



Bangko Sentral ng Pilipinas

OFFICE OF THE GOVERNOR

CIRCULAR NO. 438
Series of 2004

The Monetary Board, in its Resolution No. 661 dated May 6, 2004, approved the following amendment to Subsection 1381.2, item (a) of the Manual of Regulations for Banks (MORB), which reads:

Subsection 1381.2, item (a) of the Manual of Regulations for Banks shall now read as follows:

Subsection 1381.2 Limits on investments in non-allied enterprises

" a. The equity investment of a universal bank, or of its wholly or majority-owned subsidiaries, in a single non-allied enterprise shall not exceed thirty-five percent (35%) of the total equity in that enterprise nor shall it exceed thirty-five percent (35%) of the voting stock in that enterprise.

For the purpose of determining compliance with the ceiling prescribed in the preceding paragraph, (i) the equity investment of the bank; and (ii) the equity investment of the bank's subsidiaries, shall be combined."

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:

ARMANDO L. SURATOS
Officer-in-Charge

June 18, 2004

MAG-IMPOK SA BANGKO