



Bangko Sentral ng Pilipinas

MAYNILA, PILIPINAS

OFFICE OF THE GOVERNOR

MEMORANDUM NO. M-2007 - 027

MEMORANDUM TO ALL AUTHORIZED AGENT BANKS

SUBJECT: GUIDELINES AND PROCEDURES GOVERNING CURRENCY DEPOSITS AND WITHDRAWALS OF BANKS FOR CREDIT TO AND DEBIT FROM THEIR DEMAND DEPOSIT ACCOUNTS WITH THE BANGKO SENTRAL NG PILIPINAS

Currency notes/coins are classified as fit, unfit and mutilated pursuant to BSP Circular No. 61, Series of 1995. The Bangko Sentral ng Pilipinas (BSP) Cash Department (CD) and Regional Offices/Branches shall accept all types of currency notes/coins *for deposit* except mutilated currency notes/coins, which must be presented directly for determination of redemption/exchange value to CD or the nearest BSP Regional Office/Branch in accordance with Section 20 of BSP Circular No. 61.

Banks are encouraged to arrange direct exchange of their accumulated excess fit currency notes/coins with other banks to optimize circulation of said notes/coins and to deposit only unfit currencies to their demand deposit accounts with BSP.

To facilitate the expeditious receipt of banks' cash deposits and servicing of their cash withdrawals by BSP, all banks, including their provincial branches shall observe the following guidelines and procedures when making cash deposits and/or withdrawals with BSP CD or any of the BSP Regional Offices/Branches:

1. Receiving/releasing of banks' cash deposits/withdrawals shall start at 9:00 A.M. and end at 2:00 P.M.
2. Banks should pre-sort all their currency notes/coins for fitness to ensure that only pre-counted fit or unfit currency is deposited with BSP to effect an expeditious servicing of banks' cash withdrawals and retirement of unfit currency notes pursuant to the "Clean Note Policy" of BSP under Chapter IV of BSP Circular No. 61.
3. The BSP shall accept *fit and unfit note deposits* only after conducting package and bundle count. Fit notes need not be verified piece-by-piece by the BSP before the same shall be reissued to service cash withdrawals of banks.

4. Bank deposits of fit currency notes referred to in number 3 above, not withdrawn by the banks shall be verified piece-by-piece by the Bangko Sentral on scheduled dates.
5. The BSP shall accept coin deposits in standard quantity per denomination in containers prescribed by BSP.

CURRENCY DEPOSITS

6. Head Offices/Cash Centers of banks in Metro Manila or their designated cash center/main branch in the provinces shall make direct deposits of currency notes and coins with the BSP CD or the nearest BSP Regional Office/Branch, respectively. The currency notes shall be duly classified as fit or unfit in accordance with the "Currency Guide for Bank Tellers, Money Counters and Cash Custodians" prepared by BSP CD, and by denomination pursuant to Section 12 (a), Chapter IV of BSP Circular No. 61, Series of 1995.
7. In areas where there are no BSP Regional Offices/Branches, provincial branches of banks shall arrange with their respective Head Offices the shipment of their unfit notes/coins for deposit with BSP CD. Cost of shipment and other related expenses to be incurred shall be solely for the account of the bank concerned.
8. Banks shall provide securely sealed transparent plastic bags prescribed by the BSP for their deposits at BSP CD, separately for the fit and unfit notes. Each plastic bag shall have uniform capacity of twenty (20) full bundles accompanied by a deposit slip for each type/category. The deposit slip for each type/category of currency notes shall be clearly labeled as "FIT" or "UNFIT" as the case may be.

At the BSP Regional Offices/Branches, banks shall provide securely sealed portable metal sheet or GI sheet boxes measuring 15" in length x 12" in width x 14" in height for their deposits, separately for the fit and unfit notes. Each prescribed container shall have uniform capacity of twenty (20) full bundles, accompanied by a deposit slip for each type/category. The deposit slip for each type/category of currency notes shall be clearly labeled as "Fit" or "Unfit" as the case may be.

9. To facilitate handling of cash deposits, notes and coins shall be arranged and placed in prescribed containers in the following manner:

9.1. Fit and Unfit Currency Notes

- a. Notes of a single denomination must be arranged face and top up in packages of 100 pieces each:

- b. The wrapper of each package shall be plainly marked with:
 - 1) the denomination and amount of currency in the package;
 - 2) the date of verification;
 - 3) the printed name(s) and signature(s) of depositing bank's employee(s) who performed the verification; and
 - 4) the name of the depositing bank.
- c. Pins, clips and staple wires, if any, must be removed prior to deposit in order to avoid possible injury to employees and damage to equipment;
- d. Individual packages of 100 notes each shall be strapped/bundled in standard units as follows:

Denomination	Standard Unit No. of Package (Per 1 Bundle)	Value
1000-Piso	10	P 1,000,000.00
500-Piso	10	500,000.00
200-Piso	10	200,000.00
100-Piso	10	100,000.00
50-Piso	10	50,000.00
20-Piso	10	20,000.00

- e. Notes of different denominations shall not be mixed in a single package/bundle/container;
- f. Bundled notes shall be packed in sealed plastic containers in uniform quantity of *twenty (20) complete bundles per denomination* (each bundle containing 1,000 notes in ten equal packages, each package containing 100 notes); and
- g. A packing list/tag of the currency in each plastic container shall be placed inside the container. Another tag shall be attached to the container.

9.2 Coins

- a. The coin container bearing the name of the bank shall be prescribed by the BSP;

- b. A tag shall be attached to each bag indicating the denomination, quantity, amount, and date deposited;
- c. Individual bags shall contain standard quantities per denomination as follows:

Denomination	Quantity (Pieces)	Value
10-Piso	1,200	P 12,000.00
5-Piso	1,500	7,500.00
1-Piso	2,000	2,000.00
25-Sentimo	3,000	750.00
10-Sentimo	4,500	450.00
5-Sentimo	5,000	250.00
1-Sentimo	5,000	50.00

10. Upon delivery of the currency notes/coins to the BSP CD/Regional Office/Branch, the representative of the depositing bank shall witness the package and bundle count for notes and bag count for coins made by the BSP CD/Regional Office/Branch Accountable Officer concerned. If found in order, said BSP officer shall acknowledge receipt of the currency note/coin deposits.
11. Deposits of currency notes at BSP CD need not be taken out of the container since contents are seen and can be counted through the transparent plastic bag. For deposits at BSP Regional Offices/Branches, the bundles of currency notes shall be returned by the authorized bank representative to the containers, duly sealed with the depositor bank's logo and padlocked with the key/s controlled by the said representative.
12. The CD/Regional Office/Branch shall schedule piece-by-piece verification of cash deposits at a later date or whenever it deems necessary, to be duly witnessed by the bank's authorized representative.
13. The CD/Regional Offices/Branches of Bangko Sentral may refuse acceptance of cash deposits that do not conform to the foregoing guidelines and procedures.

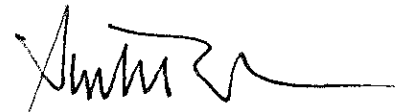
CURRENCY WITHDRAWALS

14. The Bangko Sentral shall service cash withdrawals of banks from their respective unverified fit currency deposits and/or from verified/new currencies in stock.

15. Only authorized representative of the depositor-bank shall open the sealed container(s) of unverified fit currency note deposits from which the Bangko Sentral shall service the cash withdrawal of the same bank. It is understood that said representative shall have *all the keys* to the containers' padlock of the bank's currency fit note deposits whenever assigned to BSP CD/Regional Office/Branch to effect cash withdrawals.
16. At BSP CD, cash withdrawals of banks shall be effected using the Electronic Cash Withdrawal System. A Cash Order Slip (COS), shall be sent by banks through FAX to CD not later than 12:00 noon one (1) day prior to actual cash withdrawal. Cash withdrawal shall be settled through the Philippine Payments and Settlement System (PhilPaSS) before release of the cash withdrawal to banks.
17. At the BSP Regional Offices/Branches, cash withdrawal shall be made using the Integrated Regional Information System (IRIS). BSP Demand Deposit checks presented by banks for withdrawal after 12:00 noon shall be accepted for processing purposes only and the servicing thereof shall be effected the following banking day.
18. The authorized representative of the withdrawing bank shall conduct:
 - bag/bundle/package count of the notes and bag count of the coins withdrawn from the bank's unverified fit currency note/coin deposits; and
 - box/bundle/package/piece count of the notes and bag count of the coins withdrawn from reissued/new currency note/coin witnessed by authorized representative of the Bangko Sentral.

Any overage/shortage found in the verification of cash withdrawn from reissued currency verified by BSP CD/Regional Office/Branch shall be for the account of BSP. The Bangko Sentral shall not honor any shortage/overage found after the authorized bank representatives shall have left the BSP teller's counter/cash withdrawal area.

This supersedes Memorandum to All Banks dated 11 April 1995 and shall take effect likely by October 2007 upon transfer of Currency Management Sub-Sector to Security Plant Complex, Quezon City.


AMANDO M. TETANGCO, JR.
Governor

MAAB No. _____
Date: 19 September 2007