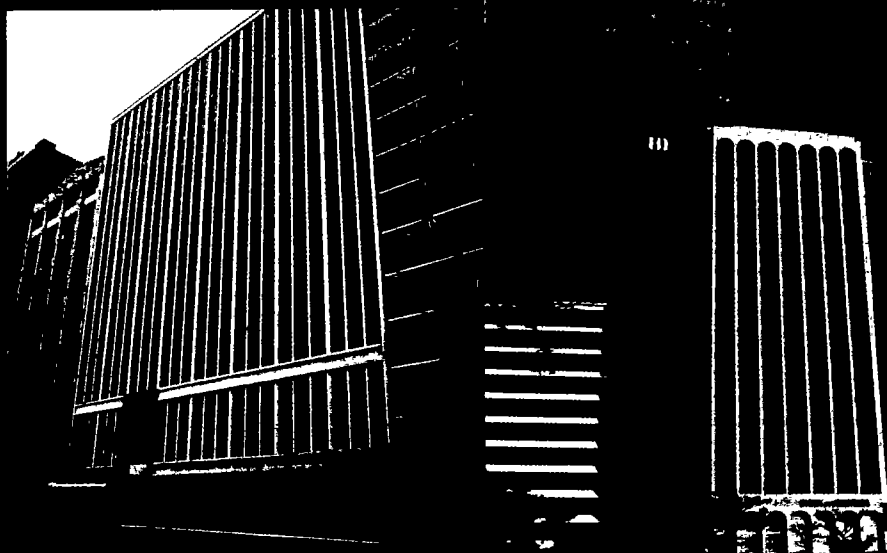


PHILIPPINE
DEPOSIT INSURANCE
CORPORATION



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April 1, 1982

His Excellency
The President of the Philippines
Malacañang, Manila

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 1981.

Very respectfully,


LUIS TIRSO RIVILLA
Chairman



BACKGROUND INFORMATION

The Philippine Deposit Insurance Corporation (PDIC) was established by virtue of Republic Act No. 3591 on June 22, 1963 for the purpose of insuring the deposit liabilities of all banks in the Philippines. The purpose stemmed from the need to foster greater public faith and confidence in the banking system and encourage further the savings habits of the public.

Although created in 1963, PDIC became operational only in the latter part of 1968 with the appointment by President Ferdinand E. Marcos of the Chairman and members of the Board of Directors.

Insurance coverage was made automatic and compulsory under Republic Act No. 6037 for all banks and banking institutions, including branches and agencies of foreign banks operating in the Philippines.

PDIC assesses member banks at the rate of one-fifteenth of one per cent per annum of their total deposit liabilities including trust funds whether held or deposited in any other department of such banks or in other banks. Assessment premiums are paid to the Corporation semi-annually on or before January 15 and July 15 of each year.

Under the law, the depositor is entitled to an insurance protection in the maximum amount of P15,000 on deposits maintained by him in the same right and capacity. This maximum was P10,000 before the implementation on June 11, 1978 of Presidential Decree No. 1451 which authorized its increase to P15,000.

PDIC operations are financed from assessments against insured banks and from income from its investments in government securities. PDIC also is authorized to borrow from the Central Bank such funds as are required for insurance purposes.

REPORT OF THE CHAIRMAN



Financial Results

The PDIC achieved new levels in its financial performance during the year 1981.

The Corporation's overall income for the year in the amount of P79.384 million exceeded the previous year level of P64.024 million by about 24 percent or P15.360 million. The bulk of this income came from assessments upon insured banks which rose 24.89 percent to P56.098 million mainly on account of the expansion of the deposits in the banking system.

Total resources were at a new high of P268.679 million. In relative terms, resources were 14.50 percent higher than the P234.645 million registered in 1980. Our corporation also reflected good liquidity with our cash position improving by 25.22 percent, from P74.666 million to P93.495 million. Investments in government securities increased 4.29 percent from the previous level of P83.200 million.

Our efforts in strengthening further our capability to meet the requirements of deposit insurance have shown gratifying results. During the year, our capital base or Deposit Insurance Fund for the protection of depositors made a gain of 33.39 percent, from P200.708 million a year ago to P267.717 million at the end of 1981. Contributing to this increase was the substantial addition to the Reserve for Insurance Losses amounting to P65.050 million.

Activities in 1981

During the year, PDIC's attention was directed principally to the payment of depositors of 31 banks placed under receivership by the Central Bank. PDIC disbursements in these banks came to a total of P23.665 million. An additional sum of P2.893 million was also paid for prior bank failures.

Significantly, the Corporation entered the area of receivership in 1981 with the appointment of the Chairman as Liquidator by the Monetary Board. At the close of the year, PDIC had four active liquidation cases in its hands.

As in the previous year, our examination efforts were focused mainly on banks with existing problem conditions and those requesting financial assistance from the Corporation. In the area of assessment, we conducted regular desk and field audits of the certified statements of member banks to ascertain their compliance with our assessment regulations.

Finally, the Corporation also assisted two rural banks in weathering temporary problems of liquidity by approving financial grants to these banks in the aggregate sum of P0.212 million.

For the year, eleven banks were admitted into the banking system, automatically making them members of the PDIC. The new banks brought the number of PDIC-member banks to 1,216.

Directions for 1982

The Corporation's thrust for 1982 and the years after will be the continuation of the capital build-up program to ensure our capacity in meeting deposit insurance needs. We are particularly pleased to note that as of the end of 1981 our Deposit Insurance Fund had reached a level closely approximating that year's desired insurance fund, estimated at one percent of risk exposure or P331.861 million. This favorable trend in the growth of our Fund provides ample hope for the attainment of our goal of capital adequacy by 1985.

Moreover, with a view to making the deposit insurance scheme more responsive to new developments in the banking and financial systems, we anticipate an increase in the existing limit of the insurance protection for each depositor hitherto set at P15,000. With a higher maximum coverage, we should be able to give greater protection to depositors and consequently improve and maintain public confidence in the banks.

Continuing review and analysis of our corporate objectives, strategy, policies and procedures also constitute an important part of our program to make the Corporation truly sensitive to present and future conditions.


LUIS TIRSO RIVILLA
Chairman

FINANCIAL HIGHLIGHTS

(In Millions of Pesos)

			Change	
	1981	1980	Amount	Percent
Total Assets	268.679	234.645	34.034	14.50
Total Liabilities	0.962	33.937	(32.975)	(97.16)
Capital Accounts:	267.717	200.708	67.009	33.39
Permanent Insurance Fund	20.000	20.000	—	—
Reserve for Insurance Losses	244.367	177.317	67.050	37.81
Retained Earnings	3.350	3.391	(0.041)	(1.21)
Total Income	79.384	64.024	15.360	24.00
Operating Expenses	12.028	11.077	0.951	8.58
Net Income	0.305	0.300	0.005	1.67

OPERATING RATIOS

	1981		1980	
	Amount	Percent	Amount	Percent
Current Ratio:				
Current Assets/ Current Liabilities	102.677/ 0.426	24,102.58	83.905/ 29.639	283.09
Debt/Equity Ratio:				
Total Liabilities/ Total Capital Accounts	0.962/ 267.717	0.36	33.938/ 200.708	16.91
Return on Investment:				
Net Income/ Total Assets	0.305/ 268.679	0.11	0.300/ 234.645	0.13
Return on Equity:				
Net Income/ Total Capital Accounts	0.305/ 267.717	0.11	0.300/ 200.708	0.15

PERFORMANCE REVIEW

Payoff and Receivership Activities

Thirty-one banks were taken over by the Central Bank in 1981, involving the payment of insured deposits by the Corporation. The banks included 27 rural banks, three stock SLAs, and a development bank.

Against a combined total deposit liabilities of P47.509 million in over 160,200 depositors' accounts, the PDIC paid insured deposits totalling P23.665 million, or approximately 58.29 percent of the estimated total insured deposits of P40.599 million. The disbursements going to two stock SLAs in the aggregate amount of P8.916 million (about 8,148 accounts) and to a development bank in the amount of P7.425 million (about 4,441 accounts) constituted the bulk (about 69 percent) of the total payments in the 31 closed banks.

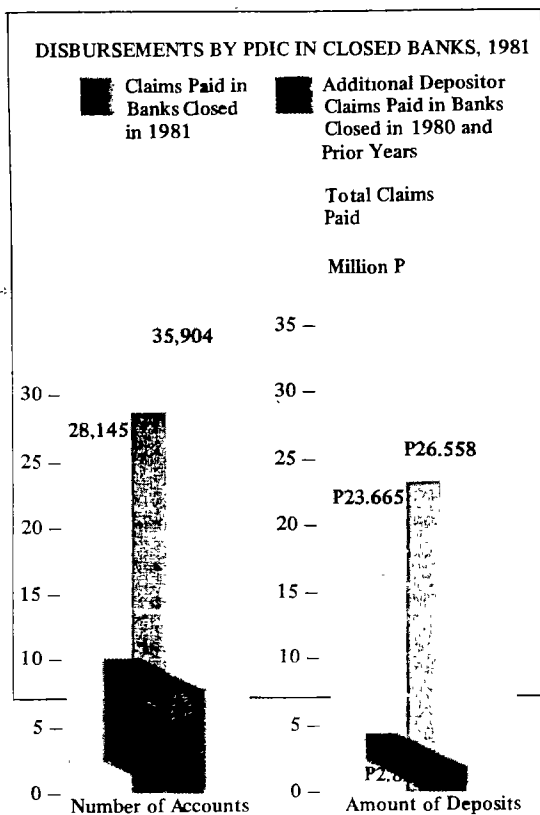
Also spent in 1981 was an additional sum of P2.893 million to depositors of 25 banks closed in 1980 and prior years. These payments brought PDIC disbursements to P93.003 million in 79 bank failures during the years 1970 through 1981 which included 71 rural banks, 3 stock SLAs, 3 commercial banks, 1 development bank, and 1 savings bank.

In view of the resumption of operations of two rural banks, the PDIC was able to collect the total sum of P0.023 million, representing the amount previously paid to depositors of these banks. From another rehabilitated rural bank, the PDIC expects to recover the amount of P0.530 million as refund of insured deposits.

The post audit of payments made by the Philippine National Bank as transferee bank for the insured deposits of a closed savings bank has, in the meantime, been discontinued to utilize the PDIC examiners in payoff operations. Thirteen other examiners from different departments of the Corporation have also been mobilized in payoff owing to the small number of payoff personnel undertaking this task.

By virtue of Monetary Board Resolution No. 459 dated March 13, 1981, the Chairman of the PDIC was appointed as Liquidator for six rural banks that have been placed under receivership by the Central Bank. With this appointment, the Corporation exercises for the first time the receivership function provided under its charter.

The six banks involved are the rural banks of Tayug, Pangasinan; Natividad, Pangasinan; Obando, Bulacan; Tuguegarao, Cagayan; Lucena City; and Villasis, Pangasinan. As of





the close of the year, only the first four banks have received court orders noting the Central Bank motion for the designation of the PDIC Chairman as the new liquidator vice the CB Director of DRBSLA. Transfer of bank assets, records and other documents to the PDIC started thereafter.

Examination and Assessment Activities

In relation to its monitoring activities, the Department of Examination and Research in 1981 undertook detailed analyses and evaluations of the financial condition and results of operations of 31 rural banks and four stock SLAs, subject of close supervision by the Central Bank. A similar activity had also been undertaken by that Department in the case of 22 rural banks, three stock SLAs, and one development bank with existing problem conditions. These banks were those that were likely to be placed under receivership by the Central Bank.

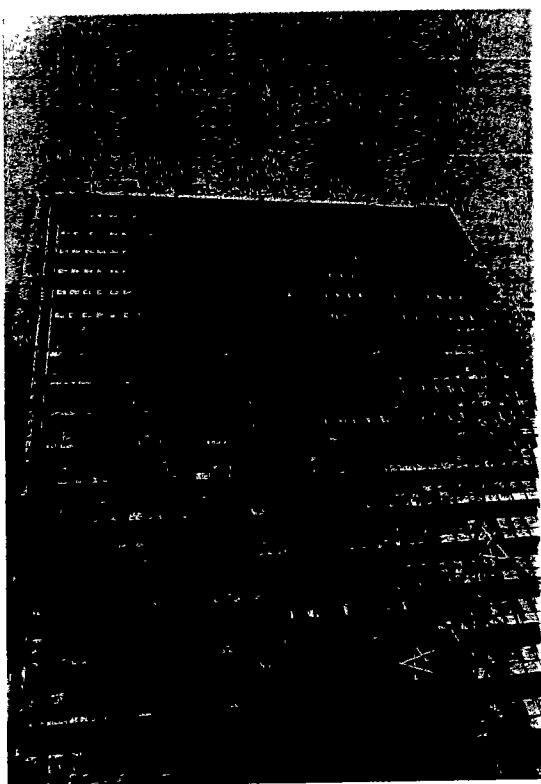
In addition, the DER processed applications of a number of rural banks for emergency financial assistance, entailing an evaluation of the banks' financial condition to determine their eligibility for such assistance. The results of this effort have formed the basis of the recommendations of the Advisory Committee on Financial Assistance (ACFA) for action by the Board on PDIC financial grants.

To determine the correctness of any assessment premium payable to the Corporation, the Assessment Department regularly conducts audits of the certified statements submitted by insured banks.

For the year, however, this Department has noted a decrease in the number of banks examined as a large number of its examiners assisted in payoff and liquidation operations. A total of 1,071 certified statements were subjected to desk and field audits in 1981 as compared with 1,905 in 1980. The results of these audits were promptly communicated to the banks concerned.

Billings for deficiencies in assessments totalled P4.412 million during the year in review, broken down as follows:

Commercial Banks	—	P4.402 million
Development Banks	—	P0.002 million
Stock SLAs	—	P0.002 million
Rural Banks	—	P0.006 million



Included in the billings for commercial banks were the deficiencies of two commercial banks in the aggregate amount of P3.014 million. The settlement of the deficiency of a branch in the Philippines of a foreign bank is the subject of litigation now pending in court. This deficiency amounts to P0.675 million.

The year's collection in assessment deficiencies totalled P0.738 million, which included the amount of P0.727 million for commercial, savings, and development banks; P0.008 million for rural bank; and P0.002 million for stock SLAs.

For assessments applicable to 1981, the total premium collection was P55.318 million. Of this amount, P26.478 million was for the first semester and P28.840 million was for the second semester.

Financial Assistance to Member Banks

During the year, the PDIC granted an emergency financial assistance to a rural bank in Iloilo in the amount of P0.085 million to solve its temporary liquidity problem. As the year came to a close, the PDIC's Advisory Committee on Financial Assistance also recommended the grant of emergency assistance to another rural bank in Camarines Sur in the amount of P0.127 million. This rural bank experienced sudden withdrawal of deposits following a typhoon that hit the Bicol area in the latter part of the year. The amounts approved in both cases were ascertained on the basis of the banks' deposit liabilities as of the time of their request in accordance with established guidelines.

At least three other rural banks had also requested financial assistance from the PDIC in amounts ranging from P0.150 million to P0.350 million to service demands for withdrawals. These requests, however, were denied due to certain factors precluding the grant of financial assistance.

Since 1972, the Corporation has extended a total of P2.125 million to some 22 banks in financial troubles. Of that amount, P1.715 million was granted to stock SLAs and P0.410 million was granted to rural banks.

Other Activities

1. Research and Statistical Activities

The research activities of the Department of Examination and Research concerned mainly the preparation of the following:



a) Quarterly *Statistical Report*, which consolidates the products of researches on banks as of the end of a quarter-period. Statistical reports for the fourth quarter 1980 and first and second quarters of 1981 were prepared and submitted to the management as basis for decision-making.

b) Quarterly estimates of the PDIC's risk exposure or insurance liability on deposits, which are calculated from the quarterly consolidated reports of deposit liabilities submitted to the PDIC by the banks. For the year, estimates were made for 35 commercial banks, 9 savings banks, 44 development banks, 88 stock SLAs, and 974 rural banks as of June 30, 1981.

c) The PDIC's *Monograph*, a quarterly publication which disseminates banking information to all PDIC member banks.

d) Periodic reports of accomplishments which included among others the PDIC Annual Report (1980) and the report of accomplishments during the martial law period (1972-1980) required to be submitted to the Office of the President.

e) Special studies on banking, deposit insurance and related fields of interest to management. Some of these studies have been published in the PDIC's *Monograph*.

2. Training Programs

The Corporation has continued to send its officers and employees to professional training courses and special seminars both here and abroad. For the year 1981, the following were the seminars participated by PDIC officers and employees:

a) Seminar conducted by the Government Association of Certified Public Accountants (GACPA), May 29, 1981, San Miguel Corporation Auditorium, Makati, Metro Manila.

b) Real Estate Appraisal Course conducted by the Real Estate Brokers Association of the Philippines, Inc., November 16 to December 11, 1981, Plaza Restaurant, Makati, Metro Manila

c) Seminar on Money Market Operations and the New Rules on Registration of Short Term Commercial Papers under the auspices of the Financial Research Center, December 21-22, 1981, Hotel Intercontinental, Makati, Metro Manila



Under the PDIC's executive development program, two senior officers were sent on a 15-day visit to the U.S.A. to undertake studies and observations at the FDIC, Washington, D.C. regarding certain aspects of deposit insurance operations.

3. Sports Development

As part of its commitment to the physical well-being of its employees, the PDIC has continuously involved itself in the various sports activities sponsored by the Government Corporation Athletic Association (GCAA). In 1981, the PDIC teams in the ladies and executive divisions competed in the GCAA bowling tournaments with the former winning the third-place trophy.

4. Personnel and Administration

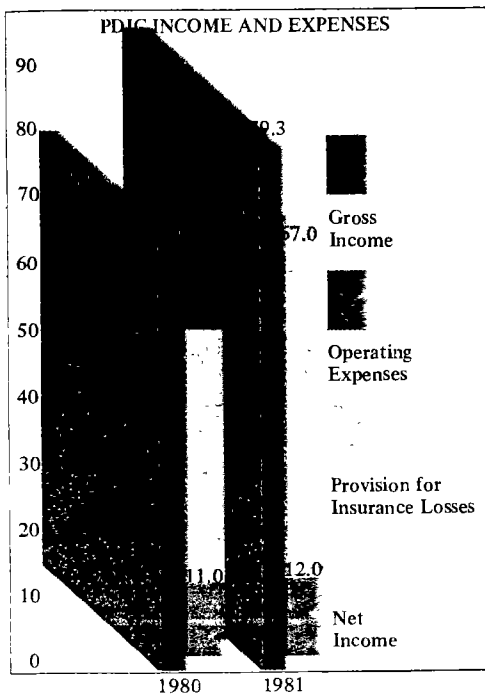
The PDIC has been headed from the start by Mr. Luis Tirso Rivilla. He sits as Chairman of the Corporation's Board of Directors while Mr. Jaime C. Laya, who took over as Central Bank Governor on January 14, 1981, is the lone member. The vacant slot in the Board has not been filled up to now.

Six new employees joined the Corporation in 1981 while four others resigned their positions, bringing the total number of incumbents at the end of the year to 142 exclusive of those of the Commission on Audit.

An amendment to the PDIC By-Laws was made in 1981 to reflect changes in the position titles of the Chief Executive Officer and Assistant Executive Officer, to President and Vice-President, respectively, of the Corporation.

FINANCIAL REVIEW

Million P



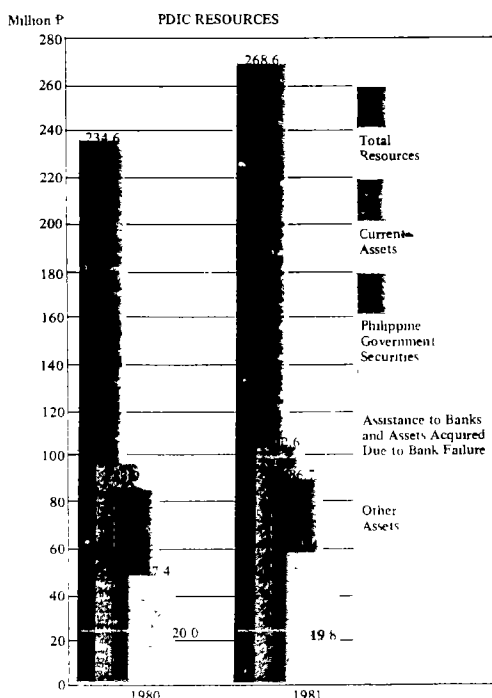
The Corporation's gross income for the year 1981 reached P79.384 million, an increase of nearly 24 percent over the level of P64.024 million for the previous year. The increase was due principally to the rise in assessment income as a result of the large deposit increments in the banking system. Income derived from assessments rose by 24.9 percent from P44.919 million in 1980 to P56.099 million in 1981. Interest and non-operating income also rose by 21.9 percent to P23.285 million.

Operating expenses, including Depreciation and Provision for Taxes, recorded a marginal increase of 8.6 percent from P11.077 million to P12.029 million for the same period. The major expense items which registered increases were those for personal services, miscellaneous expenses, and taxes, by 22.0 percent, 63.4 percent, and 22.6 percent, respectively. In relation to the budget, however, the total operating expenses used up only about 73.1 percent of the appropriations therefor.

The net operating income at P67.355 million constituted about 84.8 percent of the total income. Except for the P0.305 million which made up the recorded net income for the year, the P67.050 million of the operating income was transferred to the Reserve for Insurance Losses (RIL).

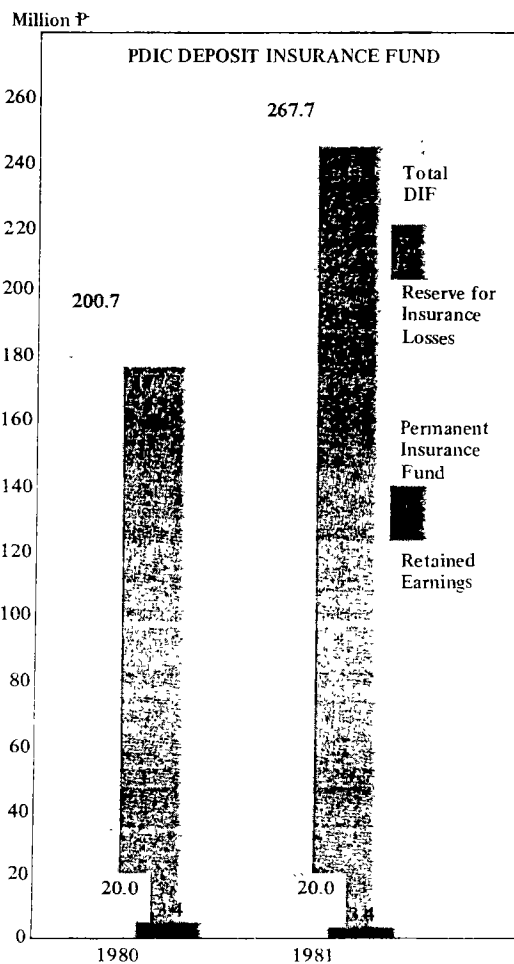
The assets of the Corporation at year's end totalled P268.679 million, higher by 14.5 percent over the P234.645 million in 1980. Cash comprised about 34.8 percent, investments in Philippine Government securities 32.3 percent, and subrogated claims paid 18.7 percent.

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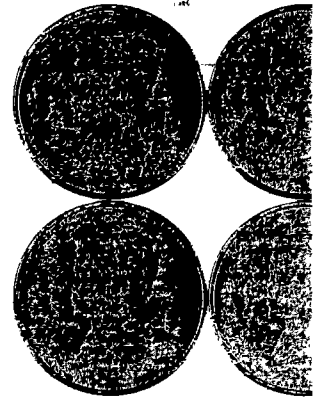
PDIC Resource Center



Full payment by PDIC of its P29-million loan obligation with the Central Bank brought the Corporation's total liabilities to only P0.962 million, a reduction of about 97.2 per cent from 1980's P33.938 million.

The Corporation's financial base or Deposit Insurance Fund (DIF) has been further strengthened with the substantial addition to the RIL at P67.050 million. Thus, the total of the Fund at year-end 1981 amounted to P267.717 million, reflecting an increase of P67.010 million or 33.4 percent from last year's P200.707 million. After deducting estimated losses of P17.0 million, the actual DIF now constituted about 76 percent of the year's desired insurance fund (1% of risk exposure), estimated at P331.861 million.

AUDITOR'S REPORT



AUDITOR'S REPORT

Republic of the Philippines
COMMISSION ON AUDIT

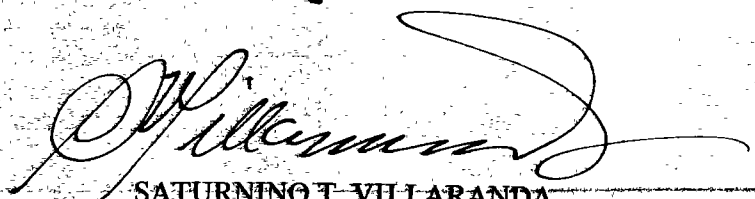
PHILIPPINE DEPOSIT INSURANCE CORPORATION
Office of the Corporate Auditor
Makati, Metro Manila

The Board of Directors
Philippine Deposit Insurance Corporation
Makati, Metro Manila

Sirs:

We have examined the balance sheet of the Philippine Deposit Insurance Corporation as of December 31, 1981, and the related statements of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and retained earnings present fairly the financial position of the Philippine Deposit Insurance Corporation at December 31, 1981, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



SATURNINO T. VILLARANDA
COA Auditor VIII

February 23, 1982

COMPARATIVE STATEMENT OF CONDITION

As of December 31, 1981 and December 31, 1980

ASSETS	1981	1980	Increase (Decrease)
Current Assets	P102,677,049	P 83,904,990	P18,772,059
Assistance to Banks	9,065,464	23,671,680	(14,606,216)
Securities Guaranteed by the Philippine Government	86,770,000	83,200,000	3,570,000
Assets Acquired Due to Bank Failure — Subrogated Claims Paid	50,360,944	23,770,467	26,590,477
Fixed Assets	4,743,437	5,035,457	(292,020)
Deferred Charges	19,249	19,726	(477)
Other Assets	15,042,922	15,042,922	—
TOTAL ASSETS	P268,679,065	P234,645,242	P34,033,823

LIABILITIES AND INSURANCE FUNDS (NETWORTH)

Liabilities:			
Current Liabilities	P 425,520	P 29,639,143	(P29,213,623)
Deferred Credit	536,142	4,298,357	(3,762,215)
TOTAL LIABILITIES AND DEFERRED CREDITS	P 961,662	P 33,937,500	(P32,975,838)
Insurance Fund:			
Capital	P 20,000,000	P 20,000,000	—
Reserve for Insurance Losses	244,367,000	177,317,000	67,050,000
Surplus	3,350,403	3,390,742	(40,339)
TOTAL	P267,717,403	P200,707,742	P67,009,661
TOTAL LIABILITIES AND INSURANCE FUND	P268,679,065	P234,645,242	P34,033,823

COMPARATIVE INCOME STATEMENT

For the Years Ended December 31, 1981 & December 31, 1980

	1981	1980	Increase (Decrease)
Income from Operations	P79,384,072.64	P64,023,957.67	P15,360,114.97
Less: Expenses			
Personal Services	P 6,434,824.87	P 5,273,215.98	P 1,161,608.89
Management Expenses	247,606.87	217,877.83	29,729.04
Property Expenses	627,139.15	537,819.20	89,319.95
Communications	85,878.96	81,085.07	4,793.89
Interest Expenses	1,081,836.10	2,415,672.63	(1,333,836.53)
Taxes	1,857,000.00	1,514,000.00	343,000.00
Others	1,694,307.70	1,037,429.92	656,877.78
Total Operating Expenses	P12,028,593.65	P11,077,100.63	P 951,493.02
Operating Income before Provision for Insurance Losses	P67,355,478.99	P52,946,857.04	P14,408,621.95
Provision for Insurance Losses	67,050,000.00	52,647,000.00	14,403,000.00
INCOME	P 305,478.99	P 299,857.04	P 5,621.95

STATEMENT OF RETAINED EARNINGS

December 31, 1981

Balance, December 31, 1980		P3,390,741.55
Add: Net Income for the Period	P305,478.99	
Accumulated Net		
Income Adjustments	(345,817.89)	(40,338.90)
Balance, December 31, 1981		P3,350,402.65

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the Year Ended December 31, 1981

Funds Provided

From Operation

Net Income (Inclusion of Surplus Adjustments)	(P 40,339)
Add:	
Reserve for Depreciation	364,707
Reserve for Insurance Losses	67,050,000
Collection of Loans/Bank Assistance	14,606,216
Matured Securities Guaranteed by the Philippine Government	(3,570,000)
Decrease in Unearned Interest	(1,299,188)
Total Sources of Working Capital	P77,111,396

Funds Applied to:

Purchase and Construction	P 72,688
Subrogated Claims Paid	26,590,477

Total Application of Funds **P26,663,165**

Increase in Working Capital **P50,448,231**

CHANGES IN WORKING CAPITAL ACCOUNT

	Increase (Decrease) In Working Capital
Current Assets:	P18,830,123
Cash on Hand and in Bank	(65,861)
Accounts and Other Receivables	7,320
Increase in Current Assets	P18,771,582
Current Liabilities:	(P 58,207)
Accounts and Other Payables	29,271,829
Liabilities Incurred Due to Bank Failure	43,089
Deferred Assessment Income	2,419,938
Unearned Discount	
Decrease in Current Liabilities	P31,676,649
Increase in Working Capital Accounts	P50,448,231

NOTES TO FINANCIAL STATEMENTS

December 31, 1981

A. The financial statement accounts are based on the Chart of Accounts previously submitted.

B. Current Assets – P102,677,048.59

The Current Assets increased by P18,772,058.95 as per following computation:

Current Assets	1981	1980	Increase (Decrease)
Cash	P 36,498.55	P 22,122.05	P 14,376.50
Cash in Bank	93,459,368.10	74,643,621.89	18,815,746.21
Receivables	9,118,455.95	9,184,316.98	(65,861.03)
Others	62,725.99	54,928.72	7,797.27
Totals	P102,677,048.59	P83,904,989.64	P18,772,058.95

Cash is the total of Cash on Hand and Cash with Claim Agent In-Charge. Cash deposit with transferee bank is included in the Cash in Bank.

Receivables include accounts due from the Bureau of Internal Revenue in the amount of P1,810,006.31 representing withholding tax on the interest earned on Savings Account and Time Deposits. The withheld amount is disclosed in the Income Tax Return of the Corporation.

C. Assets Acquired in Bank Assistance and Deposit Subrogation

1. This includes time deposits in the following banks, since one of the objectives of PDIC is to make deposits in insured banks that may need financial assistance:

Rural Bank of Jolo	P12,000.00
Rural Bank of Isabela	85,000.00
Total	P97,000.00

2. Notes Receivable – P8,968,463.83

Allied Banking Corporation	P1,367,463.77
International Corporate Bank	7,601,000.06
Total	P8,968,463.83

The above mentioned banks acquired the assets and liabilities of the closed General Bank and Trust Company and the Continental Bank.

3. Subrogated Claims Paid – P50,360,944.13

Subrogated Claims paid in 1981	P50,360,944.13
Subrogated Claims paid in 1980	23,770,466.81
Increase	P26,590,477.32

The increase in the subrogated claims paid is due to the payment of depositors of 51 closed banks.

D. Fixed Assets (net) – P4,743,436.95

	1981	1980	Increase (Decrease)
Land	P 759,000.00	P 759,000.00	—
Building	4,848,313.85	4,825,619.85	22,694.00
Furniture & Fixtures	325,468.24	311,318.24	14,150.00
Equipment	664,694.28	628,850.48	35,843.80
Total	P6,597,476.37	P6,524,788.57	P72,687.80
Less: Accumulated Depreciation			
Building	P1,261,906.10	P 993,826.51	P268,079.59
Furniture & Fixtures	217,657.60	187,722.46	29,935.14
Equipment	374,475.72	307,783.05	66,692.67
Total Depreciation	P1,854,039.42	P1,489,332.02	P364,707.40
Fixed Assets (net)			
Land	P 759,000.00	P 759,000.00	—
Building	3,586,407.75	3,831,793.34	(245,385.59)
Furniture & Fixtures	107,810.64	123,595.78	(15,785.14)
Equipment	290,218.56	321,067.43	(30,848.87)
Total Assets (net)	P4,743,436.95	P5,035,456.55	(P292,019.60)

The Corporation uses the straight line method of depreciation. Building has an estimated life of 30 years, and Equipment/Furniture and Fixtures are estimated to have a useful life of 5 and 10 years, respectively.

E. Long Term Investments – P86,770,000.00

DBP Countryside Bills	P52,390,000.00
NHMFC <i>Bahayan</i> Mortgage Participation Certificates	34,380,000.00
	P86,770,000.00

The Development Bank of the Philippines by arrangement with the Corporation may pay its insurance premium in DBP Countryside Bills.

Central Bank Certificates of Indebtedness were unloaded to repay the outstanding loan with the Central Bank of the Philippines.

F. Other Assets

Permanent Insurance Funds Receivable P15,000,000.00

This is a receivable from the National Treasury as authorized by P.D. No. 120 in January, 1973 increasing the Permanent Insurance Fund of PDIC from P5,000,000.00 to P20,000,000.00.

G. Reserve for Insurance Losses — P244,367,000.00

Provision for Insurance Losses amounting to P67,050.00 million during 1981 increased the Reserve for Insurance Losses to P244,367,000.00 as compared with last year's P177,317,000.00 balance.

PDIC's main objective is to afford adequate protection to bank depositors and, pursuant to this objective, PDIC sets aside yearly the bulk of its total income as Provision for Insurance Losses.

H. Net Income of the Corporation — P305,478.99

1. Income increased by P15,360,114.99.

	1981	1980	Increase (Decrease)
Assessment Income	P56,098,706.36	P44,919,405.89	P11,179,300.47
Interest Income	22,262,447.05	19,092,926.16	3,169,520.89
Miscellaneous	1,022,919.23	11,625.62	1,011,293.61
Total	P79,384,072.64	P64,023,957.67	P15,360,114.97

Miscellaneous Income includes:

- 1) Commission on sale of CBCI Securities P330,000.00
- 2) 2% discount upon purchase of *Bahayan* Certificates 687,600.00

2. Expenses of the Corporation increased by P15,353,593.02, as shown in the computation below.

	1981	1980	Increase (Decrease)
Operating Expenses	P12,028,593.65	P11,077,100.63	P 951,493.02
Provision for Insurance Losses	67,050,000.00	52,647,000.00	14,403,000.00
Total	P79,078,593.65	P63,724,100.63	P15,354,493.02

The Corporation has a net income of P305,478.99 for 1981 compared with the net income of P299,857.04 for 1980, thereby showing an increase of P5,621.95.

DISTRIBUTION OF BANKING OFFICES, BY REGION AND TYPE OF BANK
As of December 31, 1981

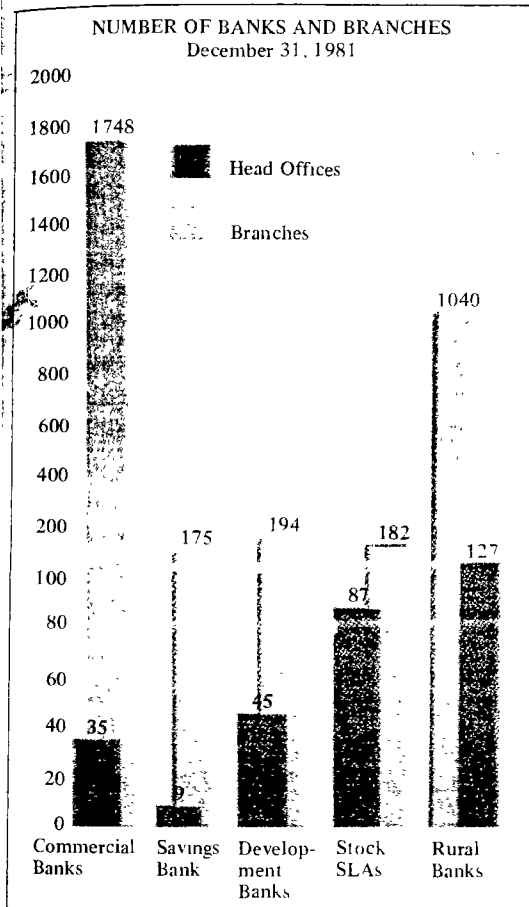


			Commercial Banks	Savings & Mortgage Banks	Development Banks	Stock Savings & Loan Associations	Rural Banks ^{1/2}	All Banks
Region I	– Ilocos		113	5	8	21	121	268
Region II	– Cagayan Valley		42	2	5	5	59	113
Region III	– Central Luzon		146	10	42	67	126	391
Region IV	– Metro Manila		773	129	41	64	24	1,031
Region IV-A	– Southern Tagalog		118	14	79	64	183	458
Region V	– Bicol		58	3	12	7	80	160
Region VI	– Western Visayas		112	4	14	8	127	265
Region VII	– Central Visayas		116	8	9	8	76	217
Region VIII	– Eastern Visayas		35	1	7	—	51	94
Region IX	– Western Mindanao		40	2	6	2	26	76
Region X	– Northern Mindanao		71	2	7	12	68	160
Region XI	– Southern Mindanao		104	5	11	10	61	191
Region XII	– Central Mindanao		31	2	4	2	38	77
Philippines			<u>1,759</u>	<u>187</u>	<u>245</u>	<u>270</u>	<u>1,040</u>	<u>3,501</u>

¹Excludes 127 branches.

²Licensed.

BANKING DEVELOPMENTS



Number of Banking Offices

The program to develop the country's financial structure continued in 1981 with the establishment of eleven banks of the following categories:

- 8 rural banks
- 1 stock savings and loan association
- 1 private development bank
- 1 commercial bank

This brought the total number of banks under PDIC's compulsory coverage to 1,216, made up of 35 commercial banks, 9 savings banks, 45 development banks, 87 stock savings and loan associations, and 1,040 rural banks. Branches and other types of offices controlled and operated by these banks numbered 2,426 distributed throughout the country.

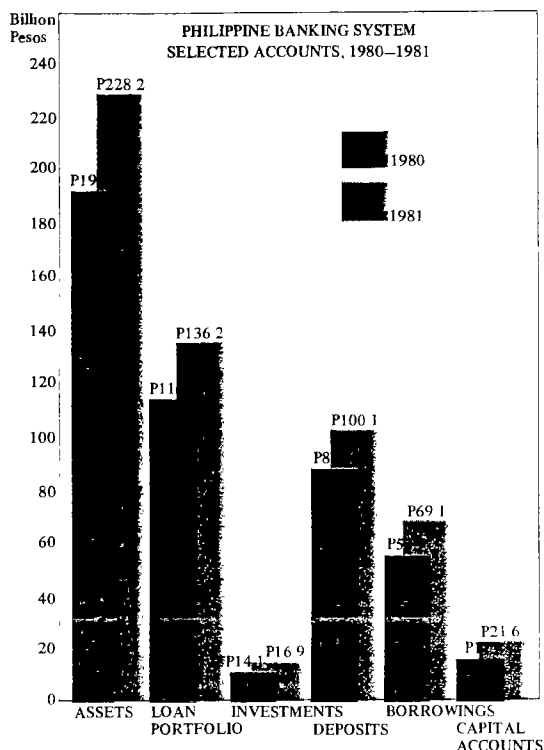
Meanwhile, two mergers occurred during the year — that of the Commercial Bank & Trust Co. and the Bank of the Philippine Islands and that of the Quezon SLA and the Quezon Capitol Rural Bank. On the other hand, a private development bank (Agro-Industrial DB), three stock SLAs (Nation SLA, Golden SLA, and Mercantile SLA), and twenty-seven rural banks were placed under receivership by the Central Bank after finding them to be operating with unsound banking practices. Together with these developments was the conversion of Family Savings Bank to a commercial bank during the early part of the year.

The new banks that joined the system in 1981 were provided technical assistance by the PDIC particularly in the matter of compliance with certain reporting requirements as well as in the preparation of certified statements and supporting papers.

The Philippine Banking System

Reflecting the favorable effects of the structural reforms undertaken during the last decade by the monetary authorities in the country's financial sector, the banking system in 1981 posted a new level in its resources amounting to P228,240.0 million. This was higher by 17.87 per cent or P34,596.00 million compared with the preceding year's figure of P193,644.00 million.

A large portion (about 60 percent) of the system's resources was in loan portfolio which at year's end totalled



P136,208.5 million, or an increase of 17.23 percent over the previous year's total. The gain in loan portfolio account indicated the system's stepped-up loan operations during the year in response to the growing credit requirements of business and industry. It is to be noted also that the system increased its borrowings by 28.22 percent, to reach P69,126.0 million at the end of the year.

The banking system also improved its liquidity position in 1981. At year's end, the banks' liquid assets aggregated P49,471.1 million, marking an increase of P9,336.1 million from 1980's P40,135.0 million. Due from Central Bank and other banks reflected an appreciable increase of 30.47 percent, totalling P28,854.4 million at year's end. Investments in bonds and other debt instruments rose from P14,147.3 million to P16,936.9 million, or by 19.72 percent.

Total deposit liabilities gained an additional amount of P10,549.5 million, to reach P100,060.3 million at the close of the year. Savings deposits were raised to P38,665.9 million and time deposits to P23,349.9 million, marking increases of 20.20 percent and 22.81 percent, respectively.

The higher minimum capital requirements (P500.0 million) needed for commercial banks with expanded commercial banking authority were manifested in increments in total capital accounts. As of December 31, 1981, these totalled P21,597.3 million, representing an impressive growth of 21.43 percent over the comparative figure of the previous year. Also contributing to the overall growth in capital accounts were increases in surplus and surplus reserves, by P750.8 million and P150.9 million, to P2,874.9 million and P1,135.0 million.

By Type of Bank

Commercial Banks

Combined assets of 35 commercial banks as of December 31, 1981 climbed to P176,000.3 million, up P25,314.1 million or 16.80 percent from 1980's total assets of P150,686.2 million.

Total loans, which accounted for over 59 percent of the total assets, expanded by 16.48 percent, from P89,220.8 million to P103,924.6 million, financed mainly out of increments in deposits, borrowings, and capital accounts.

Deposits went up by 10.46 percent to P83,092.3 million primarily due to increases in savings and time deposits, to P27,109.8 million and P19,332.4 million, respectively.

Borrowings of all banks exceeded last year's level by 30.66 percent, to total P46,997.3 million.

An increase of P3,114.6 million during the year brought total capital accounts of the commercial banks to P14,929.1 million. Additional investments of stockholders totalled P2,121.6 million at year's end.

Savings Banks

With the Family Savings Bank's conversion to a commercial bank in 1981, the savings banking system recorded a decline in aggregate assets from P7,352.6 million in 1980 to P6,906.4 million in 1981.

Reductions were likewise recorded in loan portfolio, by 6.41 percent to P4,118.6 million; in deposit liabilities, by 25.55 percent to P4,553.0 million; and in capital accounts by 26.15 percent to P459.2 million. Borrowings (bills payable), however, expanded considerably from P93.3 million to P1,449.8 million.

Development Banks

Total resources of development banks at the end of December 1981 amounted to P36,818.4 million, or 29.17 percent over that of the previous year. Of this, the Development Bank of the Philippines accounted for P34,202.8 million and the private development banks P2,615.6 million.

Overall loan investments of the development banks totalled P21,530.2 million, an increase of 26.79 percent from last year's level of P16,981.2 million. Private development bank loans amounting to P1,665.4 million were channeled mostly to finance small and medium scale projects in the commercial, industrial and agricultural sectors.

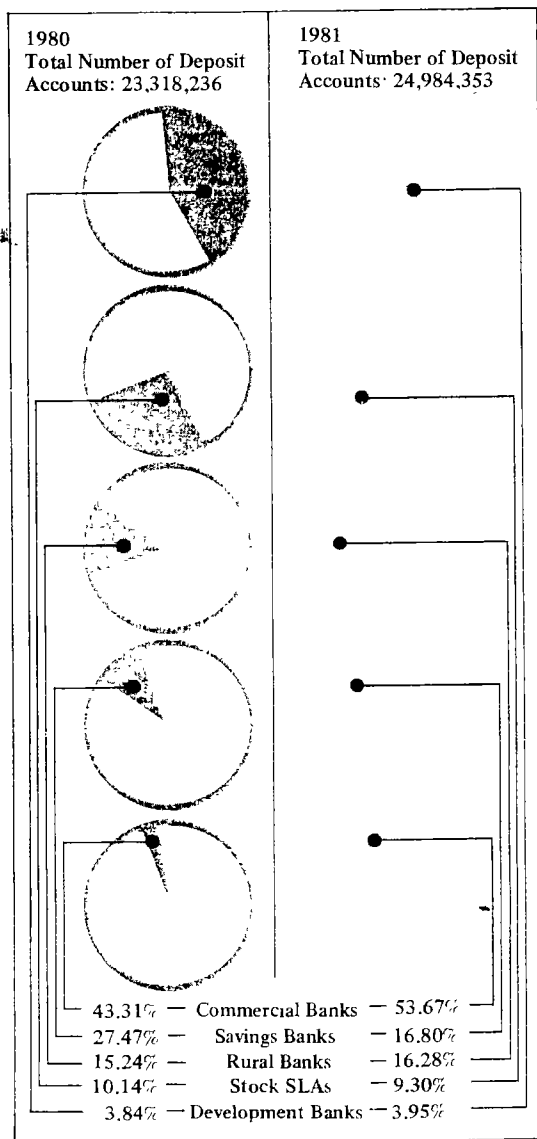
Deposits at P8,913.5 million represented a significant rise of 65.82 percent or P3,538.1 million from last year's P5,375.4 million. Savings deposits, rising from P4,475.2 million to P6,700.6 million, accounted for about 63 percent of this increase.

Fresh capital infusions brought total capital accounts at the end of the year to P4,993.9 million, representing an increase of P674.9 million or 15.63 percent from the previous year.

Rural Banking System

Spearheading the deposit mobilization drive in the coun-

NUMBER OF DEPOSIT ACCOUNTS IN THE PHILIPPINE BANKING SYSTEM



trysides are the rural banks with total resources of P6,493.0 million as of December 31, 1981. Out of this, the rural banks granted loans totalling P5,349.9 million. The rural banks' deposit liabilities and borrowings for the same period stood at P2,053.6 million and P2,919.8 million.

The 965 operating rural banks had combined capital accounts of P855.2 million.

Stock Savings and Loan Associations

Eighty-seven stock savings and loan associations on record as of December 31, 1981 had assets of P2,021.9 million as of that period. This compares with P1,576.2 million posted in the previous year. Of the total assets, P1,285.2 million was in the form of loans and discounts and P533.6 million in cash and amounts due from banks and investments.

Borrowings of the SLAs at P78.9 million reflected a drop of 6.85 percent from the previous year's total of P84.7 million. Deposit liabilities, on the other hand, recorded an expansion of nearly 32 percent to P1,447.0 million, of which P861.4 million was in savings deposits and P585.0 million in time deposits. Borrowings and deposits constituted over 90 percent of the industry's total liabilities of P1,692.0 million.

Total network increased to P329.9 million, from P272.4 million in 1980. Capital stock posted an increment of P74.2 million, to P346.6 million.

Number of Deposit Accounts

The opening of more banking facilities and the sustained savings mobilization drive of the government yielded positive results in terms of new deposit accounts opened with the banking system.

For the year, the addition to the number of accounts totalled 1,666,117 as deposit accounts went up from 23,318,236 in 1980 to 24,984,353 in 1981. The commercial banks' 13,409,843 accounts, making up about 53.67 percent of the total, reflected an increase of 3,311,116 or 32.79 percent.

The number of accounts of savings banks marked a decrease of 2,207,473 accounts or 34.46 percent, chiefly as a result of a savings bank's conversion to a commercial bank. The development banks and rural banks registered increases of 91,374 and 513,520 accounts over their previous levels of 895,801 and 3,554,682, respectively.

BANKING OFFICES OPENED IN 1981

TYPE/NAME OF BANK	TYPE OF OFFICE	LOCATION	DATE OPENED/ LICENSED
Commercial Banks			
1. CityTrust Banking Corp.	Branch	Carolina Choy Bldg., Pasong Tamo Ext. Makati, Metro Manila	1-30-81
2. Philippine Trust Co.	Branch	Elcano St. cor. Lavezares St., Binondo, Manila	1-23-81
3. Prudential Bank & Trust Co.	Branch	Quezon Avenue, Lucena City	1-17-81
4. Traders Royal Bank	Branch	Candon, Ilocos Sur	1-09-81
5. Commercial Bank of Manila ^{1/}	H.O.	6764 Ayala Ave., Makati, M.M.	1-08-81
6. Republic Planters Bank	Branch	Tuguegarao, Cagayan	1-29-81
7. Allied Banking Corp.	FX & Cash Unit	Vito Cruz and Mabini Sts., (Philcote), Malate, Manila	2-16-81
8. Philippine Bank of Communications	Branch	Ayala Ave., Makati, M. M.	2-12-81
9. Philippine Trust Co.	Branch	Magsaysay & Sta. Ana Sts. Davao City	2-17-81
10. Rizal Commercial Banking Corp.	Branch	Divisoria, Tondo, Manila	2-16-81
11. Security Bank & Trust Co.	Branch	Tetuan, Zamboanga City	2-16-81
12. Traders Royal Bank	Branch	Marikina Shoe Expo, 15th Ave. Cubao, Quezon City	2-06-81
13. Insular Bank of Asia and America	Branch	Henson St., Angeles City	3-16-81
14. Philippine National Bank	Branch	E. Rodriguez Sr. Ave., Quezon City	3-23-81
15. Philippine National Bank	Branch	University of the Philippines, Los Baños, Laguna	3-30-81
16. Producers Bank of the Philippines	Branch	Mandaue City	3-16-81
17. Prudential Bank & Trust Co.	Branch	Tarlac, Tarlac	3-03-81
18. Traders Royal Bank	Branch	Parañaque Public Market, Parañaque Metro Manila	3-20-81
19. United Coconut Planters Bank	Branch	Baguio City	3-16-81
20. Allied Banking Corp.	Branch	Jolo, Sulu	4-20-81
21. CityTrust Banking Corp.	Branch	Ayala Ave., Makati, Metro Manila	4-27-81
22. Allied Banking Corp.	Branch	Tuguegarao, Cagayan	4-27-81
23. Allied Banking Corp.	Branch	Cauayan, Isabela	4-27-81
24. Insular Bank of Asia and America	Branch	Retiro St., Sta. Mesa Heights, Quezon City	4-27-81
25. Metropolitan Bank & Trust Co.	Branch	Ayala Ave., Makati, Metro Manila	4-20-81
26. Producers Bank of the Phils.	Branch	Colon & Magallanes Sts., Cebu City	4-24-81
27. Producers Bank of the Phils.	Branch	Tuguegarao, Cagayan	4-01-81
28. Traders Royal Bank	Branch	Lacson St. cor. Capitol Road, Bacolod City	4-27-81
29. Philippine National Bank	Service Unit	Central Bank Complex, Mabini St. Malate, Manila	4-30-81
30. Allied Banking Corp.	Branch	Malaybalay, Bukidnon	5-25-81
31. Equitable Banking Corp.	Branch	Marulas-Karuhatan, Valenzuela, M.M.	5-26-81
32. Insular Bank of Asia and America	Branch	340 Roosevelt Ave., San Francisco del Monte, Quezon City	5-11-81
33. Metropolitan Bank & Trust Co.	Branch	España St., Sampaloc, Manila	5-19-81
34. Pacific Banking Corp.	Branch	Unimart, Greenhills, San Juan, M.M.	5-25-81

35.	Philippine National Bank	Service Unit	Vito Cruz & Mabini Sts., Malate, Manila	5-04-81
36.	Producers Bank of the Phils.	Branch	Poblacion, Dagupan City	5-04-81
37.	CityTrust Banking	Branch	Dofia Magdalena Hemady St. cor. Aurora Blvd., New Manila, Q.C.	6-30-81
38.	Far East Bank & Trust Co.	Branch	Barter Trade Zone, Zamboanga City	6-08-81
39.	Philippine Banking Corp.	E.O.	Del Monte Ave., Quezon City	6-23-81
40.	Philippine National Bank	Branch	Blumentritt St., Sta. Cruz, Manila	6-11-81
41.	Rizal Commercial Banking Corp.	Branch	E. Rodriguez & J.P. Rizal Sts., Marikina, Metro Manila	6-17-81
42.	Traders Royal Bank	Branch	Kalibo, Aklan	6-22-81
43.	Philippine Banking Corp.	E.O.	Shaw Blvd. & Kalentong St. Mandaluyong, Metro Manila	7-28-81
44.	Producers Bank of the Phils.	Branch	West Ave., Diliman, Quezon City	7-03-81
45.	Producers Bank of the Phils.	Branch	Magsaysay St., Sta. Ana, Davao City	7-28-81
46.	Producers Bank of the Phils.	Branch	Justice Romualdez, Tacloban City	7-31-81
47.	Producers Bank of the Phils.	Branch	Ayala Ave., Makati, Metro Manila	7-31-81
48.	Security Bank & Trust Co.	Branch	Biñan, Laguna	7-14-81
49.	Security Bank & Trust Co.	Branch	Reina Regente and Jose Abad Santos Sts., Tondo, Manila	7-15-81
50.	Traders Royal Bank	Branch	Malabon, Metro Manila	7-17-81
51.	Traders Royal Bank	Branch	A.M. Associates Bldg., 28 Quezon Blvd., Quezon City	7-20-81
52.	United Coconut Planters Bank	Branch	Cubao, Quezon City	7-17-81
53.	Consolidated Bank & Trust Co.	Rep. Office	Hongkong	7-07-81
54.	Allied Banking Corp.	Branch	Surigao City	8-03-81
55.	Allied Banking Corp.	Branch	Kalibo, Aklan	8-10-81
56.	Allied Banking Corp.	Branch	Santiago, Isabela	8-10-81
57.	Allied Banking Corp.	Branch	Tarlac, Tarlac	8-10-81
58.	CityTrust Banking Corp.	Branch	Shaw Blvd. & Kalentong St., Mandaluyong, Metro Manila	8-24-81
59.	Philippine National Bank	Rep. Office	Chicago, Illinois, U.S.A.	8-26-81
60.	Bank of the Philippine Islands	Branch	Nayong Pilipino, Manila International Airport, Pasay City	9-29-81
61.	Consolidated Bank & Trust Co.	Branch	Arraque Market, Sta. Cruz, Manila	9-07-81
62.	Far East Bank & Trust Co.	Branch	Buendia Ave., Makati, Metro Manila	9-01-81
63.	Philippine Banking Corp.	E.O.	Jones Ave. & P. Ramos St., Cebu City	9-07-81
64.	Philippine National Bank	Branch	Ligao, Albay	9-29-81
65.	China Banking Corp.	Branch	Burgos & Paco Roman Sts., Cabanatuan City	9-14-81
66.	Allied Banking Corp.	Branch	ADA Bldg., Marine Drive, Agana, Guam	9-28-81
67.	CityTrust Banking Corp.	E.O.	Tuba, Benguet	10-19-81
68.	CityTrust Banking Corp.	Branch	Veria Bldg. I, West Ave., Quezon City	10-19-81
69.	CityTrust Banking Corp.	Branch	Las Piñas, Metro Manila	10-26-81
70.	Philippine Commercial & Industrial Bank	Money Shop	Gumaca, Quezon	10-12-81
71.	Philippine Commercial & Industrial Bank	Branch	San Jose, Antique	10-13-81
72.	Philippine Commercial & Industrial Bank	Money Shop	Locsin, Albay	10-14-81
73.	Philippine Commercial & Industrial Bank	Branch	BF Homes, Parañaque, Metro Manila	10-28-81
74.	Producers Bank of the Philippines	Branch	C.M. Recto & Evangelista Sts., Quiapo, Manila	10-07-81
75.	Producers Bank of the Philippines	Branch	Bacolod City	10-12-81

76.	Republic Planters Bank	Branch	Quirino District, Quezon City	10-13-81
77.	Rizal Commercial Banking Corp.	Branch	Baclaran Public Market, Parañaque, Metro Manila	10-12-81
78.	Rizal Commercial Banking Corp.	Branch	Burgos Ave. & Paco Roman Sts. Cabanatuan City	10-13-81
79.	Traders Royal Bank	Branch	Las Piñas, Metro Manila	10-19-81
80.	International Corporate Bank	Branch	Guagua, Pampanga	10-19-81
81.	International Corporate Bank	Branch	Plaridel St., Cebu City	10-19-81
82.	Land Bank of the Phils.	Branch	San Fernando, La Union	10-29-81
83.	CityTrust Banking Corp.	Branch	Session Road, Baguio City	11-13-81
84.	Consolidated Bank & Trust Corp.	Branch	Timog Ave., Kamuning, Quezon City	11-23-81
85.	China Banking Corp.	Branch	Zamboanga City	11-06-81
86.	Manila Banking Corp.	Branch	Gregorio Araneta Ave., Galas, Quezon City	11-16-81
87.	Manila Banking Corp.	Branch	Ortigas Ave., Ext., Cainta, Rizal	11-16-81
88.	Metropolitan Bank & Trust Co.	Branch	Meycauayan, Bulacan	11-09-81
89.	Pacific Banking Corp.	E.O.	E. Rodriguez Sr. Blvd., Quezon City	11-04-81
90.	Security Bank & Trust Co.	Branch	Shaw Blvd. & EDSA, Mandaluyong, Metro Manila	11-01-81
91.	Allied Banking Corp.	Branch	Butuan City	12-14-81
92.	Allied Banking Corp.	Branch	Quezon Ave., Lucena City	12-28-81
93.	Consolidated Bank & Trust Corp.	Branch	1197 EDSA, San Francisco del Monte, Quezon City	12-21-81
94.	Far East Bank & Trust Co.	Branch	Kamuning, Quezon City	12-21-81
95.	International Corporate Bank	Branch	Herdís Bldg., Salcedo St., Legaspi Vil., Makati, M.M.	12-14-81
96.	International Corporate Bank	Branch	Salcedo St., corner Aguirre St. Legaspi Vil., Makati, M.M.	12-14-81
97.	International Corporate Bank	Branch	Poblacion, Dagupan City	12-14-81
98.	Manila Banking Corp.	Branch	Sangandaan, Caloocan City	12-28-81
99.	Philippine Trust Co.	Branch	C.M. Recto & Evangelista Sts., Quiapo, Manila	12-21-81
100.	Producers Bank of the Phils.	Branch	Baclaran Public Market, Parañaque Metro Manila	12-10-81
101.	Producers Bank of the Phils.	Branch	Cauayan, Isabela	12-10-81
102.	Producers Bank of the Phils.	Branch	Jolo, Sulu	12-10-81
103.	Producers Bank of the Phils.	Branch	Ozamis City	12-28-81
104.	Producers Bank of the Phils.	Branch	Cagayan de Oro City	12-28-81
105.	Traders Royal Bank	Branch	Rizal Park, Taft Ave., Ermita, Manila	12-14-81
106.	United Coconut Planters Bank	Branch	San Pedro-Banckerohan, Davao City	12-07-81
107.	International Corporate Bank	Branch	Delgado St., Iloilo City	12-02-81
108.	Family Bank ^{2/}	Branch	Roosevelt Ave. cor. EDSA, Quezon City	2-16-81
109.	Family Bank ^{2/}	Branch	Blumentritt St., San Juan, M.M.	2-23-81

SAVINGS & MORTGAGE BANKS

1.	Banco Filipino	E.O.	Retiro St., Sta. Mesa Heights, Q.C.	1-06-81
2.	Banco Filipino	Branch	P. Burgos St. & Makati Ave., Makati, M.M.	1-06-81
3.	Banco Filipino	E.O.	Aurora Blvd., New Manila, Quezon City	1-21-81
4.	Banco Filipino	Branch	P. Burgos St. & Rizal Ave. Batangas City	1-21-81
5.	Banco Filipino	Branch	Santiago, Isabela	1-21-81
6.	Union Savings Bank	Branch	Aurora Blvd. cor. Stanford St. Cubao, Cuezon City	1-19-81
7.	First Summa Savings Bank	Branch	Bayan-bayanan Ave., Concepcion, Marikina, Metro Manila	2-12-81

8.	First Summa Savings Bank	Branch	Quezon Blvd., Quezon City	2-16-81
9.	Monte de Piedad	Branch	Navotas, Metro Manila	2-02-81
10.	Banco Pilipino	Branch	Butuan City	4-10-81
11.	Banco Pilipino	Branch	Navotas, Metro Manila	4-21-81
12.	Banco Pilipino	Branch	West Ave., Quezon City	4-28-81
13.	Philippine Savings Bank	E.O.	J.P. Rizal St., Makati, Metro Manila	4-11-81
14.	Savings Bank of Manila	Branch	Blumentritt St., Sta. Cruz, Manila	4-22-81
15.	Savings Bank of Manila	Branch	Quirino District, Quezon City	4-22-81
16.	Banco de Oro	Branch	Cubao, Quezon City	6-04-81
17.	First Summa Savings Bank	Branch	Quirino District, Quezon City	6-02-81
18.	Philippine Savings Bank	Branch	Alabang, Muntinlupa, Metro Manila	6-08-81
19.	Philippine Savings Bank	Branch	Maypajo Market, Maypajo, Cal. City	6-26-81
20.	Banco Filipino	E.O.	Moriones, Tondo, Manila	7-28-81
21.	Banco Filipino	Branch	Balanga, Bataan	7-28-81
22.	Philippine Savings Bank	E.O.	Santolan Road, Cubao, Quezon City	7-01-81
23.	Banco Filipino	Branch	Puerto Princesa City, Palawan	8-04-81
24.	Monte de Piedad	Branch	U.N. Ave., Paco, Manila	8-31-81
25.	First Summa Savings Bank	Branch	Pasig Public Market, Mabini St. Pasig, Metro Manila	9-01-81
26.	Home Savings Bank	E.O.	Marulas-Karuhatan, Valenzuela, Metro Manila	11-04-81
27.	First Summa Savings Bank	Branch	Gen. Maxilom Ave. corner Jacosalem St., Cebu City	11-11-81
28.	Home Savings Bank	Branch	Quirino District, Quezon City	12-19-81
29.	Banco de Oro	Branch	SM-ACA Bldg., Vito Cruz cor. Kamagong, Makati, M.M.	12-08-81
30.	Banco de Oro	Branch	Pasig Public Market, Pasig, Metro Manila	12-10-81

DEVELOPMENT BANKS

1.	Cavite Development Bank	E.O.	Bacoor, Cavite	2-23-81
2.	Premiere Development Bank	E.O.	7-A EDSA near cor. Evangelista St. Makati, Metro Manila	2-16-81
3.	Quezon Development Bank	Branch	Mercedes, Camarines Norte	2-16-81
4.	Lipa City Development Bank	E.O.	San Jose, Batangas	3-30-81
5.	Peninsula Development Bank	Agency	Labo, Camarines Norte	3-20-81
6.	Peoples Development Bank	E.O.	Imus, Cavite	3-14-81
7.	Second Laguna Development Bank	Branch	Siniloan, Laguna	3-14-81
8.	Urban Development Bank	Branch	Buendia Ave., Makati, Metro Manila	3-04-81
9.	Bangko Makati Development Bank	Branch	Makati Commercial Center, Makati, M.M.	4-02-81
10.	Bataan Development Bank	E.O.	Dinalupihan, Bataan	5-09-81
11.	Bataan Development Bank	E.O.	Abucay, Bataan	5-16-81
12.	Calapan Development Bank	E.O.	Bauan, Batangas	5-16-81
13.	Midland Development Bank	Branch	Rosario & Gandara Sts. San Nicolas, Manila	6-11-81
14.	Bataan Development Bank	E.O.	Orani, Bataan	7-11-81
15.	Lipa City Development Bank	E.O.	Ibaan, Batangas	7-06-81
16.	Queen City Development Bank	H.O.	Iznart & J.M. Basa Sts., Iloilo City	7-18-81
17.	Batangas Capitol Development Bank	Branch	Bauan, Batangas	7-31-81
18.	Batangas Capitol Development Bank	Branch	Nasugbu, Batangas	7-31-81
19.	Premiere Development Bank	Branch	Pasig Public Market, Pasig, M.M.	8-31-81
20.	Midland Development Bank	Branch	Malabon, Metro Manila	9-14-81

21.	Urban Development Bank	Branch	Pasong Tamo, Makati, M.M.	10-30-81
22.	Urban Development Bank	Branch	Dasmariñas St., San Nicolas, Manila	10-30-81
23.	Development Bank of Rizal	Branch	Alabang, Muntinlupa, M.M.	11-27-81
24.	First Malayan Development Bank	E.O.	Calamba, Laguna	11-12-81
25.	Piso Development Bank	H.O.	Blumentritt, Sta. Cruz, Manila	11-06-81
26.	Planters Development Bank	Branch	Meycauayan, Bulacan	12-21-81

STOCK SAVINGS AND LOAN ASSOCIATIONS

1.	Lemery SLA, Inc.	Savings Agency	Taal, Batangas	1-28-81
2.	Paluwagan ng Bayan SLA, Inc.	Branch	Divisoria, Tondo, Manila	1-17-81
3.	Davao SLA, Inc.	Savings Agency	Davao City	2-28-81
4.	Permanent SLA, Inc.	Branch	Escolta, San Nicolas, Manila	2-20-81
5.	Grand SLA, Inc.	Branch	Libertad St. cor. Taft Ave., Pasay City	3-06-81
6.	Pag-asa SLA, Inc.	Branch	Santolan Road, Murphy, Quezon City	3-02-81
7.	Town SLA, Inc.	Branch	Hagonoy, Bulacan	3-02-81
8.	Grand SLA, Inc.	Branch	Quirino District, Quezon City	3-27-81
9.	Farmers SLA, Inc.	Savings Agency	Norzagaray, Bulacan	6-11-81
10.	Farmers SLA, Inc.	Savings Agency	Marilao, Bulacan	6-21-81
11.	Davao SLA, Inc.	Branch	Kidapawan, North Cotabato	7-08-81
12.	Davao SLA, Inc.	Branch	Malaybalay, Bukidnon	7-18-81
13.	Paluwagan ng Bayan SLA, Inc.	E.O.	Hagonoy, Bulacan	7-08-81
14.	Permanent SLA, Inc.	Branch	San Francisco del Monte, Q.C.	7-31-81
15.	Asian SB (Equity SLA, Inc.) ^{3/}	Branch	Baclaran Public Market, Baclaran, Parañaque, Metro Manila	8-17-81
16.	Cordillera SLA, Inc.	Branch	Bambang, Nueva Vizcaya	8-28-81
17.	Liberty SLA, Inc.	E.O.	Meycauayan, Bulacan	8-16-81
18.	Permanent SLA, Inc.	Branch	Elcano St., San Nicolas, Manila	9-18-81
19.	Molave SLA, Inc.	Branch	Santiago, Isabela	10-28-81
20.	Balanga SLA, Inc.	Savings Agency	Orion, Bataan	10-05-81
21.	Market SLA, Inc.	Branch	Blumentritt, Sta. Cruz, Manila	10-19-81
22.	Hermosa SLA, Inc.	Branch	Mariveles, Bataan	11-04-81
23.	Mayon SLA, Inc.	H.O.	Ligao, Albay	11-18-81

RURAL BANKS

1.	Rural Bank of Bagumbayan, Inc.	H.O.	Bagumbayan, Sultan Kudarat	1-14-81
2.	Rural Bank of Laurel, Inc.	H.O.	Laurel, Batangas	1-20-81
3.	Rural Bank of Majayjay, Inc.	E.O.	Majayjay, Laguna	1-14-81
4.	Rural Bank of Subangdaku, Inc.	H.O.	Subangdaku, Mandaue City	1-18-81
5.	Rural Bank of Tupi, Inc.	H.O.	Tupi, South Cotabato	1-03-81
6.	Rural Bank of Bobon, Inc.	H.O.	Bobon, Northern Samar	7-25-81
7.	Cooperative Rural Bank of Ilocos Norte, Inc.	H.O.	San Nicolas, Ilocos Norte	10-25-81
8.	Rural Bank of Basey, Inc.	H.O.	Basey, Negron Oriental	10-10-81
9.	Rural Bank of Sagada, Inc.	H.O.	Sagada, Mt. Province	11-14-81

^{1/} - The former Overseas Bank of Manila which was closed by the Central Bank in 1968, was re-opened on January 8, 1981 under its new name of Commercial Bank of Manila.

^{2/} - Formerly Family Savings Bank, converted to a commercial bank on March 2, 1981

^{3/} - Asian Savings Bank has been granted authority by the Central Bank of the Philippines to engage in full savings banking under MB Resolution No. 813 which also empowered it to change its corporate name from the former Equity Savings and Loan Association

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PILAR A. PICAZO**
Staff Assistant to the Chairman

* On Leave
** Acting Chief Cashier

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(Governor, Central Bank of the
Philippines)
Member