

# [ PRESIDENTIAL DECREE NO. 1451, June 11, 1978 ]

## **AMENDING REPUBLIC ACT NUMBERED THREE THOUSAND FIVE HUNDRED NINETY-ONE, AS AMENDED, ENTITLED "AN ACT ESTABLISHING THE PHILIPPINE DEPOSIT INSURANCE CORPORATION, DEFINING ITS POWERS AND DUTIES AND FOR OTHER PURPOSES."**

**WHEREAS**, the deposit insurance scheme has been adopted to generate public faith and confidence in the banking system and the Philippine Deposit Insurance Corporation has been established to serve as the implementing agency of the Government;

**WHEREAS**, the Government is currently engaged in the institution of vital reforms in the banking system to enable it to play a more effective role in the socio-economic development of the country;

**WHEREAS**, as a means of encouraging the accumulation of more deposits in order to contribute to the socio-economic progress of the country, it is imperative that protection of deposits in banks be enhanced;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby order and decree the amendment of Republic Act No. 3591, as amended, as follows:

**SECTION 1.** Section three (g) of Republic Act Numbered Three Thousand Five Hundred Ninety-One, as amended, is hereby amended to read as follows:

**"SEC. 3.** (g) The term 'insured deposit means the net amount due to any depositor for deposits in an insured bank (after deducting offsets) less any part thereof which is in excess of P15,000.00. Such net amount shall be determined according to such regulations as the Board of Directors may prescribe and in determining the amount due to any depositor there shall be added together all deposits in the bank maintained in the same capacity and the same right for his benefit either in his own name or in the name of others."

**SEC. 2.** Section six (i) of the same Act is hereby amended to read as follows:

**"SEC. 6.** (i) Trust funds held by an insured bank in a fiduciary capacity whether held in trust or deposited in any other department or in another bank shall be insured like other forms of deposits, in an amount not to exceed P15,000.00 for each trust estate, and when deposited by the fiduciary bank in another bank such trust funds shall be similarly insured to the fiduciary bank according to the trust estates represented. Notwithstanding any other provision of this Act, such insurance shall be separate from and additional to that covering other deposits of the owners of such trust funds or the beneficiaries of such trust estates: *Provided*, That where the fiduciary bank deposits any of such trust funds in other insured banks, the amount so held by other insured banks on deposit shall not for the purpose of any certified statement required under subsections (b) and (c) of this section be considered to be a