

[BSP CIRCULAR NO. 606, S. 2008, March 26, 2008]

AMENDED REGULATIONS ON PROVISION OF OTHER BANKING SERVICES

The Monetary Board, in its Resolution No. 280 dated 6 March 2008, approved the following amendments to the Manual of Regulations for Banks (MORB) on the provision of other banking services.

SECTION 1. Subsection X169.11 on other banking services for subsidiaries, affiliates and related companies is hereby amended to read as follows:

"A bank may, upon prior Monetary Board approval, render the following services in favor of its subsidiaries, affiliates and companies related to it by at least five percent (5%) common ownership:

- a. Credit card, bank and loan reconciliations;
- b. Credit card billing;
- c. Time deposit processing;
- d. Merchant settlement;
- e. Collections which may involve legal action;
- f. Credit application processing;
- g. Call center support;
- h. Telemarketing of bank, credit card and insurance (life and non-life) products;
- i. Human-resource related service;
- j. Finance/accounting functions;
- k. Documentation;
- l. Cashiering;
- m. Reports preparation;
- n. Procurement;
- o. Records coordination;
- p. Mail room and general services;
- q. Internal audit services;
- r. Credit administration services, such as, limit administration, loan documentation loan administration, and credit reporting, compliance and control;
- s. Legal and compliance services;
- t. Production of credit cards and preparation of statement of accounts, and
- u. Check writing services,

subject to the condition that:

as service provider, the following shall be upheld by the bank: