

[BSP CIRCULAR NO. 722, S. 2011, May 17, 2011]

AMENDMENTS TO THE REGULATIONS ON BANKS ACCREDITED AS COLLECTION AGENTS OF THE SOCIAL SECURITY SYSTEM (SSS)

Pursuant to Monetary Board Resolution No. 701 dated 06 May 2011, Section X904 of the Manual of Regulations for Banks (MORB) on banks accredited as collection agents of the Social Security System (SSS) is hereby amended to read as follows:

"Section X904. Collection Agents of the Social Security System.

Banks duly accredited by the SSS are authorized to act as collection agents under which agency, members of the SSS may pay their contributions for social security and employees compensation to the SSS through the said banks. Such banks are also authorized to receive from SSS members amortization payments for loans granted by the SSS and such other payments due to SSS.

"The funds thus collected shall be remitted to the SSS within the period prescribed by the SSS, i.e., collections by the bank from the first (1st) day to the fifteenth (15th) day of the month shall be remitted to the SSS not later than the last day of the month while collections from the sixteenth (16th) day to the last day of the month shall be remitted to the SSS not later than the fifteenth (15th) day of the following month. During the period that such funds are in the custody of the banks, these funds shall not earn interest.

"The banks shall not collect from the SSS any service charge for such agency.

"The funds collected by banks shall be handled by the bank proper and not the trust department: *Provided, however,* That such deposits shall be subject to the reserve requirements and the liquidity floor requirements on government deposits."

This Circular shall take effect fifteen (15) calendar days after publication either in the Official Gazette or in a newspaper of general circulation.

Adopted: 17 May 2011

FOR THE MONETARY BOARD: