch	Bacoor, Cavite	10-28-83
15. Premiere Development Bank	Branch	Pinaglabanan, San Juan, Metro Manila	11-21-83

Stock Savings & Loan Associations

1. Permanent Savings & Loan Bank	Branch	Quezon Blvd. Rotonda-Araneta Ave. Quezon City	1-14-83
2. Astan Savings Bank	Branch	Buendia and Bel Air, Makati	1-17-83
3. Davao SLA	Branch	Butuan City	3-02-83
4. Maritime SLA	Savings Agency	Imus, Cavite	4-11-83
5. Daily SLA	Branch	Divisoria, Manila	5-05-83
6. Astan Savings Bank	Branch	Cubao, Quezon City	6-01-83
7. Daily SLA	Branch	Nepa Q-Mart, Quezon City	6-01-83

8. Daily SLA	Branch	Alabang, Muntinlupa, Metro Manila	6-01-83
9. Daily SLA	Branch	Paco Public Market, Manila	6-01-83
10. First SLA	Branch	Cubao, Quezon City	7-15-83
11. Town SLA	Branch	Sta. Maria, Bulacan	7-23-83
12. Bayani SLA	Branch	Rosario, Batangas	8-27-83
13. Liberty SLA	Savings Agency	Bocause, Bulacan	8-28-83
14. Hermosa SLA	Branch	Balanga, Bataan	9-11-83

Rural Banks

1. RB of Padre Garcia	Branch	Balete, Batangas	1-04-83
2. RB of San Enrique (Iloilo)	Branch	Jordan, Guimaras, Iloilo	1-15-83
3. RB of Sablayan	Branch	Mamburao, Occidental Mindoro	1-15-83
4. RB of Naguilian	Branch	San Fernando, La Union	1-20-83
5. RB of San Felipe	Extension Office	San Felipe, Zambales	1-24-83
6. RB of Sta. Barbara	Branch	Urdaneta, Pangasinan	1-29-83
7. RB of Alabat	Extension Office	Alabat, Quezon	1-24-83
8. RB of Urbiztondo	Branch	Mayombo, Dagupan City	1-29-83
9. RB of Baras	Branch	Sta. Cruz, Laguna	1-29-83
10. RB of Doña Remedios Trinidad	Head Office	Doña Remedios Trinidad, Bulacan	2-05-83
11. RB of Camaligan	Branch	Buhi, Camarines Sur	2-05-83
12. RB of Malinao	Branch	Legaspi City	2-12-83
13. RB of Tanjay	Money Shop	Tanjay, Negros Oriental	2-14-83
14. CRB of Davao City	Head Office	San Pedro-Banckerohan, Davao City	2-18-83
15. First Consolidated RB of Bohol	Branch	Sagbayan, Bohol	2-18-83
16. First Consolidated RB of Bohol	Branch	Guindulman, Bohol	2-25-83
17. RB of Alamnos	Branch	Sto. Tomas, Batangas	3-21-83
18. RB of Bautista (Pangasinan)	Branch	San Carlos City	3-03-83
19. First Consolidated RB of Bohol	Branch	Jagna, Bohol	3-22-83
20. RB of Calbayog	Extension Office	Calbayog City	3-29-83
21. RB of Laurel	Branch	Tanauan, Batangas	3-16-83
22. RB of Sta. Lucia	Branch	Sta. Cruz, Ilocos Sur	3-18-83
23. RB of Bolinao	Branch	Dagupan City	4-13-83
24. RB of Bombon	Branch	Naga City	4-14-83
25. First Consolidated RB of Bohol	Money Shop	Tagbilaran City	4-15-83
26. RB of Malita	Branch	Davao City	4-18-83
27. RB of Surallah	Money Shop	South Cotabato	4-18-83
28. RB of Lobo	Branch	Sto. Tomas, Batangas	4-22-83
29. RB of Coron	Branch	Puerto Princesa City	5-28-83
30. RB of Balete (Aklan)	Branch	Kalibo, Aklan	6-01-83
31. RB of Salinas	Branch	Rosario, Cavite	6-11-83
32. Integrated RB of Misamis Oriental	Head Office	Lagonglong, Misamis Oriental	6-24-83
33. RB of Itogon	Branch	Mangaldan, Pangasinan	7-01-83
34. RB of Kapangan	Branch	La Trinidad, Benguet	7-04-83
35. RB of Dasol	Extension Office	Dasol, Pangasinan	7-11-83
36. RB of Baco	Branch	Calapan, Oriental Mindoro	7-31-83
37. Integrated RB of Binidayan	Head Office	Lanao del Sur	7-27-83
38. RB of Isabela (Neg. Occ.)	Branch	Libertad, Bacolod City	8-15-83
39. RB of Santol (La Union)	Branch	Balaon, La Union	8-16-83
40. CRB of North Cotabato	Branch	Midsayap, North Cotabato	8-22-83
41. RB of Cabuyao (Laguna)	Branch	Sta. Rosa, Laguna	9-24-83
42. RB of Calatagan (Batangas)	Branch	Lemery, Batangas	9-16-83
43. Coop. RB of Davao del Sur	Head Office	Digos, Davao del Sur	9-17-83
44. RB of Gloria (Or. Mindoro)	Branch	Panamalayan Or. Mindoro	9-10-83
45. RB of Lobo (Batangas)	Branch	P. Burgos-R. Avenue, Batangas City	9-03-83
46. RB of Islamic City of Marawi	Head Office	Marawi City	9-02-83
47. RB of Tangalan (Aklan)	Branch	Sigma, Capiz	9-26-83
48. RB of Victoria (Laguna)	Branch	P. Burgos-R. Avenue, Batangas City	9-10-83
49. RB of Camalig (Albay)	Branch	Legaspi City	10-22-83
50. RB of Cuenca (Batangas)	Branch	Malvar, Batangas	10-15-83
51. RB of Masantol (Pampanga)	Branch	Sto. Tomas, Pampanga	10-21-83
52. CRB of San Isidro	Branch	Gapan, Nueva Ecija	10-05-83
53. CRB of Davao, Inc.	Head Office	Tagum, Davao del Norte	10-08-83

Board of Directors

JAIME C. LAYA

(Governor, Central Bank of
the Philippines)

Chairman

EUGENIO NIERRAS, JR.

(Deputy Governor, Central
Bank of the Philippines)

Member

VICTOR C. MACALINCAG

(Deputy Minister of Finance)

Member



Jaime C. Laya



Eugenio Nierras, Jr.



Victor C. Macalincag

PNIC Department Center

Executive Officers

EUGENIO NIERRAS, JR.
Acting President

ISAYAS G. PENEYRA
Vice-President

CARMELITA C. VIDAL
Assistant Vice-President
for Operations

EDUARDO P. SANTOS
Assistant Vice-President
for Corporate Services

CONCEPCION M. RECTO
Chief Legal Counsel and
Corporate Secretary

ALBERTO R. ENRIQUEZ
Manager, Personnel and
Administrative Services Department

GRACIA A. ROSALINAS
Manager, Assessment and
Examination Department

MA. ELENA BIENVENIDA
Manager
Treasury Department

LINDA B. GUSTILO
Manager
Liquidation Department

ERNESTA C. BARONA
Manager
Accounting Department

ROBERTO R. GUEVARA
Manager, Internal Audit Unit