



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

MEMORANDUM NO. M-2014-021

To : ALL AUTHORIZED AGENTS BANKS

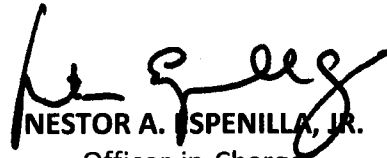
Subject : SERVICE FEE FOR FIT NOTES MIXED WITH UNFIT NOTE DEPOSITS

Further to the Memorandum No. M-2010-030 dated 22 September 2010 and pursuant to the Monetary Board Resolution No. 1199 dated 2 September 2010 on the imposition of a service fee of ₱100.00 per 1,000 pieces of fit note deposits of banks with the Cash Department (CD), Currency Management Sub-Sector (CMSS) and the Regional Offices and Branches, Regional Monetary Affairs Sub-Sector (RMASS), Bangko Sentral ng Pilipinas (BSP), please be guided by the following clarificatory rules:

1. Fit notes shall be deemed to include:
 - a. Clean notes such that the prints are clear and the genuineness is obvious;
 - b. Notes without writing and/or heavy creases;
 - c. Notes that can maintain their upright position when held at the mid portion of one of the shorter borders; and
 - d. Notes falling under items **a** to **c** which are found upon processing mixed with unfit notes deposited by a bank.
2. Banks shall issue a letter of authority in favor of the BSP, through the CMSS to debit their respective Demand Deposit Account maintained with the BSP, for the service fee on their fit notes mixed with unfit deposits found by CD during processing using the Automated Bank Processing Machines (ABPMs).
3. Deposits of fit note falling under 1.d shall be charged a service fee of ₱100.00 per 1,000 pieces provided that deposits of said notes of less than 1,000 pieces shall be charged the proportionate service fee of ₱ 10.00 per wrapper or fraction thereof.

4. Deposits of wrappers of fit notes, including those mixed with unfit notes, shall be charged the applicable service fee which shall be debited against the demand deposit account of the bank concerned with the BSP on the day the deposits are processed by CD.

This shall take effect within fifteen (15) calendar days from date of issuance of this Memorandum.



NESTOR A. ESPENILLA, JR.
Officer-in-Charge

05 May 2014