

Bangko Sentral ng Pilipinas

MANILA

OFFICE OF THE GOVERNOR

CIRCULAR LETTER

To : All Non-Bank Financial Institutions With Quasi-Banking Functions (NBQBs), Investment Houses (IHs) With Trust Functions, Non-Stock Savings And Loan Associations (NSSLAs), AND All Other Non-Bank Financial Institutions (NBFIs) Which are Subsidiaries or Affiliates of Banks or NBQBs

Subject : Business Continuity Plan

Objective

The terrorist attacks that triggered the tragic events of September 11, 2001, although occurring outside of the Philippines, once again highlight the need to have in place a comprehensive and updated business continuity plan as an integral part of a the risk management process of all financial institutions.

The overall goal of this business continuity plan must be to (1) ensure that there will be minimal disruption of bank operations (2) to minimize financial losses through lost business opportunities or asset deterioration, and (3) to ensure a timely resumption of normal operations.

Submission of Business Continuity Plan

Each NBQBs, IHs with Trust Functions, NSSLAs, and NBFIs which are subsidiaries or affiliates of banks or NBQBs, is required to submit to the BSP within thirty (30) days from effectivity of this Circular Letter its updated business continuity plan taking into account eventualities which could prevail based on experience. Such plan must be duly approved by its board of directors.

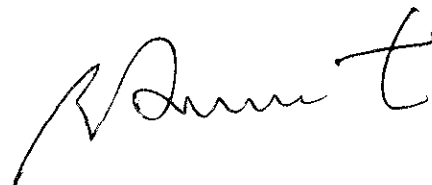
Validation of Continuity Plan

The senior management of the above-stated non-bank financial institutions shall be responsible for ensuring that the business continuity plan is adequately tested, validated and periodically reviewed. Submitted plans shall be independently reviewed and evaluated by the BSP.

Confidentiality of Submitted Business Continuity Plan

All business continuity plans submitted to BSP are confidential and are governed by the confidentiality provision under Section 27 of the New Central Bank Act (R. A. No. 7653).

This Circular-Letter shall take effect immediately.

A handwritten signature in black ink, appearing to read 'R. Buenaventura', is positioned above the printed name of the Governor.

RAFAEL B. BUENAVENTURA
Governor

3 October 2001