

[BSP CIRCULAR NO. 183, December 04, 1998]

APPLICATION AND OTHER REQUIREMENTS FOR ESTABLISHMENT OF LOCAL BRANCHES OF EXPANDED COMMERCIAL BANKS, COMMERCIAL BANKS AND THRIFT BANKS, AND SANCTIONS FOR FAILURE TO SUBMIT REQUIRED CERTIFICATIONS

The Monetary Board, in its Resolution No. 1582 dated November 17, 1998, approved the following amendments to Books I and II of the Manual of Regulations for Banks and Other Financial Intermediaries on the filing of application and other requirements for establishment of local branches of expanded commercial banks, commercial banks and thrift banks, and sanctions for failure to submit required certifications.

SECTION 1. Subsections 1151.2 and 2151.2 of the Manual are hereby amended by adding the following paragraphs:

"No application for the establishment of branches shall be accepted by the Bangko Sentral from a bank which has eight (8) and five (5) approved but unopened branches for expanded commercial banks/commercial banks and thrift banks, respectively. Applications which may be accepted at any given time from a bank shall be in such number that if all these applications were approved, the applicant bank shall not have approved but unopened branches in excess of the limits herein prescribed.

"The herein prescribed limits shall be applied prospectively and shall not include branches approved and unopened prior to the effectivity of this Circular: Provided, however, that any approved but unopened branches shall be opened within the six (6) months period and failing which such branch/es shall be included for purposes of determining compliance with the prescribed limit.

"Nothing herein shall operate to bar substitution of applications within the prescribed limit."

SECTION 2. Subsections 1151.4 and 2151.4 of the Manual are hereby amended to read, as follows:

"Subsec. _151.4 Other requirements — In addition to the capital requirements for establishment of branches in Subsection _151.3, the following conditions shall be complied with:

a. The bank during the last ninety (90) days immediately preceding the date of application has: