

[BSP CIRCULAR NO. 61, January 21, 1995]

CONSOLIDATED RULES AND REGULATIONS ON CURRENCY NOTES AND COINS

Pursuant to Monetary Board Resolution No. 9 dated January 4, 1995, the following rules and regulations governing treatment and disposition of counterfeit Philippine and foreign currency notes and coins; the reproduction and/or use of facsimiles of legal tender Philippine currency notes and coins; the replacement and redemption of legal tender Philippine currency notes and coins considered mutilated or unfit for circulation; and the treatment and disposition of Philippine currency notes and coins called in for replacement, are hereby promulgated:

Definition of Terms

For purposes of this circular, the following terms are defined:

- A. Legal Tender Philippine Currency - Notes and coins issued and circulating in accordance with R.A. No. 265 as amended and/or R.A. No. 7653, which when offered for the payment of public or private debt must be accepted.
- B. Counterfeit Note - An imitation of a legal and genuine note intended to deceive or to be taken for that which is original, legal and genuine.
- C. Counterfeit Coin - An imitation or forged design of a genuine and legal coin regardless of its intrinsic value or metallic composition, intended to deceive or pass for the genuine coin.
- D. Unauthorized Reproduction Of Legal Tender Philippine Note - A reproduction of a facsimile or any illustration or object bearing the likeness or similitude of legal tender Philippine currency note or any part thereof, without prior authority from the Governor of Bangko Sentral or his duly authorized representative.
- E. Unauthorized Reproduction Of Legal Tender Philippine Coin - A reproduction of a facsimile or any object in metal form bearing the likeness or similitude of legal tender Philippine currency coin or any part thereof, without prior authority from the Governor of Bangko Sentral or his duly authorized representative.

Chapter I

Treatment and Disposition of Counterfeit Philippine and Foreign Currency Notes and Coins

SECTION 1. Authority - Section 50 of R.A. 7653, provides that:

"The Bangko Sentral shall have the sole power and authority to issue currency, within the territory of the Philippines. No other person or entity, public or private, may put into circulation notes, coins or any other object or document which, in the opinion of the Monetary Board, might circulate

as currency, nor reproduce or imitate the facsimiles of Bangko Sentral notes without prior authority from the Bangko Sentral.

"The Monetary Board may issue such regulations as it may deem advisable in order to prevent the circulation of foreign currency or of currency substitutes as well as to prevent the reproduction of facsimiles of Bangko Sentral notes.

"The Bangko Sentral shall have the authority to investigate, make arrests, conduct searches and seizures in accordance with law, for the purpose of maintaining the integrity of the currency.

"Violation of this provision or of any regulation issued by the Bangko Sentral pursuant thereto shall constitute an offense punishable by imprisonment of not less than five (5) years but not more than ten (10) years. In case the Revised Penal Code provides for a greater penalty, then that penalty shall be imposed.

SECTION 2. Any person or entity, public or private, who receives or takes hold of a note or coin which is counterfeit or whose genuineness is questionable whether Philippine or foreign currency shall issue a temporary receipt to its owner/holder and must indicate therein his name, address and community tax certificate number or the passport number, in case of a foreigner, the date of receipt, the denomination, serial number of the note or the coin series as the case may be. The owner/holder shall be required to countersign the receipt and in case of refusal, the reason shall be stated in the receipt.

SECTION 3. Any person or entity, public or private, who receives, takes hold or has in his possession a note or a coin which is counterfeit or whose genuineness is questionable, whether Philippine or foreign currency, shall forward the same within five (5) working days from date of receipt/possession thereof, together with a copy of the temporary receipt required under Section 2 hereof, for examination to:

The Cash Department
Bangko Sentral ng Pilipinas
A. Mabini St., Manila

In cases where personal delivery to the Cash Department (CD), Bangko Sentral ng Pilipinas (BSP), Manila, is not feasible, delivery of the aforesaid notes or coins may be made through any of the following agencies:

- a. The Bangko Sentral Regional Offices/Units; or
- b. Any banking institution under the supervision of the Bangko Sentral.

SECTION 4. Any law enforcement agency which conducted any seizure of notes and coins, whether Philippine or foreign, which are counterfeits or suspected to be counterfeit currency, shall within five (5) working days from date of seizure, advise in writing the Cash Department, BSP, Manila of said seizure enclosing therewith a copy of the receipt and inventory taken on the seized items. All seized notes or coins which are not or no longer needed as evidence in any investigation/legal proceedings shall be immediately turned over to the Cash Department, BSP, for proper disposition.

SECTION 5. The Cash Department, BSP, after examining all notes and coins submitted to it for examination and/or determination as to its genuineness, shall:

- a. Issue a corresponding certification for the currency examined, if needed;
- b. Stamp the word "COUNTERFEIT" on both the face and the back of each note found to be counterfeit;
- c. Return to the owner/holder, and/or sender the Philippine or foreign currency notes or coins found to be genuine in accordance with existing accounting and auditing regulations.

SECTION 6. All notes and coins, whether Philippine or foreign, determined by the CD, BSP to be counterfeit currency, shall not be returned to the owner/holder, but shall be retained and later disposed of in accordance with such guidelines as may be adopted by the BSP, except those which will be used as evidence in an investigation or legal proceedings, in which case, the same shall be retained and preserved by the BSP for evidentiary purposes.

SECTION 7. The BSP shall extend assistance as may be requested of it in the investigation, apprehension and/or prosecution of person/s responsible for counterfeiting of notes and coins, both Philippine or foreign.

Chapter II

Reproduction and/or Use of Facsimiles of Legal Tender Philippine Currency Notes

SECTION 8. No person or entity, public or private, shall design, engrave, print, make or execute in any other manner, or utter, issue, distribute, circulate or use any handbill, advertisement, placard, circular, card, or any other object whatsoever bearing the facsimile, likeness or similitude of any legal tender Philippine currency note, or any part thereof, whether in black and white or any color or combination of colors, without prior authority therefore having been secured from the Governor, BSP or his duly authorized representative.

SECTION 9. The reproduction and/or use of facsimiles or any illustration bearing the likeness or similitude of legal tender Philippine currency notes referred to in the foregoing section may be authorized by the Governor, BSP or his duly authorized representative, for printed illustrations in articles, books, journals, newspapers or other similar materials and strictly for numismatic, educational, historical, newsworthy or other purposes which will maintain, promote or enhance the integrity and dignity of said note, provided, however, that any such facsimile or illustration shall be of a size less than three-fifths ($\frac{3}{5}$) or more than one and one-half ($1\frac{1}{2}$) times in size of the currency note being illustrated and that there will be no deviation from the purpose for which the notes will be used.

Chapter III

Reproduction and/or Use of Facsimile of Legal Tender Philippine Currency Coins

SECTION 10. No person or entity, public or private, shall design, engrave, make or execute in any other manner, or use, issue, or distribute any object whatsoever bearing the likeness or similitude as to design, color or the inscription thereon of any legal tender Philippine currency coin or any part thereof, in metal form, irrespective of size and metallic composition, without prior authority from the Governor, BSP or his duly authorized representative.

SECTION 11. The reproduction and/or use of facsimiles or of any object bearing the likeness or similitude of legal tender Philippine currency coins referred to in the foregoing section may be authorized by the Governor, BSP or his duly authorized