



June 18, 2013
Circular No. SBP-DR-0078-2013

General Manager

Subject: Article 10 of **Rule 4-2008** on other authorized liquid assets.

Dear General Manager:

Article 10 of Rule 4-2008 dated 24 July 2008 establishes other liquid assets authorized by this Superintendency for the calculation of the legal liquidity required by Article 73 of the Banking Law.

In compliance with the above provision, the liquid assets listed in Article 10 of the cited Rule include features that are specific to debt instruments. These instruments are securities containing an obligation from an issuer to pay the capital invested plus the interest agreed upon, with the issuer maintaining the obligation regardless of the holder.

In this regard, we advise you that those securities that do not include debt instrument features will not be considered other liquid assets under Article 10 of Rule 4-2008. Consequently, participations in investment funds and other capital instruments are excluded from the legal liquidity index.

We would greatly appreciate your providing your staff with the necessary instructions in order to comply with the provisions of this Circular

Best regards,

Alberto Diamond R.
Superintendent

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