



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 775

Series of 2012

Subject: Definition of "Reasonable Period of Time" Relative to the Requirement on the Listing of Shares in the Philippine Stock Exchange (PSE) under Section 3 of Republic Act (R.A.) No. 7721 dated 18 May 1994

The Monetary Board in its Resolution No. 1800 dated 30 October 2012 approved the issuance of the policy defining the term "reasonable period of time" and the enforcement of the listing requirement under Section 3 of R.A. No. 7721 dated 18 May 1994, for banking corporations established under Sections 2(i) and (ii) of R.A. No. 7721, (i.e., foreign banks that entered the Philippine banking system either (i) by acquiring, purchasing or owning up to 60 percent of the voting stock of an existing bank, or (ii) by investing in up to 60 percent of the voting stock of a new banking subsidiary incorporated under the laws of the Philippines).

Thus, the provisions of Section X105.11 of the Manual of Regulations for Banks (MORB), implementing above cited law should read as follows:

"At least ten percent (10%) of the capital of banks in which foreign banks have invested under Subsection X105.1a and b, shall be listed in the PSE within 3 YEARS FROM DATE OF EFFECTIVITY OF CIRCULAR NO. 775 dated 28 November 2012. For foreign banks that subsequently invest through the aforementioned modes, the 3-year period shall be reckoned from the date of receipt of the BSP's approval of the investment."

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

FOR THE MONETARY BOARD:

A handwritten signature in black ink, appearing to read "AmTet", is written over the printed name of the Governor.

AMANDO M. TETANGCO, JR.

Governor

28 November 2012