Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Bldg. EDSA, Greenhills, Mandaluyong City
CORPORATION FINANCE DEPARTMENT

SEC MEMORANDUM CIRCULAR NO. 10
Series of 2006

AMENDMENT TO THE GUIDELINES ON THE EVALUATION OF FOREIGN INVESTMENTS BY MUTUAL FUND COMPANIES (SEC MEMORANDUM CIRCULAR NO. 7, SERIES OF 2005)

The Commission En Banc, in its Resolution No.359 adopted during its meeting held on August 3, 2006, resolved to amend the Guidelines on the Evaluation of Foreign Investments by Mutual Fund Companies (SEC Memorandum Circular No. 7, Series of 2005) so that Section 2 (a)(ii) of the same shall read as follows:

"Sec. 2. The said investments shall be limited to the following financial instruments:

a. Bonds and other evidence of indebtedness

i. xxx xxx xxx

ii. Those registered and traded in an organized market in another country whose issue and issuer/borrower received a credit rating of at least BBB from a reputable international credit rating agency;

iii. xxx xxx xxx"

The foregoing amendment in Section 2 shall take effect fifteen (15) days from publication in two (2) newspapers of general circulation in the Philippines.

August 3, 2006, Mandaluyong City, Philippines.

FE B. BARIN
Chairperson