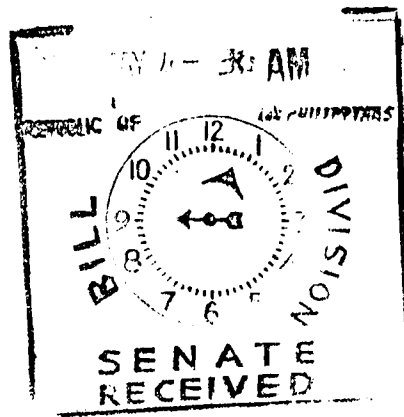


THIRD CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )

SECOND SESSION

SENATE

S. No. 357



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Introduced by Senator Cea  
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EXPLANATORY NOTE

The Philippines is looking for capital to finance its economic program. Reliable estimates show that between P200,-000,000 and P5,000,000 is not in circulation in the Philippines and is in hiding. If this amount is released for financing our industries and other economic activities, our worries about capital will be lessened, if not resolved completely.

It has been observed that a great number of people are reluctant to deposit their money in banking institutions and prefer to keep them in their safes or private safety boxes at home for the simple reason that they are afraid that bank deposits are subject to disclosure, scrutiny or inquiry by any person or government official. This attitude of the people is harmful to the economy because money hoarded is frozen and does not contribute to any productive enterprise.

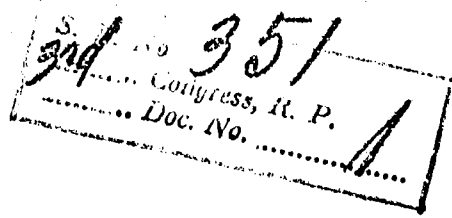
In order to change this attitude and encourage the people to deposit their money and have absolute confidence in banking institutions, approval of the attached bill is strongly recommended.



ESTEBANO B. CEA

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Third Congress of the Republic  
of the Philippines  
Second Session



S E N A T E

S. No. 351

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Introduced by Senator Cea  
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AN ACT  
PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY  
BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR.

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

1 SECTION 1. It is hereby declared to be the policy of  
2 the Government to give encouragement to the people to de-  
3 posit their money in banking institutions and to discour-  
4 age private hoarding so that the same may be properly utilize  
5 by banks in authorized loans to assist in the economic deve-  
6 lopment of the country.

7 SEC. 2. All money deposits of whatever nature with  
8 banks or banking institutions in the Philippines are here-  
9 by considered as of an absolutely confidential nature and  
10 may not be examined, inquired or looked into by any person,  
11 government official, bureau or office, except upon written  
12 permission of the depositor or an order of a competent  
13 court.

14 SEC. 3. It shall be unlawful for any official or em-  
15 ployee of a banking institution to disclose to any person  
16 other than the Monetary Board, the Board of Directors and  
17 executive officers of said banking institutions who are in  
18 charge of such deposits, any information concerning said  
19 deposits.

20 SEC. 4. All Acts or parts of Acts, special charters,  
21 Executive Orders, Administrative Orders, Rules and Regu-  
22 lations which are inconsistent with the provisions of

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S. No. 351

- 2 -

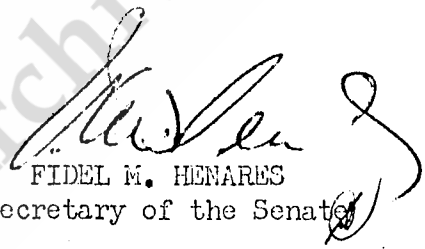
1 this Act are hereby repealed.

2 SEC. 5. Any violation of this law will subject  
3 the offender upon conviction, to an imprisonment of not  
4 more than five (5) years or a fine of not more than  
5 twenty thousand pesos or both, in the discretion of the  
6 court.

7 SEC. 6. This Act shall take effect upon its approval.

Approved,

I hereby certify that the foregoing Senate Bill  
No. 351 - (3rd. C. R. P.), was passed by the Senate  
on M a y 19, 1955.

  
FIDEL M. HENARES  
Secretary of the Senate

