



## FREQUENTLY ASKED QUESTIONS New format checks

### 1. What do Memo Circular Nos. 3126 and 3134 of the Philippine Clearing House Corporation (PCHC) refer to?

Memo Circular Nos. 3126 and 3134 state that banks should no longer accept checks with the old format design effective July 1, 2017. Only the new format checks shall be accepted for processing.

### 2. Why do we need to change the design?

The new design comes with a highly improved security and design features. The change shall prepare the Philippine banking system to fully transition to a more efficient, convenient and secured clearing settlement, the Check Image Clearing System (CICS).

To know more about CICS, please click this link: [http://www.pbcom.com.ph/files/CICS\\_Advisory.pdf](http://www.pbcom.com.ph/files/CICS_Advisory.pdf)

### 3. How can I distinguish the new design from the old one?

The new design is easily distinguishable by the presence of an authorization and waiver statement, "I / We allow the electronic clearing of this check and hereby waive the presentation for payment of this original to PBCOM."

### 4. What does the Authorization and Waiver Statement mean?

The Depository/Collecting Bank is allowed by the Drawer/Issuer of the deposited check to present to/clear the check with the Drawee/Paying Bank through transmission of the check's digital image and information, and for the Drawee/Paying Bank to decide on its payment or non-payment on the basis of the transmitted image and information.

This expresses the agreement of the Drawer/Issuer of the deposited check to waive or set aside the requirement under Sec. 74 of the Negotiable Instruments Law regarding the presentation or exhibition of the original of the deposited check to the Drawee/Paying Bank for the collection of its amount.

### 5. When will the change of design be implemented by PBCOM?

PBCOM has already started transitioning to the new format checks. When you order new checkbooks from your branch, they will already be in the new design.

**6. Where can I get the checkbooks with a new design?**

You can request your new checkbooks from the PBCOM branch where you maintain your account.

**7. How much is the fee for checkbooks with new check design?**

The fee for Personal Checks is P175.00 per booklet, while Commercial Check booklet costs P350.00.

**8. Will there be different check formats for Commercial and Personal accounts?**

Commercial and Personal Checks will have a common size (8" x 3") and appearance. However, Personal Checks will have one signatory line, while Commercial Checks and Personal "Joint AND" Checks will have two signatory lines. Commercial booklets will contain 100 checks while Personal booklets will only have 50 checks.

**9. I issued monthly post-dated old format checks until January 2018 as payment for my motor vehicle loan with PBCOM. Do I have to replace these with new format checks?**

No, old format PDCs received/warehoused by banks prior to December 30, 2016 shall continue to be honored beyond July 1, 2017. The banks shall stamp "Warehoused OFC" at the back portion of the check to indicate that these are previously warehoused checks.

**10. What should I do if I am holding post-dated checks (PDCs) issued by my clients?**

Please ensure that there are no erasures, alterations or incomplete information on the checks as these will not be accepted. If the checks are dated after July 1, 2017, please coordinate with the Drawer to have the PDCs replaced as these will not be accepted after July 1, 2017.

**11. Do I have an option not to have my account name printed?**

There is no option not to print the account name as The Anti-Money Laundering Law mandates all banks to print the account names on the checks.

**12. Does this cover only peso checking accounts?**

Yes. The memorandum covers only peso checking accounts.

**13. How can the bank discourage presentation for clearing of OFCs starting July 1, 2017?**

Old format checks (OFCs), except for PDCs received for warehousing before December 31, 2016, will be automatically returned by the Drawee Bank under Tran Code '24' for the reason: "Refer to Issuer/Old Format Check".

**14. What is the penalty that will be imposed on a Presenting Bank that will send old format checks for clearing on or after July 1, 2017?**

A penalty of Php500.00 per item shall be imposed on the Presenting Bank for sending old format checks for clearing after July 1, 2017 (except for warehoused OFCs).

**15. Who can I contact if I have more inquiries?**

For more information, please get in touch with the nearest PBCOM branch, or call our Customer Care hotline: (02) 777-2266 (Metro Manila) / 1-800-10-777-2266 (Domestic Toll Free).