



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
MONETARY STABILITY SECTOR**

MEMORANDUM NO. M-2015-006

To : ALL AUTHORIZED AGENT BANKS

**Subject : GUIDELINES ON THE IMPOSITION OF SERVICE FEES
UNDER THE ENHANCED CASH MANAGEMENT SERVICES**

Pursuant to Monetary Board Resolution No. 68 dated 14 January 2015, approving the Guidelines on the Imposition of Service Fees under the Enhanced Cash Management (ECM) Services of the *Bangko Sentral ng Pilipinas* (BSP), please be advised of the following:

I. Coverage

These Guidelines shall apply to all deposits and withdrawals of Authorized Agent Banks (AABs) with the BSP under the ECM implementation.

A. Deposits

1. Type of Deposits - Banks can deposit banknotes to the BSP, as follows:
 - a. *Regular Deposits* - refer to deposits which do not bear any restriction as to volume and amount. These banknote deposits should be stored in the prescribed clear plastic bag, with each containing exactly 20 bundles¹ of banknotes.
 - b. *Over-the-Counter Deposits* - refer to deposits which range from a minimum of one (1) wrapper to a maximum of four (4) bundles.
2. Classification of Banknote Deposits - deposits must be sorted by series and denomination:
 - a. *New/Fit Banknotes* - refer to:
 - i. clean notes such that the prints are clear and the genuineness is obvious;
 - ii. notes without writing and/or heavy creases; and
 - iii. notes that can maintain their upright position when held at the mid-portion of one of the shorter borders.
 - b. *Unfit Banknotes* - refer to banknotes that do not qualify as fit notes.

¹ Each bundle of banknotes consists of 1,000 pieces, which are segregated into 10 wrappers of 100 notes a piece.

c. *Mixed Banknotes* - refer to deposits which consist of combination of fit and unfit banknotes in a bundle or wrapper.

B. *Withdrawals* - Banks may opt to withdraw banknotes in bundles/boxes (new or fit notes) and/or in cassette-ready form (consists of two bundles).

II. Applicable Service Fees

| Type of Transaction | Applicable Service Fees |
|--|-------------------------|
| New/Fit note deposits | P100 per bundle |
| Unfit note deposits | None |
| Mixed note deposits | P60 per bundle |
| Unfit notes mixed with fit note deposits verified through the Automated Banknote Processing Machine (ABPM) | P60 per bundle |
| Withdrawals (new or verified fit notes) ² | P60 per bundle |

The applicable service fees shall be debited against the Demand Deposit Account of the bank concerned with the BSP.³

III. Repealing Clause

These Guidelines shall supersede Memorandum to All Authorized Agent Banks (MAAB) Nos. M-2009-044, M-2010-030 and M-2014-021 dated 09 November 2009, 22 September 2010 and 05 May 2014, respectively.

IV. Implementation

The new services under the ECM shall be implemented in three (3) phases, as follows:

Phase I (by February 2015) – Transactions of bank head offices and cash centers in Metro Manila with the BSP Cash Department (CD) – Quezon City;


Phase II (to commence 2 years from Phase I) – Transactions of bank branches in Metro Manila with the BSP CD – Quezon City; and

Phase III (to commence 1 year from Phase II) – Transactions of banks' regional offices and branches with the BSP Regional Offices and Branches.

² As a matter of policy, the BSP verifies deposits of banks. However, in certain instances, the BSP allows withdrawal by bank of unverified fit notes. Under such circumstance, no service fee is applied.

³ The bank shall issue a letter of authority in favor of the BSP.

Phase I shall take effect on 16 February 2015. We shall inform on the effectivity of Phases II and III of the ECM implementation.



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Deputy Governor

23 January 2015