



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 872
Series of 2015

Subject: Amendments to Section X104 of the Manual of Regulations for Banks

Pursuant to Monetary Board Resolution No. 316 dated 26 February 2015 approving the amendments to Section X104 of the Manual of Regulations for Banks (MORB), Section X104 is hereby amended to read as follows:

Sec. X104 (2008 - X167) Business Name¹

- a. *UBs/KBs*. Only a bank that is granted universal/commercial banking authority may represent itself to the public as such in connection with its business name.
- b. *TBs*. *TBs* may be allowed to adopt and use any name: *Provided*, That the words *A Thrift Bank, A Savings Bank, A Private Development Bank or A Stock Savings and Loan Association*, as the case may be, are affixed after its business name.
- c. *RBs/Coop Banks*. *RBs/Coop Banks* may adopt a corporate name or use a business name/style with the word *Rural or Coop*, as the case may be. Said banks may also adopt a name without such words: *Provided*, That the identifying phrase, *A Cooperative Bank or A Rural Bank*, as the case may be, is affixed after its business name: *Provided, further*, That where the name of the bank is shown on letterheads, billboards and other advertising materials, the size of the letters of such phrase shall be at least one-half ($\frac{1}{2}$) the size of the business name.

Subject to prior approval of the Bangko Sentral, a *TB, RB or Coop Bank* may apply to be exempted from the general requirements under Items "*b*" and "*c*" above, provided that the applicant *TB, RB or Coop Bank* shows compliance with the following conditions:

- (1) The new business name of the bank must reasonably describe the business activities that the bank is engaged in.
- (2) The business name should not mislead, misrepresent or give a false impression to the public with respect to the banking category of a bank, the location/s and clientele it serves, as well as the products and services that the applicant bank is authorized to offer to the public.
- (3) The applicant bank shall not use a business name that is identical, deceptive or confusingly similar with existing corporate names, in accordance

¹ See SEC Circular Nos. 5 dated 17 July 2008 and 14 dated 24 October 2000, and DTI Administrative Order No. 1008 effective 10 October 2010.

with existing applicable laws, rules and regulations governing the use of corporate names pursuant to the provisions of the Corporation Code of the Philippines.

- (4) The applicant bank must meet the minimum capitalization requirements applicable at the time of filing of its application to change its business name.
- (5) The applicant bank must not have any major supervisory concern/s that threaten its solvency or liquidity, as determined by the appropriate department/s of the Supervision and Examination Sector.
- (6) Other conditions which the Bangko Sentral may deem necessary or as may be warranted by the attendant circumstances in order to protect the public interest.

The application of a TB, RB or Coop Bank for exemption from the general requirements on the use of name under (b) and (c) above shall be supported by the following:

- (1) Application letter signed by the president or officer of equivalent rank indicating the justification for the request;
- (2) Notarized secretary's certificate on the resolution of the bank's board of directors authorizing the request for exemption;
- (3) Certification signed by the president or the officer of equivalent rank that the bank has complied with all the conditions for the said application; and
- (4) Such other documents as may be required by the Bangko Sentral.

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

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

13 March 2015