

**[ BSP Circular No. 879, May 22, 2015 ]**

**GUIDELINES ON THE USE OF SCRIPLESS SECURITIES AS  
SECURITY FOR THE FAITHFUL PERFORMANCE OF PERA  
ADMINISTRATOR (APPENDIX 34AQ-21-A TO SUBSEC.  
X405.1/4405Q.1 OF THE MORB/MORNBFI)**

*Adopted: 22 May 2015  
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The Monetary Board in its Resolution No. 509 dated 27 March 2015 approved the introduction of Appendix 34a to Subsec. X405.1 of the Manual of Regulations for Banks (MORB) and Appendix Q-21-a to Subsec. 4405Q.1 of the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI), relative to the implementation of PERA Act of 2008 and PERA Rules.

**Definition of Terms and Acronyms**

*BSP - Bangko Sentral ng Pilipinas*

*BSP-FAD - Financial Accounting Department of the BSP*

*BSP-SES - Supervision and Examination Sector of the BSP*

*DDA - refers to the regular demand deposit account of a bank/quasi-bank with BSP-FAD*

*DSSA - Daily Statement of Securities Account*

*Financial Institution (FI) - refers to a bank, non-bank financial institution, or trust entity supervised by the BSP that is accredited to be a PERA Administrator*

*MORB/MORNBFI - Manual of Regulations for Banks/Manual of Regulations for Non-Bank Financial Institutions*

*Off-site Supervising Department - refers to the department of the BSP-SEs responsible for offsite supervision of FIs*

*Scripless securities - refers to uncertificated securities issued by the Bureau of Treasury (BTr) that are under the BTr's Registry of scripless securities (Ross)*

*Trust Specialist Group (TSG) - refers to the technical unit of the BSP-SES responsible for supervision of trust entities*

## **A. Basic Requirements**

1. The BSP-SES shall file with the BTr an application to open a BSP-PERA RoSS principal securities account where the securities for the faithful performance of PERA Administrator shall be held. The BSP-SES shall use Annex 1 for this purpose.
2. The BSP-SES through its TSG shall request with the BTr the creation of a PERA Administrator securities account under the BSP-PERA RoSS principal securities account using Annex 1-A. The BTr shall maintain each PERA Administrator securities account for P1,000.00 or any amount per month as may be determined by the BTr.
3. An FI must have a DDA with BSP-FAD. In case when an FI does not have a DDA with BSP-FAD, it shall designate a settlement bank and shall inform the appropriate BSP-SES off-site supervising department of its designated settlement bank.
4. Each FI shall accomplish an autodebit/autocredit authorization for its PERA Administrator securities account under the BSP-PERA RoSS principal securities account. The document shall authorize the BTr and the BSP to credit the DDA of the FI or the designated settlement bank with BSP-FAD for coupons/interest payments and maturity proceeds of securities and to debit the same DDA for the monthly fees payable to the BTr for maintenance of the PERA Administrator securities account. An FI with a DDA with BSP-FAD shall use Annex 2-A while an FI with a settlement arrangement shall use Annex 2-B.
5. The BSP-SES off-site supervising department shall be responsible for monitoring deposit and withdrawal of securities in the PERA Administrator securities account.
6. Every FI shall ensure that it has adequate security for the faithful performance of PERA Administrator pursuant to the provisions of the Personal Equity and Retirement Account (PERA) Act of 2008 and its implementing rules and regulations.
7. The BTr shall provide TSG a monthly statement of securities account as well as a DSSA whenever a transaction in any PERA Administrator securities account is made.
8. The responsible BSP-SES off-site supervising department shall determine on a quarterly basis the compliance with the security for the faithful performance of PERA Administrator based on the reportorial submission of the FI. In case of deficiency, the responsible BSP-SES off-site supervising department shall recommend, as warranted, the imposition of sanctions and/or any other appropriate action to higher BSP authorities.

## **B. Procedures for Assigning Initial/Additional RoSS Securities as Security for the Faithful Performance of PERA Administrator**

1. The FI shall notify the appropriate BSP-SES off-site supervising department that it will transfer RoSS securities to its PERA Administrator securities account at least two (2) banking days before the date of transfer using the prescribed form (Annex 3) and checking Box "A" or "B", as appropriate, and indicating details therein. The notice, which may initially be sent through electronic mail or fax, shall be forwarded as an official letter duly signed by authorized