

**[ BSP CIRCULAR NO. 1236, April 27, 1990 ]**

**NON-ALLIED UNDERTAKINGS ELIGIBLE FOR INVESTMENT BY  
EXPANDED COMMERCIAL BANKS**

The Monetary Board, in its Resolution No. 431 dated April 27, 1990, decided to amend Section 1380.1 of the Manual of Regulations for Banks and Other Financial Intermediaries, Book I, to read as follows:

"Section 1380.1 Non-allied undertakings eligible for investment by expanded commercial banks. The broad category of undertakings in which an expanded commercial bank may invest in directly or through its wholly or majority-owned subsidiary shall be subject to prior approval of the Monetary Board. Investments shall be allowed in enterprises engaged in certain activities in agriculture, mining and quarrying, manufacturing, public utilities, construction, wholesale trade and community and social services following the industrial groupings in the 1977 Philippine Standard Industrial Classification (PSIC) as enumerated in Annex I\*. Individual equity investment in undertakings within these enumerated activities shall not require prior approval. Provided, however, that within thirty (30) days after the investment, the bank shall furnish the appropriate supervising and examining department such relevant information on the investment made as amount invested, name of investee company, and nature of business, accompanied by such pertinent documents as Articles of Incorporation, Articles of Partnership or Registration Certificate, whichever may be applicable, and such other information which may be required. Provided, further, that said investment is within the limits and restrictions set forth in Section 1380.2, 1381.1, 1382 and 1383 of this book."

This Circular shall take effect immediately.

Adopted: 27 April 1990

(SGD.) JOSE L. CUISIA, JR.  
*Governor*

---

\* Text Available at Office of the National Administrative Register, U.P. Law Complex, Diliman, Quezon City.

---