



Bangko Sentral ng Pilipinas

OFFICE OF THE GOVERNOR

CIRCULAR NO. 618
Series of 2008

Subject: **Basic Standards in the Administration of Trust, Other Fiduciary and Investment Management Accounts**

Pursuant to Monetary Board Resolution No. 1007 dated 7 August 2008, the provisions of Sections X401 and 4401Q of the Manual of Regulations for Banks and the Manual of Regulations for Non-Bank Financial Institutions, respectively, are hereby amended as follows:

“Section X401 and 4401Q Statement of Principles. The cardinal principle common to all trust and other fiduciary relationships is fidelity. Policies predicated upon this principle are directed towards confidentiality, scrupulous care, safety and prudent management of property including reasonable probability of income with proper accounting and appropriate reporting thereon. Practices are designed IN ACCORDANCE WITH THE BASIC STANDARDS FOR TRUST, OTHER FIDUCIARY AND INVESTMENT MANAGEMENT ACCOUNTS IN APPENDIX “A” to promote efficiency in administration and operation; to adhere and conform TO the terms of the instrument or contract; and to maintain absolute separation of property free from any intrusion of conflict of interest.”

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

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

20 August 2008

PANANALAPING MATATAG, BANSANG PANATAG