



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS
OFFICE OF THE GOVERNOR

CIRCULAR NO. 323 Series of 2002

The Monetary Board, in its Resolution No. 306 dated February 28, 2002, approved the following amendments to Section X378 of the Manual of Regulations for Banks pursuant to Sections 25, 28 and 31 of Republic Act No. 8791.

“SEC. X378 Limits on Investment in the Equities of Financial Allied Undertakings.
The equity investment of a bank in a single financial allied undertaking shall be within the following ratios in relation to its total subscribed capital stock and to the total voting stock of the allied undertaking:

ACTIVITIES	INVESTOR						
	UB		KB		TB	RB	COOP
	Publicly -listed	Not Listed	Publicly -listed	Not Listed			
Allied enterprises							
Financial Allied Undertakings							
Universal Banks	100%	49%	100%	49%	49%	49%	49%
Commercial Banks	100%	49%	100%	49%	49%	49%	49%
Thrift Banks	100%		100%		49%	49%	49%
Rural Banks	100%		100%		49%	49%	100%
Coop Banks	NA		NA		NA	NA	30%
Insurance companies	100%		NA		NA	NA	49%
VCCs	60%		60%		60%	49%	49%
Others	100%		49%		40%	40%	40%

To promote competitive conditions, the Monetary Board may further limit the equity investments in quasi-banks of universal and commercial banks to forty percent (40%).

A publicly listed UB or KB may own up to one hundred percent (100%) of the voting stock of only one other UB or KB. Otherwise, it shall be limited to a minority holding.



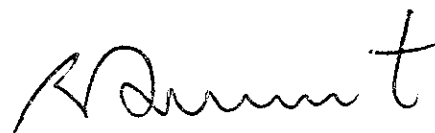
MAG-IMPOK SA BANGKO

The existing investment of a bank in another bank under R.A. No. 7721 shall be governed by Sec. X121 **insofar as it is consistent with Republic Act No. 8791.**

All Circulars previously issued which are inconsistent herewith are hereby superseded.

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:


RAFAEL B. BUENAVENTURA
Governor

March 13, 2002