



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE GOVERNOR

Circular No. 309
Series of 2001

Pursuant to Monetary Board Resolution No. 1775 dated 8 November 2001, the provisions of the Manual of Regulations for Banks are hereby amended as follows:

Section 1. Item (c) of Subsection X126.2.d.1 of the Manual of Regulations for Banks is hereby deleted and the remaining provisions are hereby amended to read as follows:

"d. Transfers requiring prior Monetary Board approval –

- (1) Prior approval of the Monetary Board shall be required on the following:
 - (a) Any sale or transfer or series of sales or transfers which will result in ownership or control of more than twenty percent (20%) of the voting stock of a bank by any person whether natural or juridical or which will enable such person to elect, or be elected as, a director of such bank; and
 - (b) Any sale or transfer or series of sales or transfers which will effect a change in the majority ownership or control of the voting stock of the bank from one group of persons to another group: Provided, That in no case shall such sale or transfer be approved unless the bank concerned shall immediately comply with the prescribed minimum capital requirement for new banks, notwithstanding any approved capital build-up program.

Section 2. A new subparagraph, numbered as (3) is hereby added to Subsection X126.2.d, to read as follows:



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- (3) **Sanctions.** Any violation of the provisions under items (a) and (b) of subparagraph (1) above shall be subject to the sanctions prescribed under Sections 36 and 37 of R.A. No. 7653, without prejudice to the appropriate legal actions for the rescission and invalidation of the sale or transfer.

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:


ALBERTO V. REYES
Officer-in-Charge

16 November 2001