



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 275
Series of 2001

Pursuant to its Resolution No. 144 dated January 25, 2001, the Monetary Board approved the following policy guidelines on the sale of branches of existing operating banks:

1. The sale of branches may be allowed with prior approval of the Monetary Board and subject to the following conditions:
 - a. The selling and acquiring banks should acquire the prior written consent of the Philippine Deposit Insurance Corporation (PDIC) in the transfer of assets and assumption of liabilities as provided under Section 16 of the PDIC Charter (R.A. No. 3591);
 - b. The selling bank shall get the prior approval of the Bangko Sentral ng Pilipinas (BSP) to close the branches to be sold and its President or its Executive Vice President shall certify, in addition to the certification required under Circular No. 93 dated October 30, 1995 on the closing of banking offices, that the bank gave the affected depositors the option to withdraw their deposits or to maintain the same with acquiring bank; and
 - c. The acquiring bank shall seek the prior approval of the BSP in the establishment of new banking offices in the areas where the branches to be acquired are located subject to existing BSP rules and regulations. In the opening of these branches, the President or the Executive Vice President of the bank shall certify, in addition to what is required under Circular No. 93 dated October 30, 1995 on the opening of new banking offices/branches, that the bank had conducted a review/evaluation of the assets to be acquired.



MAG-IMPOK SA BANGKO

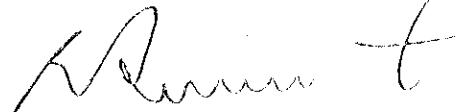
2. The acquiring bank shall pay a licensing fee per branch as follows:

Type of Bank	Metro Manila	Outside Metro Manila
Universal and commercial banks	P1 million	P500,000
Thrift Banks	P500,000	P250,000

3. As provided under existing regulations, relocation/transfer of branch may be allowed under the following terms and conditions:
- Existing branch license in Metro Manila can be relocated anywhere in Metro Manila, in other provincial areas or in other areas other than Metro Cebu and Metro Davao;
 - Existing branch license in Metro Cebu can be relocated anywhere in Metro Cebu, in other provincial areas or in other areas other than Metro Manila and Metro Davao;
 - Existing branch license in Metro Davao can be relocated anywhere in Metro Davao, in other provincial areas or in other areas other than Metro Manila and Metro Cebu; and
 - Existing branch licenses in provincial areas can be relocated anywhere in other provincial areas.

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:


RAFAEL B. BUENAVENTURA
 Governor

28 February 2001