



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 847
Series of 2014

Subject: Application of Special Licensing Fees on Relocation of Head Offices, Branches/Other banking offices (OBOs), and Approved but Unopened Branches/OBOs to Restricted areas

Pursuant to Monetary Board Resolution No. 1267 dated 14 August 2014 subjecting the relocation of head offices, branches/other banking offices (OBOs), and approved but unopened branches/OBOs to the cities of Makati, Mandaluyong, Manila, Paranaque, Pasay, Pasig, Quezon and San Juan to the special licensing fee of P20 million for universal and commercial banks and P15 million for thrift banks, the pertinent provisions of the Manual of Regulations for Banks (MORB) are hereby amended, as follows:

Section 1. Subsection X151.5 of the MORB is hereby amended to read as follows:

"§ X151.5 Branch processing and special licensing fee

"A. Branch processing fee

"xxx xxx xxx

"B. Special licensing fee

"For branch applications in the restricted areas, the applicant bank shall upon acceptance of branch application, pay a special licensing fee per branch depending on the bank's category, as follows:

Bank Category	Licensing Fee Per Branch
UB/KB	P20 million
TB	15 million

"Relocation of approved but unopened branches/OBOs under Subsec. X151.7, branches/OBOs under Subsec. X151.9, and relocation of head offices under Section X152, shall be subject, in the manner therein provided, to the special licensing fees."

Section 2. Subsection X151.7 of the MORB is hereby amended to read as follows:

"§ X151.7 Opening of banking offices. Approved branches/OBOs shall be opened, as follows:

"a. xxx xxx xxx

"xxx xxx xxx

"b. xxx

xxx

xxx

"Approved but not yet opened branches/OBO may be relocated upon prior approval by the Deputy Governor, SES, subject to the presentation of justification and valid reason for the relocation, and resubmission of the information/documents enumerated in Subsec. X151.3 on application for authority to establish branches: Provided, That branches located outside the restricted areas which will be relocated to restricted areas shall be subject to the special licensing fee under Subsection X151.5 upon approval of the relocation; Provided, further, That the opening of the relocated branch/OBO shall be made within the prescribed period mentioned above from date of Monetary Board approval of its establishment and shall not be subject to any extension.

"xxx

xxx

xxx

Section 3. Subsection X151.9 of the MORB is hereby amended to read as follows:

"§ X151.9 Relocation of branches/other banking offices. Relocation of existing branches/OBOs, whether to be opened at the new site on the next banking day or within one (1) year from the date of closure of the branch/OBO, shall be allowed in accordance with the following procedures.

"a. Notice of relocation of branch/OBO signed by the president of the bank or officer of equivalent rank, together with a certified true copy of the resolution of the bank's board of directors authorizing said relocation, and an undertaking that the bank shall comply with the notification requirement under Item "b" below, shall be submitted by the bank to the appropriate department of the SES. The notice shall include information as to the new relocation site, the timetable for the said relocation, date and manner of payment of special licensing fee under Subsec. X151.5, as may be applicable, and the branch/OBO that will handle the transactions of the branch/OBO to be relocated, as may be applicable;

"xxx

xxx

xxx

"e. Branches/OBOs may be relocated anywhere, subject to the branching guidelines under Subsec. X151.4. Provided, That branches/OBOs located outside the restricted areas which will be relocated to restricted areas shall be subject to the special licensing fee under Subsec. X151.5; and

"f. Relocation of branches/OBO beyond one (1) year shall be deemed as permanent closure and surrender of license of the branch/OBO at the old site, and the opening of a branch/OBO at the new site shall be deemed as an establishment of a new branch/OBO, subject to the provisions of Subsecs. X151.2/X151.6 on the prerequisites for the grant of authority to establish a branch/establishment of OBOs."

Section 4. Subsection X151.11 of the MORB is hereby amended to read as follows:

"§ X151.11 Relocation/Transfer of branches licenses of closed bank.

"Buyers of closed banks shall be allowed to relocate/transfer acquired branches subject to the conditions stated under Items "d" and "e" of the first paragraph of Subsec. X151.9 on relocation of branches/OBOs."

Section 5. Section X152 of the MORB is hereby amended to read as follows:

"§ X152. Relocation of Head Offices. Relocation of a bank's head office shall require prior approval of the Monetary Board in accordance with the following procedures:

"a. xxx xxx xxx

"xxx xxx xxx

"c. Within five (5) banking days from the date of relocation, xxx.

"A bank's head office may be relocated anywhere it is allowed to establish branches as provided in Subsec.X151.4 on branching guidelines. Provided, That head offices located outside the restricted areas which will be relocated to restricted areas shall be subject to the special licensing fee under Subsection X151.5 upon approval of the relocation.

"xxx xxx xxx"

This Circular shall take effect fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


NESTOR A. ESPENILLA, JR.
Officer-in-Charge

21 August 2014