



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR

MEMORANDUM NO. M-2011- 019

To : **ALL BANKS**

Subject : **Transitory Provision under Circular No. 694, dated 14 October 2010, on the Establishment of Other Banking Offices (OBOs)**

Pursuant to the Transitory Provision under Section 2 of Circular 694, dated 14 October 2010, banks are given up to 15 April 2011 to declare to the BSP the desired classification of their existing Other Banking Offices (OBOs); otherwise, unclassified OBOs thereafter shall be automatically classified as regular OBOs after the said date. As regular OBOs, they shall perform only the following non-transactional activities, as provided under Circular 694:

- (1) Market loans, deposits and other bank products and services;
- (2) Accept loan applications and conduct preliminary credit evaluation as well as perform credit administration support services;
- (3) Host on-site automated teller machines (ATMs);
- (4) Perform customer care services;
- (5) Perform customer identification process, receive account opening documents and facilitate account activation: *Provided*, that account opening approval and actual opening of deposit accounts shall be done only at the head office/branches/extension offices; and
- (6) Such other non-transactional banking-related activities as may be authorized by the BSP.

Activities outside the enumeration above shall be phased out by 4 May 2011¹. The president or officer of equivalent rank of a bank with existing OBO/s covered by this transitory provision shall submit a certification under oath, within 30 calendar days from 4 May 2011, to their respective central point of contact that all existing OBOs conform to the provisions of Circular 694.

For information and guidance.


NESTOR A. ESPENILLA, JR.
Deputy Governor

29 March 2011

¹ Circular 694 became effective 4 November 2010 (15 days after publication in Malaya on 20 October 2010). 4 May 2011 is 6 months after effectivity.