



Bangko Sentral ng Pilipinas

OFFICE OF THE GOVERNOR

Circular No. 406
Series of 2003

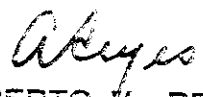
Pursuant to Monetary Board Resolution No. 1313 dated 10 September 2003, Subsec. X141.1 of the Manual of Regulations for Banks and Subsec. 4141Q.1 of the Manual of Regulations for Non-bank Financial Institutions are hereby amended to read as follows:

Section 1. Subsec. X141.1 and Subsec. 4141Q.1 Limits on the number of the members of the board of directors are hereby amended by adding a paragraph after Item 6 of the definition of an independent director to read as follows:

"An independent director of a bank/quasi-bank/trust entity can be elected as an independent director of its: (a) parent or holding company; (b) subsidiary or affiliate; (c) substantial shareholder; or (d) other related companies, or vice-versa: *Provided*, That he is not a substantial shareholder of the bank/quasi-bank/trust entity or any of the said concerned entities."

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

FOR THE MONETARY BOARD:


ALBERTO V. REYES
Officer-in-Charge

26 September 2003

MAG-IMPOK SA BANGKO