

[BSP CIRCULAR NO. 504, December 22, 2005]

**EXEMPTIONS FROM THE NOTIFICATION PERIOD OF 90 DAYS
PRIOR TO TRANSFER/RELOCATION AND/OR CLOSURE OF
BRANCHES**

Pursuant to Monetary Board Resolution No. 1558 dated 08 December 2005, the Manual of Regulations for Banks (MORB) is hereby amended, as follows:

SECTION 1. Item a.(1) of Subsection X151.7 of the MORB on relocation/transfer of branches is hereby amended to read as follows:

x x x

"1) Notice of transfer to depositors and other creditors by registered mail and posters in conspicuous places in the premises of the banking office to be transferred at least three (3) months prior to the to transfer: PROVIDED, THAT SAID NOTIFICATION PERIOD MAY BE REDUCED TO FORTY FIVE (45) DAYS UNDER ANY OF THE FOLLOWING CIRCUMSTANCES:

- a. AS AN INCENTIVE TO MERGER OR CONSOLIDATION OF BANKS;
- b. AS AN INCENTIVE TO PURCHASE OR ACQUISITION OF MAJORITY OR ALL OF THE OUTSTANDING SHARES OF STOCK OF A DISTRESSED BANK FOR THE PURPOSE OF REHABILITATING THE SAME; OR
- c. THE PROPOSED TRANSFER SITE IS WITHIN THE SAME BARANGAY OR DISTRICT OF THE SAME CITY OR MUNICIPALITY OF THE BRANCH TO BE RELOCATED.

2. A CERTIFICATION SIGNED BY THE HEAD OF THE BRANCHES DEPARTMENT WITH THE RANK OF VICE PRESIDENT OR ITS EQUIVALENT OR BY A HIGHER RANKING OFFICER INFORMING THE APPROPRIATE SUPERVISING AND EXAMINING DEPARTMENT OF THE BSP OF THE TRANSFER AND THAT THE ABOVE REQUIREMENTS HAVE BEEN COMPLIED WITH NOT LATER THAN FIVE (5) BANKING DAYS FROM THE DATE OF TRANSFER. THE CERTIFICATION SHALL BE ACCOMPANIED BY A