



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

MEMORANDUM NO. M-2017 - 025

**To : ALL BANKS AND NON-STOCK SAVINGS AND LOANS ASSOCIATIONS
(NSSLAs)**

**Subject : Reminder on compliance with Regulations Governing Fees on Retail
Bank Products/Services and Dormant Deposit**

Pursuant to Circular No. 928, dated 24 October 2016, the following rules on imposition of dormancy fees by banks shall apply:

1. Banks may only impose dormancy fee on a dormant deposit account five (5) years after the last activity therein, subject to the following conditions:
 - (1) The balance falls below the minimum monthly ADB, if any;
 - (2) The monthly dormancy fee shall not exceed thirty pesos (P30.00); and
 - (3) The bank complied with the two (2) notice requirement under Item numbers "7.b.(2) and 7.b.(4)", Appendix 112, prior to the charging of dormancy fees.
2. When an account is about to become dormant, the depositor shall be notified of its potential dormancy at least sixty (60) days prior to the commencement of the dormancy period.

The notification shall contain the following information:

- a) The effect of dormancy to transfer the account from active to dormant status, and advice on how to reactivate the account, and
 - b) Reminder that the dormant account will be included in the list of unclaimed balances to be submitted to the Treasurer of the Philippines (Treasurer) for escheat in accordance with the Unclaimed Balances Act, if said account has no activity for ten (10) years.
3. Banks shall adopt appropriate internal control measures to ensure that all transactions affecting dormant deposit accounts are legitimate.
 4. When an account is about to be subject to dormancy fee, the depositor shall be notified at least sixty (60) days prior to such imposition.

NSSLAs are likewise reminded of the following dormancy fee rules:

1. A monthly dormancy fee, not exceeding thirty pesos (P30.00), may only be imposed five years after the last activity, provided the NSSLA notified its member of the dormancy and the possible imposition of a dormancy fee at least sixty (60) days prior to the:
 - a. Dormancy of the account; and
 - b. Imposition of the fee.
2. Individual notification shall be sent to the client's known postal address/email address/contact number either through postal or registered mail, courier delivery, electronic mail, text messages, telephone call or other alternative modes of communication, as may be elected by the client.

Banks and NSSLAs are reminded that violation of the provisions on dormancy fees under Circular No. 928 shall be subject to applicable sanctions and penalties provided under Section X299 of the Manual of Regulations for Banks and Section 4299S of the Manual of Regulations for Non-Bank Financial Institutions.

For guidance and strict compliance.


CHUCHI G. FONACIER
Deputy Governor

25 August 2017