

**[ CIRCULAR NO. 477, S. 2005, February 22, 2005 ]**

**RULES OF PROCEDURE ON ADMINISTRATIVE CASES INVOLVING  
DIRECTORS AND OFFICERS OF BANKS, QUASI-BANKS AND  
TRUST ENTITIES**

The Monetary Board, in its Resolution No. 194 dated 10 February 2005, approved the following Rules of Procedure on Administrative Cases Involving Directors and Officers of Banks, Quasi-Banks and Trust Entities, pursuant to Section 15 (a) of Republic Act No. 7653 (The New Central Bank Act), in relation to Section 37 of the same Act and Sections 16 and 66 of Republic Act No. 8791 (The General Banking Law of 2000).

**Rule I  
General Provisions**

**Section 1. Title.** These Rules shall be known as the ***Bangko Sentral ng Pilipinas (BSP) Rules of Procedure on Administrative Cases Involving Directors and Officers of Banks, Quasi-Banks and Trust Entities.***

**Section 2. Applicability.** These Rules shall apply to administrative cases filed with or referred to the Office of Special Investigation (OSI), BSP, involving directors and officers of banks, quasi-banks and trust entities pursuant to Section 37 of Republic Act No. 7653 (The New Central Bank Act) and Sections 16 and 66 of Republic Act No. 8791 (The General Banking Law of 2000).

The disqualification of directors and officers under Section 16 of R.A. No. 8791 shall continue to be covered by existing BSP rules and regulations.

**Section 3. Nature of Proceedings.** The proceedings under these Rules shall be summary in nature and shall be conducted without necessarily adhering to the technical rules of procedure and evidence applicable to judicial trials. Proceedings under these Rules shall be confidential and shall not be subject to disclosure to third parties, except as may be provided under existing laws.

**Rule II  
Complaint**

**Section 1. Complaint.** The complaint shall be in writing and subscribed and sworn to by the complainant. However, in cases initiated by the appropriate department of the BSP, the complaint need not be under oath. No anonymous complaint shall be entertained.

**Section 2. Where to File.** The complaint shall be filed with or referred to the OSI.

**Section 3. Contents of the Complaint.** The complaint shall contain the ultimate facts of the case and shall include:

- a. full name and address of the complainant;
- b. full name and address of the person complained of;
- c. specification of the charges;
- d. statement of the material facts;
- e. statement as to whether or not a similar complaint has been filed with the BSP or any other public office.

The complaint shall include copies of documents and affidavits of witnesses, if any, in support of the complaint.

### **Rule III**

#### **Determination of Prima Facie Case and Prosecution of the Case**

**Section 1. Action on Complaint.** Upon determination that the complaint is sufficient in form and substance, the OSI shall furnish the respondent with a copy thereof and require respondent to file within ten (10) days from receipt thereof, a sworn answer, together with copies of documents and affidavits of witnesses, if any, copy furnished the complainant.

Failure of the respondent to file an answer within the prescribed period shall be considered a waiver and the case shall be deemed submitted for resolution.

**Section 2. Preliminary Investigation.** Upon receipt of the sworn answer of the respondent, the OSI shall determine whether there is prima facie case against the respondent. If a prima facie case is established during the preliminary investigation, the OSI shall file the formal charge with the **Supervised Banks Complaints Evaluation Group (SBCEG)**, BSP. However, in the absence of a prima facie case, the OSI shall dismiss the complaint without prejudice or take appropriate action as may be warranted.

**Section 3. Formal Charge.** The formal charge shall contain the name of the respondent, a brief statement of material or relevant facts, the specific charge, and the pertinent provisions of banking laws, rules or regulations violated.

**Section 4. Prosecution.** The OSI shall prosecute the case. The complainant may be assisted or represented by counsel, who may be deputized for such purpose, under the direction and control of the OSI.

### **Rule IV**

#### **Proceedings Before the Hearing Panel or Hearing Officer**

**Section 1. Filing of the Formal Charge.** The OSI shall file the formal charge before the SBCEG. It shall also furnish the SBCEG with supporting documents relevant to the formal charge.

**Section 2. Hearing Officer and Composition of the Hearing Panel.** The case shall be heard either by a Hearing Officer or a Hearing Panel, which shall be composed of Chairman and two (2) members, all of whom shall be designated by the SBCEG. The SBCEG shall determine whether the case shall be heard either by a Hearing Panel or a Hearing Officer.