

COMMISSIONER OF FINANCIAL INSTITUTIONS  
GOVERNMENT OF PUERTO RICO

CIRCULAR LETTER 96-5105-4

TO : ELIGIBLE INSTITUTIONS


RE : AUTHORIZATION PURSUANT TO SECTION 4.2.2 OF  
REGULATION 5105 TO USE FINANCIAL INFORMATION  
SERVICE PROVIDED BY BLOOMBERG FINANCIAL  
MARKETS, INC.

DATE : FEBRUARY 20, 1997

**AUTHORITY**

This Circular Letter is issued by this, the Office of the Commissioner of Financial Institutions (the "Office"), pursuant to the provisions of Articles 10(a)(2) and 10(a)(8) of Act Number 4 of October 11, 1985 and Articles 3 and 11 of Regulation 5105.

**PURPOSE**

The purpose of this Circular Letter is to include the information services offered by Bloomberg Financial Markets, Inc. ("Bloomberg") within the definition of an entity which may quote an applicable market rate as that term is used in Section 4.2.2 of Regulation 5105.

**BACKGROUND**

Section 4.2.2 of Regulation 5105 defines the term "Applicable LIBID Rate" as the "bid" interest rate for Eurodollar deposits of comparable maturity, as quoted in page 4833 of Telerate on the same day at 9:00a.m. - Eastern Standard Time (Eastern Daylight Time, when applicable)".

Bloomberg Financial Markets, Inc. provides an international service of financial information which is currently used by some eligible institutions. Bloomberg has asked this Office to be included within the purview of Section 4.2.2, supra. Bloomberg has undertaken to provide the information service to this Office, in order to allow adequate supervision and verification of the quoted rates.



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**OFFICIAL INTERPRETATION OF SECTION 4.2.2**

We are persuaded by the arguments submitted by Bloomberg to the effect that the inclusion of more than one official source of market rates will, in fact, encourage competition among different financial information services which will be of benefit to the general industry. Accordingly, this Office finds convenient to establish the policy in favor of facilitating the swift flow of financial information.

Such being the case, we find that the inclusion of Bloomberg as an additional source for the establishment of "Applicable LIBID Rate" as defined in Section 4.2.2 of Regulation 5105 is well justified and in accordance with the above mentioned public policy.

Accordingly, this Office hereby includes the rates quoted by Bloomberg Financial Markets, Inc. as within the definition of "Applicable LIBID Rate" contained in Section 4.2.2 of Regulation 5105. The information screens to be used for this rate are MMR 12, pages 1 and 2. Any institutions using this service should notify this Office.

This designation will be effective while Bloomberg maintains the above mentioned service available to this Office.

**APPROVED**