



PHILIPPINE CLEARING HOUSE CORPORATION

Memo Circular No. 3808

May 09, 2024

T O : All Clearing Banks/Institutions

R E : CLARIFICATION ON THE IMPLEMENTATION OF THE NEW CHECK DESIGN

1. We wish to issue clarifications in view of the numerous queries and complaints received by PCHC regarding the non-acceptance of Checks for deposit in the following conditions:

A. NEW FORMAT CHECKS

- A.1. Checks where the issue date characters are indicated or printed outside of appropriate boxes:

PCHC – they are acceptable, as mentioned in earlier advisories.

- A.2. Checks where the issue date characters representing the month and the date do not strictly conform with the required MM-DD format, i.e. single digit representing the month and/or date, such as:

5 - 8 - 2024 or 05 - 8 - 2024 5 - 08 - 2024

for May 8, 2024:

PCHC – they are acceptable provided that the year of issue is in 4 digits (YYYY).

- A.2.1. Partition symbols (such as “/” or “*” or any other mark) should not appear between the numeric representation of the month and of the date and of the year in the issue date of a Check; otherwise, the Check is unacceptable. There is already a dash symbol ‘-’ separating the MM DD YYYY boxes.

- A.3. Checks where the signature of the drawer/s goes beyond the borders of the signature box/es:

PCHC - they are acceptable, likewise as indicated in earlier advisories.

- A.4. The guidelines stated above apply to all Checks deposited/presented for clearing, regardless of whether they are issued by individuals or by Banks or other types of entities

B. OLD FORMAT CHECKS

- B.1. Effective May 1, 2024, they are no longer acceptable for clearing , except -

B.1.1. Checks issued by Banks (*Manager's Check, Cashier's Check, Gift Check*) provided –

B.1.1.1. they bear the waiver statement ("*I/We allow the electronic clearing of this check and hereby waive the presentation for payment of this original to . . .*"), and

B.1.1.2. the date of issue is in the numeric format (MM-DD-YYYY) if the Bank-issued Checks are dated May 1, 2024 or thereafter (but in no case dated beyond the date of presentation of the Checks for deposit), or

B.1.1.3. the Bank-issued Checks are dated April 30, 2024 or earlier in which case the date of issue may be written either purely in numeric or in alpha-numeric format.

B.1.2. Checks issued by individuals or entities other than a Bank provided –

B.1.2.1. they were accepted/ stamped 'Warehoused' by a participant bank prior to May 1, 2024; or

B.1.2.2. they bear or are printed with 'PDC Unique Identification Code' (PDC UIC) that indicates receipt by participant banks for warehousing per section 16.2 of the CICS Rules and Regulations; or

B.1.2.3. they are dated April 30, 2024 or earlier (in which case the date of issue may be written either purely in numeric or in alpha-numeric format) and presented for deposit or encashment prior to the 180th day from date of issuance

B.2. If the date of issue indicated on an Old Format Check is written in numeric format, the numeric format variant specified in item A.2. above applies but not the requirement for the year of issue to be in 4 digits, that is, the year of issue on Old Format Checks may be written in 2 digits only.

C. BOTH NEW FORMAT AND OLD FORMAT CHECKS

Checks where the Amount in Words includes symbols like: "+", "++", "+++", "=", "==", "===", "*", "", or "****" before and after, e.g., +++Five Thousand Only+++ :**

PCHC - they are acceptable; the added symbols before and after the amount in words are traditionally added by some issuers to prevent alteration.

2. Checks not acceptable for deposit/clearing with the implementation of the rules on Old Format and New Format Checks effective May 1, 2024, if presented for clearing (CICS), shall be returned by the Drawee Bank to the Presenting Bank using any of the following reasons where applicable:

2.1. Return Reason "R" (Refer to Issuer : Old Format Check) – to return an Old Format Check that is not covered by the exemptions state above

This return may carry a penalty of Php1,000.00 per section 2.2 of MC No. 3743 dated February 14, 2023.

- 2.2. Return Reason "A" (Out-of-date) —to return a Check where the issue date is invalid or non-existent (02-30-2024), or the month or day or year is missing (i.e. 5-2024).
- 2.3. Return Reason "E" (Inappropriate/incorrect date format) — to return a New Design Check or an Old Format Check where:
 - 2.2.1. the issue date is printed/ written in a numeric format not in conformity with the required MM-DD-YYYY date format or not in accordance with any of the acceptable numeric variants (as indicated in item A.2 above).

The return reasons mentioned above shall be used by participant banks **starting May 16, 2024** when updates to the Return Reason Table of the PBM are deployed.

3. Please be guided accordingly.


EMMANUEL E. BARCENA
President & CEO