

**GUIDELINES FOR CRAFTING THE OPERATIONS MANUAL
ON RECORD-KEEPING OF BANK DEPOSITS**

IMPORTANT NOTE/INSTRUCTION: These guidelines enumerate the minimum areas in the deposit operation of the bank which should be provided with adequate policies, procedures and controls to ensure proper processing and record-keeping of deposit-related transactions/activities in compliance with Section 3 of PDIC Regulatory Issuance (RI) No. 2021-01. They also provide descriptions of some policies, procedures and/or controls that PDIC expects banks to adopt. In developing/adopting policies, procedures, and controls, banks are expected to take into account the size and complexity of their operations and other applicable existing rules and regulations on deposit transactions and record-keeping as provided in the General Banking Law, the Anti-Money Laundering Act (AMLA), the New Central Bank Act, and other Bangko Sentral ng Pilipinas (BSP) and PDIC regulations. Banks may also adopt alternative policies, procedures and/controls that are suited to their operations and practices as long as it is aligned with existing rules and regulations.

I. Deposit Products and Services

The Manual shall enumerate or list down the deposit products and services offered by the bank, including the basic description or features of the product (i.e., minimum initial deposit, required minimum maintaining balance, required balance to earn interest, service fees and charges, subjectivity to documentary stamp tax, limitations on withdrawals), target market, proof of deposit including its security features and designated signing/approving officers, interest rate, term, etc.

II. Policies, Procedures and Controls

The Manual shall contain adequate policies, procedures and controls on deposit transaction processing, record-keeping and related activities and/or practices. Step-by-step procedures including responsible units and/or personnel and specific reports, documents and/or schedules related thereto shall also be indicated. The Manual shall also clearly provide that the responsibility of ensuring adequacy of controls and proper record-keeping lies primarily to the Board of Directors and Senior Management (i.e., President, Department Heads, and Compliance Office) of the bank.

1. New Account Opening

1.1. Client Due Diligence and Risk Profiling

1.1.1. Documentary requirements

Enumerate all documents required for new account opening for each type of depositor (i.e., personal, juridical, fiduciary, etc.) and each type of deposit product (i.e., regular savings, special savings, current/demand deposits, term deposits, etc.) including the additional documents needed on account of the risk profile/rating (i.e., normal or high) of the client taking into consideration the AMLA provisions on customer acceptance and identification requirement. Attach a blank form for each document, where necessary. Type of depositors and the minimum required documents to be obtained upon account opening are as follows:

1.1.1.1. Personal accounts

(a) Individual account

- Valid identification documents (ID/s)
- Latest picture particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Alien Certificate of Registration if foreign national

(b) Joint account

- Valid ID/s of each depositor
- Latest picture of each depositor particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Joint Account Agreement
- Alien Certificate of Registration if foreign national

(c) Accounts in Trust of Fiduciary Accounts

(i) In-Trust-For (ITF) accounts (accounts opened in behalf of minors)

- Valid ID/s of guardian or representative
- Latest picture of guardian or representative particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Birth Certificate of the minor

- (ii) For-the-Account-Of (FAO), By Accounts, and other fiduciary, intermediary or nominee accounts (accounts opened in behalf of an entity or an individual other than a minor)
 - Valid ID/s of the depositor/principal/trustor
 - Valid ID/s of the agent/nominee/trustee
 - Latest picture of both depositor/principal and agent/ nominee particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
 - Current and notarized Special Power of Attorney (SPA) or its equivalent executed by the depositor/principal in favor of the agent/nominee
 - Documents evidencing the relationship and/or agreement of the depositor/principal with the agent/nominee, as necessary (particularly if the agent/nominee is not a relative of the depositor/principal)

- (iii) Estate account
 - Valid ID/s of administrator or executor
 - Latest picture of administrator or executor particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
 - Death Certificate of deceased person
 - Court order or testamentary will authenticated by the Legal Department of the bank

1.1.1.2. Corporate/Commercial Accounts (includes single proprietorship, partnership, corporate accounts – domestic/foreign, if any, treasurer-in-trust and associations, cooperatives and other unincorporated groups)

(a) Treasurer-in-Trust account

- Valid ID/s of authorized signatory/ies
- Latest picture of authorized signatory/ies particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Proposed Articles of Incorporation and By-Laws which include the temporary appointment of Treasurer-in-Trust
- Letter from Treasurer-in-Trust addressed to the bank
- Treasurer's Affidavit
- Corporate papers

(b) Juridical accounts

(i) Sole/Single proprietorship

- Valid ID/s of depositor or authorized representative (if another person is authorized by the proprietor)
- Latest picture of depositor or authorized representative (if another person is authorized by the proprietor) particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Business/Mayor's Permit
- Department of Trade and Industry/Bureau of Internal Revenue Certificate of Registration
- Current and notarized SPA, if another person is authorized by the proprietor

(ii) Partnership

- Valid ID/s of authorized signatory/ies
- Latest picture of authorized signatory/ies particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Certified true copy of Articles of Co-Partnership
- SEC Certificate of Registration of Article of Co-Partnership
- Partnership Agreement
- General Information Sheet or List of Partners and Key Officers

- Duly notarized Partnership Resolution/ Authorization designating the bank as depository bank and the authorized signatories

(iii) Corporation

(1) Domestic corporation

- Valid ID/s of Authorized Signatory/ies
- Latest picture of authorized signatory/ies particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Certified true copy of Articles of Incorporation
- Corporate By-Laws with SEC Certificate of Filing
- SEC Certificate of Registration
- General Information Sheet or List of Major Stockholders owning at least 10% of the outstanding capital stock, Board of Directors, and Key Officers
- Board Resolution certified by its Secretary stating the following:
 - Authority to open an account or transact business with the bank; and
 - Name of officers authorized to sign checks and other instruments, with sanctioned limits and combinations

(2) Foreign corporation

- Valid ID/s of authorized signatory/ies
- Latest picture of authorized signatory/ies particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Board Resolution certified by its Secretary and authenticated by the Philippine Consul authorizing the opening of the account

- Certified copy of Articles of Incorporation and By-Laws/Amendment (with English translation) duly authenticated by the Philippine Consul in the place where the corporation was established
- License to do business in the Philippines/Amended License or Certificate of Exemption from licensing requirement issued by the SEC
- General Information Sheet or List of Major Stockholders owning at least 10% of the outstanding capital stock, Board of Directors, and Key Officers

(3) One Person Corporation (OPC)

- SEC Certificate of Registration
- Articles of Incorporation
- Valid ID of the Stockholder
- If the Stockholder of the OPC is under a fiduciary duty:
 - Current notarized SPA or proof of authority to act on behalf of the trust or estate
 - Valid ID of agent/trustee/administrator/executor/guardian/conservator/custodian
- If Stockholder is a foreign natural person:
 - Authority to do business under the Foreign Investment Act

(c) Associations, clubs, foundations, cooperative

- Valid ID/s of authorized signatory/ies
- Latest picture of authorized signatory/ies particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated or does not clearly show the face of the customer or authorized signatory
- Articles of Incorporation and By-Laws of Cooperative, Association or Unincorporated Organization
- Certificate of Registration with SEC and/or with the concerned affiliation or other government agency
- General Information Sheet or List of Board of Trustees/Directors and Key Officers

- Board Resolution or notarized minutes of meeting of general membership and/or governing body certified by its Secretary stating the following:
 - Authority to open an account or transact business with the bank; and
 - Officers authorized to sign checks and other instruments, their limits and combinations
- (d) Unincorporated organizations, associations, organizations, societies, groups or body of persons that are not duly registered with the SEC shall comply with the rules applicable to individual customers relative to customer identification
- Documents assigning the authorized representative/s, delineating authority to the said representative/s to open an account with the bank under the name of the authorized representative/s and indicating the purpose for the opening of the account
 - Complete names, contact information, and addresses of all members of the group/association/organization
 - Documents and information necessary to establish the existence of the group/association/organization
 - Valid ID/s of authorized representative/s
 - Latest picture of authorized representative/s particularly if the ID presented is non-photo bearing or the photo appearing on the ID is not updated

Note: With regard to the valid IDs to be submitted by the prospective depositors, the bank may refer to the list of acceptable identification documents enumerated by the BSP in its Circulars. The above-listed documents merely represent the basic documentary requirements upon opening of new account. The bank may require new depositors for additional documents as may be necessary.

1.1.2. Minimum required information

The following minimum information must be obtained from the client for purposes of establishing their true identities taking into consideration the type of deposit product and the risk profile of the depositor:

- Complete name
- Address (present and permanent)
- Specimen signature or biometrics of the customer
- Contact details

- Place and date of birth
- Nationality
- Source of income, such as occupation and employer or nature of business and business name
- Source of fund of deposits or placements
- Philippine Identification System (PhilSys) Number (once available)
- Tax Identification Number (TIN)
- Social Security System (SSS)/ Government Service Insurance System (GSIS) number
- Name of beneficiary

1.1.3. Policies and procedures on client due diligence and risk profiling

Identify the policies and procedures to be implemented in determining the true identity of the client and/or the beneficial owner of the account as well as their risk profile, including the position/designation of personnel responsible for these processes. Said policies and procedures shall adequately cover the following (Note: If processes differ for each account type, describe process for each):

- Client orientation on deposit products' terms and condition;
- Establishing the beneficial ownership of deposits to determine the rightful owner of deposits as well as the manner of informing depositors relative to funds transfers/break-up of deposits as specified under PDIC RI No. 2009-03 (Determination of Beneficial Ownership of Legitimate Deposits);
- Screening of depositors and risk profiling, including a list of entities which are precluded from opening deposit account with the bank, or entities, or professions considered high risk by the bank, and the procedures in implementing the graduated or tiered customer acceptance policy; and
- Review and verification of documents and information, including measures to be undertaken in the event discrepancies are noted during verification of documents or wherein identity of depositor has not been satisfactorily established.

1.1.4. Bank forms required to be accomplished by the client

Enumerate the forms (i.e., signature card, information sheet, client profiling checklist, depositor agreement forms, etc.) to be accomplished. Indicate the responsible bank personnel who will oversee the accomplishment of said forms, parameters, or instances when bank personnel can assist in accomplishing the same and the list of acceptable justifications and corresponding procedures if these forms shall be accomplished outside bank premises or through other means (e.g., online accomplishment of forms).

1.2. Approval of Account Opening and Creation of Deposit Accounts

1.2.1. Review and approval

Enumerate the policies, procedures and authorized bank personnel relative to review and approval of new accounts. This shall also cover the preparation of Deviation Reports in case a deposit account was opened with incomplete information and/or documentary requirement, as well as follow-up and actions to be taken if the deficiency is not addressed or regularized.

1.2.2. Grant of preferential or incremental rates (for term deposits)

Identify the basis/justifications or circumstances and the authorized approving officer for the grant of preferential rates or incremental rates, as well as the proper documentation of the basis and approval of giving such rates.

1.2.3. Creation of client profile and deposit account

Describe the policies and procedures, including personnel authorized to create and/or approve creation of profile and/or deposit account, a list of the minimum information required to be encoded in the database (as applicable) and the subsequent creation of deposit accounts (i.e., the assigning of account number/coding system, preparation of deposit account ledger and deposit instrument such as passbooks or certificates of time deposit).

1.2.4. Processing and recording of initial deposit

Covers the policies and procedures on preparation and validation of deposit slip and deposit instrument, posting in the Current Account/Saving Account (CA/SA) or deposit system and/or on individual ledgers (in case of manual ledgers), and recording in new account registry.

1.3. Issuance of Proof of Deposits and Post-Opening Controls

1.3.1. Release of deposit instruments

Describe the manner by which the evidence of deposits or its equivalent are released to depositors indicating the type of deposit instrument per account type, control and security features of the instrument (if any), responsible officer/personnel for the release (i.e., preparer, issuer, authorized signatory/ies), and the mode of documenting receipt of the client of the Proof of Deposit.

1.3.2. Reporting and independent review

Covers the policies and procedures on the preparation and submission to management of the list of new accounts and the subsequent independent checking to ensure compliance with the policies and regulations on account opening.

1.3.3. Post-opening review/control

Enumerate policies and procedures to confirm the identity of the depositor of the newly opened deposit account, validity of documents and information, and to check the accuracy of new accounts transactions opened during the day. The procedures shall cover the documentation, monitoring and reporting of the status or results of the post-opening procedures performed, as well as the actions to be undertaken in case of discrepancies/inconsistencies and/or returned correspondences (for those implementing the sending of "Thank You" letters).

1.4. Digitization of Customer Records

Covers the policies and procedures on the creation/maintenance of a central and secure database of customer records taking into consideration Anti-Money Laundering Council (AMLC) Regulatory Issuance A, B, and C, No. 2, Series of 2018

1.4.1. Records to be digitized

Covers the customer information and documents obtained upon account opening in establishing the true and full identity of customers including transaction records.

1.4.2. Responsible employee for:

- Digitization
- Custodianship of digitized records/customer database
- Independent compliance checking

1.4.3. Policies ensuring security and integrity of database

1.4.4. Review/Checking procedures

1.4.5. Retrieval and maintenance

2. Policies, Posting Procedures, and Control Measures for Deposit Transactions

For all types of deposits, enumerate policies, procedures, and control measures applied by the bank from the Cash Department Unit up to Accounting Unit, as necessary. Indicate the position/designation of the responsible bank personnel involved in the implementation.

2.1. Deposits

Enumerate and discuss the flow of deposit transactions and the related internal control measures covering the processing, review, approval, and recording of the following deposit-related transactions, including the forms to be accomplished and responsible bank personnel:

- 2.1.1. Cash and check deposits
 - Over-the-counter deposits of cash and check (include list of checks not acceptable for deposit)
 - Solicitation and acceptance of deposits outside bank premises
 - Deposit transactions other than over-the-counter:
 - Deposits made directly to the deposit account of the bank with its depository bank
 - Booking of deposits arising from non-deposit transactions, if any
 - On-line deposits or e-banking
 - Handling and processing different kinds of check deposits, such as:
 - Second-endorsed check
 - "On-us" check
 - Other bank check
 - Deposits after regular banking hours
 - Processing of "no passbook" deposits
- 2.1.2. Outward clearing checks
- 2.1.3. Inward return checks
 - Acceptance and documentation
 - Manner of notification to depositors
 - Manner to redeposit
 - Recording/posting of transactions
- 2.1.4. Processing receipt of deposit during system-offline
 - Preparation and submission of incident report (banks are encouraged to require its operations personnel to prepare incident reports whenever the deposit database system went offline or to record such incident in a logbook for validation purposes and/or future reference)
 - Posting of transaction in the client account
 - Mode of notifying clients that their deposit transactions are transacted offline
 - Manner of updating of clients' passbooks
 - Review/verification procedures performed to ensure that offline transactions are adequately and timely reflected in the depositors' accounts

2.2. Withdrawals

Enumerate and describe the entire process flow of withdrawal and the related control measures covering the processing, review, approval, and recording of withdrawal transactions, including the forms to be accomplished and responsible bank personnel on the following:

- 2.2.1. Over-the-counter withdrawal
- 2.2.2. Check encashment
- 2.2.3. Withdrawal through a representative
- 2.2.4. Payment of withdrawals through issuance of the corporate check of the bank
- 2.2.5. No passbook withdrawals
- 2.2.6. Processing of withdrawals during system-offline
 - Preparation and submission of incident report (banks are encouraged to require its operations personnel to prepare incident reports whenever the deposit database system went offline or to record such incident in a logbook for validation purposes and/or future reference)
 - Posting of transaction in the client account
 - Mode of notifying clients that their withdrawal transactions are transacted offline
 - Manner of updating of clients' passbooks
 - Review/verification procedures performed to ensure that offline transactions are adequately and timely reflected in the depositors' accounts
- 2.2.7. Inward clearing checks
- 2.2.8. Drawings Against Uncollected Deposits (DAUD), Drawings Against Insufficient Funds (DAIF), and other debit transactions
 - Nature of debit transaction such as regular fees, charges, DAUD, DAIF, and other related transactions
 - Transaction media
 - Preparation and approval
 - Posting/recording
- 2.2.9. Returned checks and other cash items (RCOCI)
 - Transaction media
 - Manner of identification and disposition period
 - Service fees, penalty charges and handling fees (if any)
 - Review and approval
 - Recording, monitoring and reporting of transactions
 - Handling of outgoing clearing return checks
 - Manner of notification to depositors

- 2.2.10. Checkbooks
 - Requisition/orders (includes verification of documents)
 - Cost and payment
 - Posting/recording
 - Safekeeping
 - Releasing to customers
 - Destruction and segregation

- 2.2.11. Stop payment orders (SPO)
 - Reasons for acceptance of SPO
 - Validity period
 - Service charges
 - Negotiation of payment
 - Release/cancellation
 - Verification, approval and recording
 - Transaction media

- 2.2.12. Fund transfers
 - Transaction media
 - Authorization from depositors
 - Verification, approval and recording
 - Service charges (if any)

2.3. Balancing of Transactions

Enumerate and describe the detailed procedures and control measures to ensure validity and accuracy of transactions.

- 2.3.1. End of day balancing of daily transactions
 - Daily proving of CA/SA transactions
 - Reconciliation by the cash and accounting unit
 - Posting to the General Ledger/Trial Balance
 - Measures to be taken in the event of discrepancy (i.e., shortage or overage)

- 2.3.2. Periodic review of regular deposit transactions covering management supervision and oversight over deposit transaction, balances, practices, deposit balance/condition, reporting to management, and deposit account monitoring by respective bank personnel
 - Report preparation, review, approval, and monitoring
 - Schedules, analyses, and reports prepared to facilitate review/monitoring process
 - Frequency of schedules/reporting
 - Persons/institutions whom to report

2.3.3. Consolidation of balances (Head and Branches)

Describe the process on how branch transactions are consolidated to head office books of accounts to come up with a consolidated Financial Statements and consolidated deposit balances, such as:

- Method/manner of information delivery/submission from branch to head office (e-mail, submission of printed copies, on-line/network system, etc.) and mode of consolidation (manual or computerized)
- Outputs/reports of consolidation (attach list of consolidated schedules, analysis and/or reports prepared)
- Preparation, review and approval of outputs/reports of consolidation
- Measures undertaken in case of float items, discrepancies or unreconciled inter-branch accounts/transactions.
- Independent checking

2.3.4. Confirmation of balances

Describe detailed procedures undertaken in confirming balance of individual deposit accounts.

- Pro-forma/sample confirmation (attach copy)
- Method of identifying depositors to be confirmed
- Frequency of confirmation
- Monitoring and reporting of the status or results of confirmations
- Measures undertaken in case of negative reply or discrepancies

2.4. Other transactions relating to:

2.4.1. Inter-branch transactions - process flow in accepting and recording the transactions and the control measures.

- Policy in acceptance such as inter-branch limit, nature of transaction (deposit or withdrawal)
- Transmission of transaction data and/or media
- Posting/recording
- Review and Approval
- Reconciliation
- Correspondence on mismatch items and manner of its disposition
- Independent checking

- 2.4.2. Cash Pick-up/Delivery Services and Use of Cash Agents
- Policy on accreditation of third party service provider
 - Security measures and insurance coverage of funds in transit
 - Due diligence and customer data confidentiality
 - Execution of written authorization and acceptance of bank clients of the policy of "no deposit relationship" on funds in transit
 - Processing and recording of transactions

- 2.4.3. Automated Teller Machine (ATM) transactions
- System used
 - Transaction fees/charges
 - Reconciliation procedures and frequency
 - Handling of reconciling items
 - Handling of depositors complaints

- 2.4.4. Remittances (Local or Foreign, if any)

Describe the process flow (inward or outward) of the transfer, foreign exchange rates used, commissions and fees as well as the documentary requirements for the sender or receiver.

- 2.4.5. Escheat accounts

Include the process of communicating with depositors, frequency and time of reclassification/recording, process of reporting and remittance to Bureau of Treasury.

- 2.4.6. Deposits temporarily lodged to "Accounts Payable" and "Other Liabilities Accounts"

Indicate the nature of deposits lodged temporarily, recording, monitoring procedures and disposition period and reporting of items not reclassified within the set disposition period.

- 2.4.7. Garnished, frozen or accounts on hold or under litigation

Discuss process flow and requirements before treating as such, including required documentation, tagging requirements, monitoring, other control measures, and releasing/payment procedures.

2.4.8. Bank Officers and Employees' Deposit Accounts

Enumerate policies, procedures, limitations, and control measures in handling bank officers and employees' deposit accounts particularly the tagging of savings, demand, and time deposits of officers and employees, their spouses and relatives within the second degree of consanguinity and affinity, including partnerships, associations, or corporations in which such officers and employees, their spouses and relatives within the second degree of consanguinity and affinity, individually or as a group, own or control at least a majority of the capital in the database system and the monitoring of these accounts.

2.4.9. Frequency and manner of issuance of bank statements to depositor

Enumerate policies, procedures, and control measures in the issuance of bank statement taking into consideration the frequency, accountable personnel, mode of delivery, and documentation.

2.4.10. Certification of balances

Describe policy in the issuance of certification including the documentary requirements, service charges/fees and limitations relative to issuance of certification of deposit balances.

2.4.11. Handling of Lost deposit evidence

Describe the policies and enumerate documentary requirements in handling of lost deposit evidence or proof of deposits, as well as control measures to be taken, including charging of fees if any.

2.4.12. Handling of deposit accounts with zero-balances

Specify the policies implemented for deposit accounts with zero balances, including the timing when these accounts would be closed.

2.4.13. Handling of unclaimed matured term deposits

Specify the policies on unclaimed matured term deposits, including the manner and basis of computing interest.

3. Updating of Depositor Records

Indicate description of policies and documentary requirements in updating depositor records taking into consideration the control measures to be taken.

3.1. Change in name/account name

3.2. Change in address

3.3. Change of signatories

- 3.4. Amendments and changes in account type (e.g., individual account to joint account, adding of co-depositor to an existing joint account)
- 3.5. Frequency of updating depositor records for accounts w/o changes in name, address, account type, etc. (e.g., biennially)

4. Interest Computation and Accrual

Indicate description of procedures and control measures in computing interest of each type of deposits.

- 4.1. Application of interest and accrual for deposit accounts
 - Policy on accrual of interest
 - Formula for computing interest
- 4.2. Payment of interests and remittance of taxes
 - Period/Frequency of payment
 - Mode of Payment (i.e., credit to the same account or another deposit account, cash/check payment, deposit/fund transfer to other banks)
- 4.3. Recording/Updating of interest payments
- 4.4. Independent review/checking

5. Inactive/Dormant Accounts

Enumerate guidelines and procedures, including the forms to be accomplished and responsible bank personnel on:

- 5.1. Client notification with respect to inactive and/or dormant accounts (primarily through sending of a letter to encourage reactivation of account);
- 5.2. Booking/reclassification and segregation of deposit files;
- 5.3. Service charges/fees (if any);
- 5.4. Manner of reporting to management and its frequency;
- 5.5. Re-activation procedures including the updating of specimen signature and customer information both in the SSC/CIF and database system;
- 5.6. Independent review/checking; and
- 5.7. Documentation, monitoring and reporting of the status or output of sent notices of dormancy, and the measures to be undertaken in case of returned or unacted notices.

6. Closure/Termination of Accounts

Enumerate guidelines and procedures on voluntary and involuntary closure of deposit accounts, including documentary requirements and responsible personnel on:

- 6.1. Preparation, verification and approval;
- 6.2. Computation of interest and withholding tax;
- 6.3. Mode of payment of proceeds;
- 6.4. Charging of service fees (if any); and
- 6.5. Reporting to management and independent review/checking.

7. Filing/Storage and Monitoring of Deposit-Related Forms, Documents and Reports

Enumerate policies and procedures, including the following controls and documentations, on the receipt, safekeeping, monitoring, issuance and disposal of deposit-related files, documents and forms, such as evidences of deposits (i.e., passbooks, Certificates of Time Deposits, ATM cards, checkbooks), account opening forms (i.e., specimen signature cards, customer information sheets, joint account agreements, depositor's agreement forms), client-submitted documents (i.e., photocopies of valid identification documents and other documents submitted upon opening/updating of deposit account), transaction and accounting media/reports (i.e., subsidiary ledgers, letter-request or duly-accomplished request forms, transaction tickets, credit/debit memos, deposit/withdrawal slips, proof sheets, blotters, transaction reports), and other accountable forms (i.e., cashier's check, official receipts, pre-numbered deposit slips, provisional receipts, and the like):

- 7.1. Joint custodianship over bank records, forms and documents;
- 7.2. Dual control over the use/issuance of accountable forms, primarily on evidences of deposits;
- 7.3. Confidentiality of, and limited access to deposit-related documents, forms and reports;
- 7.4. Sequential issuance of accountable forms;
- 7.5. Authorized approving and/or releasing officer/personnel;

- 7.6. Documentation of the receipt by the custodian of accountable forms and its subsequent issuance to operations personnel and/or return of defective accountable forms, through the use and maintenance of logbooks or registers with the following minimum information:
 - Accountable form series/reference number;
 - Date of receipt/issuance;
 - Quantity (number of booklets or forms) received/issued;
 - Initial/Signature of issuer and/or recipient; and
 - Outstanding balance after each transaction;
- 7.7. Documentation of the issuance/use of accountable forms, primarily evidences of deposits, to depositors/clients through the use of logbooks/registers with the following minimum information:
 - Accountable form number;
 - Date of issuance/use;
 - Name of client/depositor;
 - Amount involved, as necessary;
 - Deposit account number, in case of evidences of deposits;
 - Nature of transaction, in case of passbook issuances (i.e., new account, replacement of filled passbook or replacement of lost passbook); and
 - Signature of depositor as acknowledgement of receipt, in case of passbooks, ATM cards, pin mailers, checkbooks;
- 7.8. Inventory and reconciliation of actual accountable forms on hand against recorded quantity per logbook/register;
- 7.9. Reporting and investigation/review relative to missing or unaccounted forms;
- 7.10. Reporting and disposal of defective, damaged or obsolete forms;
- 7.11. Costing and periodic (i.e., daily, monthly) reporting to accounting and/or management;
- 7.12. Independent checking of the effectivity of the processes and compliance therein by the audit/compliance office;
- 7.13. Duration or holding period of records of active, dormant and closed accounts, and other deposit transaction records; and
- 7.14. Other control features adopted or implemented to ensure authenticity of accountable forms, particularly evidences of deposits, and/or legitimacy of its issuance.

8. Back-up Files Storage

Enumerate the policies and procedures for keeping and maintaining the back-up files. Indicate the form (printed copy and/or electronic copy), location, retention period, as well as the designation/position of responsible personnel/officer of the bank and those who have custody of the "passwords" if such apply in the back-up file storage of deposit records. The Manual shall also provide for the guidelines in the recovery of back-up files of deposit and depositor information and transactions in accordance with the disaster recovery and business continuity plan.

9. Computerized Deposit Database System

Enumerate the policies and procedures for the maintenance, including the features, system configuration/set up, and list of system-generated reports, of the computerized deposit database system of the bank made pursuant to Section 4 of PDIC RI No. 2021-01.

10. Others

Enumerate all other deposit related policies/procedures/guidelines not covered by the above-mentioned policies and procedures.