



BANGKO SENTRAL NG PILIPINAS

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

MEMORANDUM NO. M-2017- 009

To : ALL BANKS

Subject : Reminder on Dealings with Money Services Business (MSBs)

Pursuant to Part 8 of the Manual of Regulations for Banks (MORB)¹ and further to Memorandum No. M-2016-004 dated 5 April 2016, banks are required, as part of customer identification process, to secure, among others, a copy of registration of foreign exchange dealers, money changers and remittance and transfer companies, or collectively known as money services businesses (MSBs), with the Bangko Sentral ng Pilipinas (BSP). Banks are advised of the recently issued² enhanced oversight framework for MSBs, which includes the revised rules for registration with the BSP. As such, banks are reminded to deal only with MSBs duly-registered with the BSP.

Also, as part of ongoing monitoring of customers, accounts and transactions, banks are likewise required to have a system that will enable them to understand the normal and reasonable account activity of customers and detect unusual or suspicious patterns of activity³. This includes, among others, the ability to identify customers or accounts which are being used to facilitate MSB activities and subject them to appropriate due diligence and monitoring procedures.

For guidance and strict compliance.


NESTOR A. ESPENILLA JR.
Deputy Governor

10 March 2017

¹ Anti-Money Laundering Regulations

² Circular No. 942 dated 20 January 2017

³ Subsection X806.3 of the MORB