

**[ BATAS PAMBANSA BLG. 64, April 01, 1980 ]**

**AN ACT AMENDING FURTHER REPUBLIC ACT NUMBERED EIGHTY-FIVE, AS AMENDED, OTHERWISE KNOWN AS THE "CHARTER OF THE DEVELOPMENT BANK OF THE PHILIPPINES".**

*Be it enacted by the Batasang Pambansa in session assembled:*

SECTION 1. Section 8 of Republic Act Numbered Eighty-five, as amended, is hereby further amended to read as follows:

"SEC. 8. A private development bank shall exercise all the powers and shall assume all the obligations of a savings and mortgage bank as provided in the General Banking Act, except as otherwise provided herein: *Provided*, That no private development bank shall be operated without a certificate of authority from the Monetary Board of the Central Bank which shall be issued upon compliance with the provisions of this law.

"Any existing domestic bank may be converted into a private development bank in the province or city in which it is located: *Provided*, That it complies with the requirements prescribed in this Act."

SEC. 2. Section 9 of the same Act is hereby further amended to read as follows:

"SEC. 9. A private development bank shall be organized in the form of a stock corporation and its paid-up capital stock shall not be less than four million pesos for Class A, two million pesos for Class B, and one million pesos for Class C: *Provided*, That at least sixty percent of the capital stock subscribed by the private sector shall be owned and held by citizens of the Philippines: *Provided, further*, That if said subscription of private shareholders to the capital stock of a private development bank cannot be secured or is not available, the Bank on representation of the said private shareholders and with the approval of its Board of Governors shall, within thirty days from date of said approval by the Board of Governors, subscribe to the capital stock of such development banks, which shall be paid in full at the time, of subscription out of the trust fund herein-above mentioned, in an amount equal to the fully paid subscribed capital of the private stockholders: *Provided, further*, That the Board of Governors shall act on the representation made by the private shareholders within thirty days from the date it is filed: *Provided, further*, That such preferred shares of the Bank may at any time be paid off at not less than par and retired in whole or in part if, in the opinion of the Monetary Board, the bank has accumulated enough capital strength to permit retirement of such shares, or sold at not less than par to private individuals who are citizens of the Philippines, and in the sale thereof, the qualified registered stockholders shall have the right of pre-emption within one year from the date of offer in proportion to their respective holdings, but in the absence of such buyers, preference shall be given to residents of the province or city where the development bank is located: