

GUIDE TEMPLATE FOR OPERATIONS MANUAL ON RECORDKEEPING OF DEPOSITS

IMPORTANT NOTE/INSTRUCTION: This template is a guide for PDIC member banks that do not have an operations manual on record keeping of deposits or those intending to modify their manuals to comply with Section 1(a) of PDIC Regulatory Issuance No. 2006-01. The template covers the policies and procedures adopted by the banks to comply with existing rules and regulations on deposit transactions and recordkeeping pursuant to the General Banking Law, the Anti-Money Laundering Act, the New Central Bank Act, and other BSP regulations.

I. New Account Opening

1. **Documentary Requirements** – enumerate all documents required for new account opening for each type of depositor and each type of deposit account and attach a blank form for each. The format may take the following form for ease of presentation. For proof of identification (ID), please indicate which are considered primary or secondary proofs.

DEPOSITOR TYPE	Documents Required per Account Type			
	Current / Demand	Savings	Time Deposit	Others (Specify)
a. Individual accounts				
b. Single Proprietorship				
c. Partnership				
d. Corporate account – domestic corporation				
e. Corporate account – foreign corporation				
f. Treasury-in-trust (corporation, usually temporary)				
g. Fiduciary account				
h. Foundations				
i. Clubs, Association, Society, etc.				

2. **Policies and Procedures for New Account Opening** – describe the process flow for each of the following procedures specifying the position/designation of bank personnel responsible for these processes (Note : If processes differ for each account type, describe process for each) ;

- (a) Describe the procedure for accomplishing the forms, indicating the procedures to be observed in accomplishing the forms, e.g. who should accomplish the forms and where.
- (b) Establishing the beneficial ownership of deposits including in the event of fund transfers/break-up of deposits. Note that guidelines in this regard are specified under PDIC Regulatory Issuance (RI) No. 2002-03 (Deposit Insurance Guidelines on Determination of Beneficial Ownership of Deposits including Transfers/Break Up of Deposits).
- (c) Screening of depositors per account type, in order to establish track record, business connection, involvement in any illegal transactions
- (d) Verification of authenticity of supporting documents submitted to include measures to be undertaken in the event of discrepancies found therein
- (e) Posting of new accounts transactions to include account numbering/other coding system per type of deposit account
- (f) Release of original documents to depositors after approval. Attach samples of passbooks, joint account agreements and other forms issued to depositors as proof of deposit account
- (g) Post-Opening Review/Control

- II. **Policies, Posting Procedures, and Control Measures for Deposit Transactions** – enumerate for all types of deposit, all policies, posting procedures and control measures applied by the bank to ensure accuracy, validity, proper recording and monitoring of the deposit transactions indicated in the template below as applicable. The enumeration may take the form of the template for ease of presentation. Indicate the position/designation of the responsible bank personnel involved in the implementation of these policies, procedures and controls.

TRANSACTIONS	CURRENT/DEMAND	SAVINGS	TIME	OTHERS ^{1/}
a. Deposit				
· Cash Deposit				
· Check Deposit				
· "No-Book" Cash Deposit				
· "No-Book" Check Deposit				
· Inward returned checks				
· Handling of lost deposit documents/evidences				
b. Withdrawal				
· Deposit withdrawal				
· Encashment and other debit transactions				

· Returned checks and other cash items (RCOCI)				
· MICR checkbooks ¹				
o requisition /orders				
o safekeeping				
o deliveries				
o releasing to customers				
o destruction				
· Stop Payment Orders (SPO)				
o reasons for acceptance of SPO				
o validity period				
o service charges				
o negotiation of payment				
o release/cancellation				
· Fund Transfers				
c. Interest				
· Formula for computing interests and withholding tax				
· Payment of interest (including advance interest payments)				
· Cut-off dates for accrual/updating				
d. Balances				
· End of day balancing of daily transactions				
· Periodic review of regular deposit transactions				
· Frequency and manner of issuance of bank statements to depositors				
· Certification of balances (attach a pro-forma or sample certification)				
e. Other transactions relating to:				
· Inter-Branch Transactions (between On-line and Stand-Alone Branches)				
o oversight or technical error				
o transactions that do not meet the requirement per policy				
· ATM Transactions				
· Local Remittances				
o Inward				
o Outward				
· Foreign Remittances				
o Inward				
o Outward				
o FX rate used/holding period				
· Escheat Accounts (Due to Treasurer Of the Philippines)				
· Deposits temporarily lodged to "accounts payable" and "other liabilities accounts" (please specify policy on reversal period)				

¹ Other accounts that may be identified by the bank that were not included above such as deposit transactions arising from deposit arrangements with private institutions or government agencies e.g., payroll accounts, pensions.

III. Updating of Depositor Records

1. Describe the policies and procedures relating to the updating of depositor records such as, but not limited to:
 - (a) change in name/account name;
 - (b) change in address
 - (c) updating of client specimen signature cards
 - (d) Amendments and changes in account type e.g., from single (individual) account to joint "and" or "and/or" account and vice versa.
 - (e) frequency of updating depositor records for accounts without changes in name, address, account type, etc.
2. Describe policies and procedures on garnished, freeze, hold or accounts under litigation.

IV. Filing/Storage and Monitoring – describe the system of filing/storage, safekeeping, and monitoring of deposit records including location, duration or holding period, and form, as well as the designation/position of responsible bank personnel/bank officer. Include internal control measures such as custody of the "passwords" if such apply. Indicate as well, the method of maintenance of records and policy on disposal of hardcopies.

- a. Filled up and approved forms (e.g. signature cards, etc.)
 - b. Documents submitted by clients (e.g. certified true copies of account opening documentary requirements, affidavits, etc.)
 - c. Accountable forms –unused passbooks, checkbooks, etc. by title/type of document
 - d. Deposit transaction files (e.g. transaction journal, trial balance, withdrawals, cashier's checks, latest and filled up subsidiary ledgers, if the latter is stored separately, etc.)
 - e. Split deposit accounts
 - f. Inactive/dormant accounts
 - g. Maintenance and safekeeping of passwords of files and systems as applicable
 - h. Accounts closed
 - i. Memorandum Of Agreements relating to all deposit transactions as applicable
- V. Back-up File Storage** – enumerate the policies and procedures for keeping and maintaining the back-up files cited under IV of this guideline. Indicate

the form (hardcopy and/or softcopy), location, retention period, as well as the designation/position of responsible bank personnel/bank officer and those who have custody of the "passwords" if such apply in the back-up file storage of deposit records.

VI. Bank Employee Deposit Accounts – enumerate policies and procedures in relation to bank employees' deposit accounts

VII. Others – enumerate all other deposit related policies not covered under Sections 1-7 of this template.

Note : Please send your queries/clarifications on this guideline, if any, to;

The Department Manager
Insurance & Risk Assessment Data Department
Philippine Deposit Insurance Corporation
2nd Flr., PDIC Bldg.
2228 Chino Roces Ave.,
1231 Makati City

or through e-mail at info@pdic.gov.ph