

[BSP CIRCULAR NO. 1330, February 28, 1992]

DEPOSIT PICK-UP/PAYROLL DELIVERY SERVICES

The Monetary Board, in its Resolution No. 91 dated January 31, 1992, approved the amendments of Subsection 1604.5 and Section 1266 (Book I) and Subsection 2604.4 and Section 2266 (Book II) of the Manual of Regulations for Banks and Other Financial Intermediaries (Manual) so as to delete the requirement of prior Central Bank approval before commercial banks, expanded commercial banks, specialized government banks and thrift banks can undertake deposit pick-up/payroll delivery services, provided the names of the client/company to be serviced are reported to the appropriate supervising departments, adequate internal control measures are adopted and the following conditions enumerated in paragraph b.3 of Sections 1266 (Book I) and 2266 (Book II) of the Manual are complied with:

- a. Pick-up of deposit, as a general rule, shall be made with the use of armored cars which, however, shall not be operated as a mobile bank or used in soliciting deposits for the general public, or in any manner in carrying out banking transactions/services other than to afford security of deposit items in transit;
- b. The risk of loss involved in the pick-up of deposits shall be adequately covered by insurance, and the armored car to be used shall be provided with at least two (2) armed guards and supervised by at least two (2) officers of the bank;
- c. The deposit transactions shall be booked in accordance with existing regulations;
- d. Pick-up of deposit shall not be allowed on days other than the bank's regular banking days;
- e. The strictest measures of safeguards, control and confidentiality will be adopted in implementing the services;
- f. A record/log book shall be maintained by the bank which shall contain the information on the deposit pick-up activities of the armored car to be supported by "trip tickets" signed by a responsible officer of the bank; and
- g. Records and/or such other reports that may be required of the bank from time to time shall be made available for examination/inspection by the authorized representative(s) of the appropriate supervising department of the Central Bank.

This Circular shall take effect immediately.

Adopted: 28 Feb. 1992

(SGD.) JOSE L. CUISIA, JR.
Governor