

December 29, 2021  
Circular N° SBP-DR-0137-2021

General Manager

Subject: Letter to Financial Statements on the  
“Modified Special Mention” loan category

Dear General Manager:

Following up on the provisions contained in Rule 6-2021 dated 22 December 2021 “Whereby the parameters and guidelines for determining the provisions applicable to “Modified Special Mention” loans are established, and other provisions are prescribed,” we have enclosed hereto a template of the letter to the audited financial statements to make it easier for banks to draft the disclosures on loans recorded under the modified special mention category, required by Article 8 of Rule 6-2021.

In view of the foregoing, banks must strictly attach to the template as of the accounting close of December 31, 2021 and subsequent closings. Additionally, it is of utmost importance to indicate that banks may add to this template any other information they deem relevant for their specific circumstances.

Please note that the modified loan portfolio is different from the portfolio mentioned in Rule 4-2013 and, therefore, modified loan figures must not be included in the tables representing the portfolio under Rule 4-2013, as the many cases we observed at the closing of 2020.

This circular rescinds circular SBP-DR-0307-2020 dated October 12, 2020.

We would greatly appreciate your providing the necessary instructions to your staff for compliance with these provisions.

Best regards,

*Digitally signed by [S]*  
NAME CASTILLO CHANG,  
AMAURI ARIEL – ID 8-238-386  
Date: 2021.12.30 07:23:51 - 05'00'  
Amauri A. Castillo  
Superintendent

Enc.: A/s

ARV/adec

*“Velando por la solidez del Centro Bancario Internacional”*