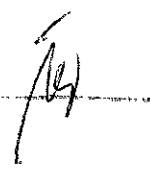


FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Second Regular Session* )

8 OCT 15 2017

SENATE

RECEIVED BY:



S. No. 2678

Introduced by **Senator FRANCIS G. ESCUDERO**

**EXPLANATORY NOTE**

The current global financial crisis, dubbed as The Great Depression in modern time, if not even worse, requires appropriate attention and prompt consideration.

Albeit the Philippine Banking System is strong and stable, there is a need to ensure public trust and confidence in banking and investment if only to overcome the worst financial debacle in eight (8) decades.

Recently, leading economies in the world, like the United States (US) and the member-states of the G7, have come out with bailout proposals to address the financial woe. Sadly, however, the initial US \$700 billion bailout fails to fully address the fear of what has become an insurmountable uncertainty in the global economic market.

It is in this light that this bill seeks to strengthen the very foundation of the banking system. It may not be in the form of a bailout, which we do not need and may not afford at the moment, but it provides the needed requirement to maintain and promote stability in the banking sector.

Hence, it is proposed that the maximum deposit insurance coverage per depositor be increased from P250,000.00 to P500,000.00. The Philippine Deposit Insurance System (PDIC) as the government institution concerned is consequently given a doubled statutory limitation in providing the maximum deposit insurance coverage for our country's depositors and investors.

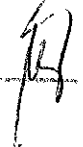


**FRANCIS G. ESCUDERO**

FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

8 OCT 15 P4:17

SENATE

RECEIVED BY: 

S. No. 2678

Introduced by Senator FRANCIS G. ESCUDERO

**AN ACT AMENDING REPUBLIC ACT NUMBERED THREE THOUSAND FIVE HUNDRED NINETY-ONE, AS AMENDED, OTHERWISE KNOWN AS "THE CHARTER OF THE PHILIPPINE DEPOSIT INSURANCE CORPORATION"**

*Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:*

**SECTION 1.** Section 4 of Republic Act No. 3591 is hereby re-numbered as Section 1 and subsection (g) thereof is further amended to read as follows:

“(g) The term “insured deposit” means the amount due to any depositor for deposits in an insured bank net of any obligation of the depositor to the insured bank as of the date of closure, but not to exceed [Two hundred fifty thousand pesos (P250,000.00)] **FIVE HUNDRED THOUSAND PESOS (P500,00.00).**  
**X X X**

*Provided, further,* That the aggregate of the interests of each co-owner over several joint accounts, whether owned by the same or different combinations of individuals, juridical persons or entities, shall likewise be subject to the maximum insured deposit of [Two hundred fifty thousand pesos (P250,000.00)] **FIVE HUNDRED THOUSAND PESOS (P500,00.00)**: *Provided, furthermore,* That the provisions of any law to the contrary notwithstanding, no owner/holder of any negotiable certificate of deposit shall be recognized as a depositor entitled to the rights provided in this Act unless his name is registered as owner/holder thereof in the books of the issuing bank.

**SEC 2. Separability Clause.** – If any of the provision or section of this Act or the application thereof to any person or circumstances is held invalid, the other provisions or sections of this Act, in the application of such provision or section to other persons or circumstances, shall not be affected thereby.

**SEC 3. Repealing Clause.** – All acts or parts of acts and executive orders, administrative, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed.

**SEC 4. Effectivity Clause.** – This Act shall take effect (15) days following the completion of its publication in the Official Gazette or in two (2) newspapers of general circulation.

*Approved,*