

Bangko Sentral ng Pilipinas

MANILA

OFFICE OF THE GOVERNOR

CIRCULAR NO. 368 Series of 2003

The Monetary Board, in its Resolution No. 153, dated January 30, 2003 approved the following guidelines that shall govern the collection of service fees by employers of members-borrowers of Non-Stock Savings and Loan Associations (NSSLAs) pursuant to Section 7 of Republic Act No. 8367 (The Revised Non-Stock Savings and Loan Associations Act of 1997):

1. The determination of reasonable service fees that may be collected by employers of members-borrowers of NSSLAs shall be left to the mutual agreement between the employer and the NSSLAs concerned. The service fee, however, shall not be more than $\frac{1}{2}$ of 1% of total collections, net of capital contributions/deposits;
2. The application of fees shall also be subject to pertinent provisions in the Collective Bargaining Agreements or Personnel Policy and Procedure Manuals already in place; provided that the fees cannot exceed the rate stated in No. 1 above;
3. In meritorious cases, employers may collect service fee in excess of $\frac{1}{2}$ of 1% subject to prior Bangko Sentral ng Pilipinas approval and submission by the NSSLAs/employer of: (a) justification for the collection of a higher fee; (b) Board of Trustees' Resolution on the approval of the service fee; and (c) copy of the agreement between the employer and the NSSLAs concerned;
4. The additional expense due to the imposition of service fees by the employer shall not be passed on to the members-borrowers; and
5. The period within which the employer shall remit collections to the NSSLAs shall be agreed upon between the employer and NSSLAs concerned.

FOR THE MONETARY BOARD:


RAFAEL B. BUENAVENTURA
Governor

February 17, 2003