



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 721

Series of 2011

Subject: Amendments to the Manual of Regulations for Banks (MORB) and Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) on the Exemption of Certain Trust/Other Fiduciary Accounts from the Client Suitability Assessment (CSA) Requirement

Pursuant to Monetary Board Resolution No. 703 dated 06 May 2011, Section III.A.2.(1).a of Appendix 83 and Appendix Q-48 of the Manual of Regulations for Banks (MORB) and Manual of Regulations for Non-Bank Financial Institutions (MORNBFI), respectively, are hereby amended to read as follows:

“(1) Account opening process. x x x

“a. AS A GENERAL RULE, Client profiling shall be performed for all UIT Fund and regular trust, other fiduciary and investment management accounts via a duly acknowledged Client Suitability Assessment (CSA), which aims to provide the TE with information leading to the prudent design of investment packages, suited to a particular client or investment account. THE CSA, HOWEVER, SHALL NOT BE REQUIRED FOR THE FOLLOWING TRUST AND OTHER FIDUCIARY ACCOUNTS:

- (I) COURT TRUST,
- (II) LEGISLATED AND QUASI-JUDICIAL TRUST,
- (III) TRUST UNDER INDENTURE,
- (IV) FACILITY/LOAN AGENCY,
- (V) TRANSFER AGENCY,
- (VI) DEPOSITORY AND REORGANIZATION,
- (VII) ESCROW,
- (VIII) CUSTODIANSHIP,
- (IX) SAFEKEEPING, AND
- (X) INSTITUTIONAL TRUST – PRE-NEED PLANS.

The profiling process, to be documented through a CSA Form signed by the concerned parties, shall be undertaken on a per client basis, which shall emphasize the level of risk tolerance of the client.

x x x”

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

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

13 May 2011