Section 1. Sec. 6 of Presidential Decree No. 129 is hereby amended to read as follows:

"Sec. 6. Prohibitions. — Except as may be authorized by the Monetary Board, no director or officer of an Investment House shall concurrently be a director or officer of a bank, as defined in Sec. 2 of Republic Act No. 337, as amended: Provided, however, That in no event can a person be authorized to be concurrently an officer of an Investment House and of a bank except where the majority or all of the equity of the Investment House is owned by the bank.

"No Investment House shall engage in banking operations as defined in Sec. 2 of Republic Act No. 337, as amended."

Sec. 2. Sec. 7 of the same Decree is hereby amended to read as follows:

"Sec. 7. Powers. — In addition to the powers granted to corporations in general, an Investment House is authorized to do the following:

"(1) Arrange to distribute on a guaranteed basis securities of other corporations and of the Government or its instrumentalities;

"(2) Participate in a syndicate undertaking to purchase and sell, distribute or arrange to distribute on a guaranteed basis securities of other corporations and of the Government or its instrumentalities;

"(3) Arrange to distribute or participate in a syndicate undertaking to purchase and sell on a best-efforts basis securities of other corporations and of the Government or its instrumentalities;

"(4) Participate as soliciting dealer or selling group member in tender offers, block sales, or exchange offering of securities; deal in options, rights or warrants relating to securities and such other powers which a dealer may exercise under the Securities Act (Commonwealth Act No. 83, as amended);

"(5) Promote, sponsor, or otherwise assist and implement ventures, projects and programs that contribute to the economy's development;

"(6) Act as financial consultant, investment adviser, or broker;

"(7) Act as portfolio manager, and/or financial agent;

"(8) Encourage companies to go public, and initiate and/or promote, whenever warranted, the formation, merger, consolidation, reorganization, expansion or recapitalization of productive
enterprises, by providing assistance or participate in the form of debt or equity financing or through the extension of financial or technical advice or service;

"(9) Undertake or contract for researches, studies and surveys on such matters as business and economic conditions of various countries, the structure of financial markets, the institutional arrangements for mobilizing investments;

"(10) Acquire, own, hold, lease or obtain an interest in real and/or personal property as may be necessary or appropriate to carry on its objectives and purposes;

"(11) Design pension, profit-sharing and other employee benefits plans;

"(12) Such other activities or business ventures as are directly or indirectly related to the dealing in securities and other commercial papers, unless otherwise governed or prohibited by special laws, in which case the special law shall apply;

"(13) Subject to prior approval by the Monetary Board, the provisions of Chapter IV of the Central Bank Charter, and such rules and regulations as may be issued by the Monetary Board, engage in foreign exchange operations which the Monetary Board identified as directly related under Subsection 8 of this section; and

"(14) Act as trustee of a trust fund or trust property, subject to the provisions of Chapter VII of the General Banking Act.

"Nothing in this section shall preclude other enterprises not covered by this Decree from engaging in the activities listed under subsection (3) to (11) of this section, except as may otherwise be governed by special laws."

Sec. 3. The same decree is hereby amended by adding a new section after Sec. 7 to read as follows:

"Sec. 7-A. Subject to applicable laws and regulations and with prior approval of the Monetary Board, an Investment House may be converted into a commercial bank authorized to operate under an expanded commercial banking authority pursuant to Sec. 21-B of Republic Act No. 337, as amended."

Sec. 4. All Acts or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

Sec. 5. This Act shall take effect upon its approval.

Approved: April 1, 1980.