

AMENDMENT TO ALIGN THE FAMILIAL RESTRICTIONS APPLICABLE TO “INDEPENDENT DIRECTOR” WITH THE EXISTING PROVISION OF THE SECURITIES REGULATION CODE

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Pursuant to Monetary Board Resolution No. 406 dated 7 March 2013, the following provisions of the Manual of Regulations for Banks (MORB) and the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI) on the familial restrictions applicable to an independent director are hereby amended.

Section 1. Item (4) of Subsection X141.1.b of the MORB shall be amended, as follows:

“§ X141.1 Definition/limits

“X X X

“b. Limits on the number of the members of the board of directors.

“X X X

“An independent director shall mean a person who-

“X X X

“(4)

Is not a relative, legitimate or common-law of any director, officer or majority shareholder of the bank or any of its related companies. For this purpose, relatives refer to the spouse, parent, child, brother, sister, parent-in-law, son-/daughter-in-law, and brother-/sister-in-law;

“X X X.”

Section 2. Item (4) of Section X144.c of the MORB shall be amended, as follows:

“Sec. X144 Bio-data of Directors and Officers

“X X X

“In the case of the independent directors, the bio-data shall be accompanied by a certification under oath from the director concerned that he/she is an independent director as defined under Subsec. X141.1 that all the information thereby supplied are true and correct, and that he/she:

“X X X

“(4)

Is not a relative, legitimate or common-law of any director, officer or majority shareholder of the bank or any of its related companies. For this purpose, relatives refer to the spouse, parent, child, brother, sister, parent-in-law, son-/daughter-in-law, and brother-/sister-in-law;

“X X X.”

Section 3. Item (4) of Subsection 4141Q.1 of the MORNBFBI shall be amended, as follows:

“§ 4141Q.1 Limits on the number of the members of the board of directors

“x x x

“An independent director shall mean a person who-

“x x x

“(4)

Is not a relative, legitimate or common-law of any director, officer or majority shareholder of the bank or any of its related companies. For this purpose, relatives refer to the spouse, parent, child, brother, sister, parent-in-law, son-/daughter-in-law, and brother-/sister-in-law;

“x x x.”

Section 4. Item 4. of Section 4192Q of the MORNBFBI shall be amended, as follows:

“Sec. 4192Q (2008 - 4162Q/4162Q.2) Reports/Manner of filing.

“x x x

“In the case of the independent directors, the bio-data shall be accompanied by a certification under oath from the director concerned that he/she is an independent director as defined under Subsec. 4141Q.1 that all the information thereby supplied are true and correct, and that he/she:

“x x x

“4.

Is not a relative, legitimate or common-law of any director, officer or majority shareholder of the bank or any of its related companies. For this purpose, relatives refer to the spouse, parent, child, brother, sister, parent-in-law, son-/daughter-in-law, and brother-/sister-in-law;

“x x x.”

This Circular shall take effect fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:

(SGD.) AMANDO M. TETANGCO, JR.

Governor

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