



Bangko Sentral ng Pilipinas
OFFICE OF THE GOVERNOR

CIRCULAR NO. 665
Series of 2009

Subject : **Amendment of Regulations Governing the Qualifications and Appointment/Designation of Trust Officers**

Pursuant to Monetary Board Resolution No. 1184 dated 19 August 2009, the provisions of the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORNBI) governing the qualifications and appointment/designation of trust officers are hereby amended as follows:

Section 1. Items a and b of Subsection X142.2 of the MORB are hereby amended to read as follows:

"Subsection X142.2 Qualifications of an officer. An officer shall have the following minimum qualifications:

"a. He shall be at least twenty-one (21) years of age;

"b. He shall be at least a college graduate, or have at least five (5) years experience in banking or trust operations or related activities or in a field related to his position and responsibilities, or have undergone training in banking or trust operations acceptable to the appropriate department of the SES: *Provided*, however, That trust officers shall have at least FIVE (5) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS, OR AT LEAST THREE (3) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP, OR AT LEAST FIVE (5) YEARS OF ACTUAL EXPERIENCE AS OFFICER OF A BANK OR RELATED ACTIVITIES AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP; and"

Section 2. Subsection X406.3 of the MORB is hereby amended to read as follows:

"Subsection X406.3 Qualifications of committee members, officers and staff. The bank's trust department shall be staffed by persons of competence, integrity and honesty. Directors, committee members and officers charged with the administration of trust and other fiduciary activities shall, in addition to meeting the qualification standards prescribed for directors and officers of banks, possess the necessary technical expertise in such business: *Provided*, That trust officers who shall be appointed shall have at least FIVE (5) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS, OR AT LEAST THREE (3) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS AND

PANANALAPING MATATAG, BANSANG PANATAG

COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP, OR AT LEAST FIVE (5) YEARS OF ACTUAL EXPERIENCE AS OFFICER OF A BANK OR RELATED ACTIVITIES AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP."

Section 3. Item b of Subsection 4142Q of the MORNBF1 is hereby amended to read as follows:

"b. He shall be at least a college graduate, or have at least five (5) years creditable experience or training in financial management or related activities, or in a field related to his position and responsibilities: *PROVIDED, HOWEVER, THAT TRUST OFFICERS SHALL HAVE AT LEAST FIVE (5) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS, OR AT LEAST THREE (3) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP, OR AT LEAST FIVE (5) YEARS OF ACTUAL EXPERIENCE AS OFFICER OF A BANK, NON-BANK FINANCIAL INSTITUTION OR RELATED ACTIVITIES AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP; and*"

Section 4. Subsection 4406Q.3 of the MORNBF1 is hereby amended to read as follows:

"Subsection 4406Q.3 Qualifications of committee members, officers and staff. The institution's trust department shall be staffed by persons of competence, integrity and honesty. Directors, committee members and officers charged with the administration of trust and other fiduciary activities shall, in addition to meeting the qualification standards prescribed for directors and officers of financial institutions, possess the necessary technical expertise in such business: *Provided, That trust officers who shall be appointed shall have at least. FIVE (5) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS, OR AT LEAST THREE (3) YEARS OF ACTUAL EXPERIENCE IN TRUST OPERATIONS AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP, OR AT LEAST FIVE (5) YEARS OF ACTUAL EXPERIENCE AS OFFICER OF A BANK, NON-BANK FINANCIAL INSTITUTION OR RELATED ACTIVITIES AND COMPLETED AT LEAST ONE YEAR TRAINING PROGRAM IN TRUST OPERATIONS ACCEPTABLE TO THE BSP."*

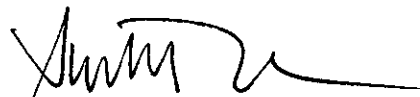
Section 5. Subsections X406.10 and 4406Q.10 of the MORB and MORNBF1, respectively, are hereby added to read as follows:

"Subsection X406.10/4406Q.10 APPROVAL OF THE APPOINTMENT/DESIGNATION OF TRUST OFFICERS. REGARDLESS OF RANK, THE APPOINTMENT/DESIGNATION OF TRUST OFFICERS SHALL REQUIRE PRIOR APPROVAL OF THE MONETARY BOARD. THE BIO-DATA OF THE PROPOSED TRUST OFFICERS SHALL BE SUBMITTED TO THE APPROPRIATE SUPERVISING AND EXAMINING DEPARTMENT.

"THE APPOINTMENT/DESIGNATION OF ALL INCUMBENT TRUST OFFICERS NOT PREVIOUSLY APPROVED/CONFIRMED BY THE MONETARY BOARD SHALL BE SUBMITTED, WITHIN SIX (6) MONTHS FROM DATE OF PUBLICATION OF THIS CIRCULAR, TO THE BSP, THROUGH THE APPROPRIATE SUPERVISING AND EXAMINING DEPARTMENT, FOR APPROVAL."

Section 6. This Circular shall take effect fifteen (15) days following its publication in the Official Gazette or in any newspaper of general circulation.

FOR THE MONETARY BOARD:



AMANDO M. TETANGCO, JR.
Governor

4 September 2009