



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 373
Series of 2003

In implementation of Section 53.3 of Republic Act No. 8791 (The General Banking Law of 2000, a bank may be authorized, upon prior Monetary Board approval, to render the following services in favor of subsidiaries, affiliates and companies related to it by at least 5% common ownership:

- a. Credit card, bank and loans reconciliation;
- b. Credit card billing;
- c. Time deposit processing;
- d. Merchant settlement and care service;
- e. Collections;
- f. Credit application processing;
- g. Call center support;
- h. Telemarketing of bank and credit card products;
- i. Human resource-related service;
- j. Finance/accounting functions;
- k. Documentation;
- l. Cashiering;
- m. Reports preparation; and
- n. Safekeeping of securities;

subject to the following conditions;

i. The particular type of service to be rendered by the bank should be submitted for prior approval of the Monetary Board;

ii. As service provider, the following shall be upheld by the bank:

a) Confidentiality of bank deposits and investment in government bonds (R.A. No. 1405);

b) Prohibition against outsourcing of inherent banking functions [Section 55.1 (e) of R.A. No. 8791 and Circular No. 268]; and

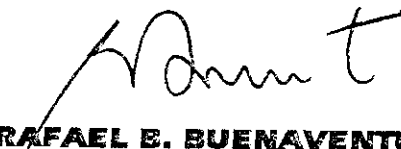


MAG-IMPOK SA BANGKO

- c) Prohibition on cross-selling except as allowed under applicable regulations.

This Circular shall take effect after fifteen (15) days following the completion of its publication in any newspaper of general circulation.

FOR THE MONETARY BOARD:


RAFAEL B. BUENAVENTURA
Governor

February 27, 2003