

[BATAS PAMBANSA BLG. 67, April 01, 1980]

AN ACT AMENDING REPUBLIC ACT NUMBERED TWO HUNDRED AND SIXTY-FIVE, AS AMENDED, OTHERWISE KNOWN AS "THE CENTRAL BANK ACT".

Be it enacted by the Batasang Pambansa in session assembled:

SECTION 1. Section 12 of Republic Act No. 265, as amended, is hereby amended to read as follows:

"SEC. 12. *Remuneration of members attending meetings of the Board.*—The members of the Monetary Board or their respective substitutes, except the Governor and the Senior Deputy Governor, shall receive a per diem for every Board meeting attended. The amount of per diem shall be set by the President (Prime Minister) but may not exceed five hundred (P500) pesos nor the sum of five thousand (P5,000) pesos for every single month."

SEC. 2. Section 14 of the same Act is hereby further amended to read as follows:

"SEC. 14. *Exercise of authority.*—In order to exercise the authority granted to it under this Act, the Monetary Board shall:

"(a) Prepare and issue rules and regulations as it considers necessary for the effective discharge of the responsibilities and exercise of the powers assigned to the Monetary Board and to the Central Bank under this Act, and the rules and regulations issued shall be reported to the President (Prime Minister) and the Batasang Pambansa within fifteen days from the date of their issuance.

"(b) Direct the management, operations, and administration of the Central Bank and issue such rules and regulations as it may deem necessary or convenient for this purpose. The legal units of the Central Bank shall be under the exclusive supervision and control of the Monetary Board, the provision of any law to the contrary notwithstanding.

. "(c) On the recommendation of the Governor, appoint, fix the remunerations and other emoluments, and remove personnel of the Central Bank, with the exception of the Governor, subject to pertinent civil service and compensation laws: *Provided*, That the Monetary Board shall have exclusive and final authority to promote, transfer, assign, or reassign personnel of the Central Bank and these personnel actions are deemed made in the interest of the service and not disciplinary, any provisions of existing law to the contrary notwithstanding; and

"(d) Authorize such expenditures by the Central Bank as are in the interest of the effective administration and operations of the Bank in accordance with applicable laws and regulations."

SEC. 3. Section 34-A of the same Act is hereby amended to read as follows:

"SEC. 34-A. *Administrative sanctions on banks.*—The Monetary Board is hereby authorized, at its discretion, to impose upon banking institutions, their directors and/ or officers, for any willful delay in the submission of reports or publications thereof as required by law, rules and regulations; any refusal to permit examination into the affairs of the institution; any willful making of a false statement to the Board or to the appropriate supervising and examining department or its examiners; any willful failure or refusal to comply with, or violation of, any banking law or any order, instruction or regulation issued by the Monetary Board, or any order, instruction or ruling by the Governor; or any commission of irregularities, and/or conducting business in an unsafe or unsound manner as may be determined by the Monetary Board, the following administrative sanctions:

"(a) Fines not in excess of five hundred pesos a day for each type of violation;

"(b) Suspension, or after due hearing, removal of directors and/or officers;

"(c) Suspension of rediscounting privileges;

"(d) Suspension of lending or foreign exchange operations or authority to accept new deposits or make new investments;

"(e) Suspension of interbank clearing privileges; and/or

"(f) Suspension of authority to operate.

"The above administrative sanctions need not be applied in the order of their severity.

"Except in the appointment of a conservator and proceedings upon insolvency as provided for under Sections 28-A and 29 of this Act, the Governor is authorized to render opinions, decisions, or rulings which shall be final and executory until reversed or modified by the Monetary Board, on matters regarding application or enforcement of banking laws, implementation of Monetary Board regulations, policies or instructions pertaining to institutions supervised by the Central Bank, including their method of accounting or manner of keeping the accounts, books and financial records, and their submission of reports.

"The Governor is likewise hereby authorized, at his discretion, to impose upon banking institutions, for any failure to comply with the requirements of law, Monetary Board regulations and policies, and/or instructions issued by the Monetary Board or by the Governor, fines not in excess of five hundred pesos a day for each type of violation, the imposition of which shall be final and executory until reversed, modified or lifted by the Monetary Board on appeal.

"Administrative sanctions shall be applied to all banks of the same category uniformly and without discrimination."