

June 22, 1998

TREASURY CIRCULAR NO. 03-98

TO : All Banks, Building and Loan Associations and Trust Corporations

RE : Simplifying Compliance with Unclaimed Balances Law

Act No. 3936, as amended by Presidential Decree No. 679, otherwise known as the "Unclaimed Balances (UB) Law", mandates that banks, building and loan associations and trust corporations shall report, under oath, to the Treasurer of the Philippines (TOP) all their deposit balances which remains unclaimed for ten (10) years or more. cTSHaE

The report is required within the month of January of every odd year, i.e., after the bank, building and loan association and trust corporation has communicated with the persons in whose favor the UB stand at their last known place of residence or post office addresses. Moreover, that a copy of the report shall be posted in a conspicuous place in the premises of the bank, building and loan association and trust corporation for at least sixty days from the date of filing.

Attached is a copy of Act No. 3936, as amended, for easy reference.

Our experience shows that branches of banks, building and loan associations and trust corporations report to the TOP separately, making it cumbersome for the Government to file escheat proceeding in the Courts where the branches are located.

On the principle that branches are treated as one unit with their Head Office, the statutory requirement for banks, building and loan associations and trust corporations to submit reports on Unclaimed Balances are hereby simplified as follows: CEIHcT

1. Effective odd year 1999 and henceforth, the Head Office of banks, building and loan associations and trust corporations shall forward to the TOP, in compliance with Act No. 3936, as amended, a consolidated report, under oath and in triplicate copies, of all deposits held by them and their branches in favor of persons known to be dead, or who have not made further deposits or withdrawals, during the preceding ten years or more, indicating therein:

1.1 The names and last known place of residence or post office addresses of the persons in whose favor such UB stands, by branches and arranged in alphabetical order;

1.2 The amount and date of the outstanding UB, and the nature thereof;

1.3 The date when the person in whose favor the UB stands died, if known, or the date when his/her last deposit or withdrawal is made; cDTIAC

1.4 The interest due on such UB, if any, and the amount thereof; and

1.5 Compliance with the requirements of Section 2 of Act No. 3936, as amended, that is:

1.5.1. Notice to the persons in whose favor the UB stand at their last known place of residence or post office addresses.

1.5.2 Posting of the above-mentioned sworn report in conspicuous place in the premises of the bank, building and loan association and trust corporation, and

2. Failure, neglect, and/or refusal of any Head Office of any bank, building and loan association and trust corporation to make and file sworn report as required above shall subject the same to a penalty prescribed under Section 4 of Act No. 3936, as amended. STADIH

All circulars, memoranda or orders inconsistent herewith are hereby deemed revoked or modified accordingly.

(SGD.) CARIDAD VALDEHUESA

Treasurer of the Philippines

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