



PHILIPPINE CLEARING HOUSE CORPORATION

Memo Circular No. 3814

June 3, 2024

T O : All Clearing Banks/Institutions

R E : MORATORIUM ON NON-ACCEPTANCE OF CHECKS WITH NON-ESSENTIAL SYMBOLS OR MARKS OR DETAILS

-
1. After the issuance of Memo Circular No. 3811 dated May 14, 2024 extending the moratorium period for the non-acceptance of Checks with dates of issue written with partition symbols other than the dash “-” mark to June 30, 2024, we have been receiving requests for its further extension along with the appeal to include in the moratorium the matter of marks written after the ₱ sign or inside the amount boxes before or after the figures (*e.g. ***500,000.00** or -500,000.00-*).
 2. As indicated in our previous advisories/circulars (which we would like to emphasize with this issuance), the main reason for prescribing the New Check Design is to primarily standardize the way the dates, amounts in figures and other information are to be written on Checks so as to optimize the character recognition capability of processing systems and, ultimately, upgrade the entire clearing eco-system.
 3. We understand based on the presented justifications that one month might be too short to inform the respective clients to adhere to the standards. Thus, we are revising Memo Circular No. 3811, with additional guideline on the writing of the Check amount, so that -
 - 3.1. Checks with partition symbols other than the dash “-” mark in between the figure representations of the month, date, and year of their dates of issue; and
 - 3.2. Checks with marks, characters or details before and after the amount in figures whether in Old Format or New Design Checks;

remain acceptable until the last banking day of 2024.
 4. **Effective January 02, 2025**, therefore, the following rules apply:
 - 4.1. All Checks with symbols, marks or characters on them or in their dates of issue and/or in their amounts in figures shall not be acceptable for clearing.
 - 4.2. Bank-issued Checks (*Manager’s Check, Cashier’s Check, Gift Check*) which are in the “Old Format” remain acceptable provided –

- 4.2.1. 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
- 4.2.2. 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
- 4.2.3. the date of issue is either in numeric or in alpha-numeric format if the Bank-issued Checks are dated April 30, 2024 or earlier; and
- 4.2.4. they are deposited within the respective validity periods indicated on the Checks if so specified on them.
- 4.3. "Old Format Checks" issued by an individual or an entity other than a bank remain acceptable provided -
 - 4.3.1. they were accepted/stamped 'Warehoused' by a participant bank prior to May 1, 2024; or
 - 4.3.2. 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.
5. This means that the deployment of the **Return Reason Code "E"** to the banks' PBM (Return Reason Code Table) shall be moved **from July 1, 2024 to January 02, 2025** to give the participants banks sufficient time to inform and require compliance from their clients, the prescribed way of writing Checks to be acceptable for clearing.
6. We have modified the description and usage of the soon-to-be deployed Return Reason Code "E", to wit:

Return Code	Description	Usage	Tran Code	Re-clearing R-Allowed N-Not Allowed
E	Use of non-prescribed Date Format or Writing of Symbols or Marks or other details before and/or after Amount in figures	To return a Regular Clearing Item where the issue date format does not conform to the standard MM-DD-YYYY or its acceptable variants, or use of inappropriate partition symbols to separate date characters, or inclusion of unnecessary symbols in the Amount in Figures to deter alteration.	024	N

7. A non-compliant Check inadvertently accepted by a depository bank for clearing shall be returned by the Drawee Bank to the Presenting/Sender Bank using the return reason cited above.
8. We are banking on your utmost support and cooperation particularly in the information dissemination/awareness campaign/drive to all your branches/offices and their respective customers.
9. Please be guided accordingly.


EMMANUEL E. BARCENA
President & CEO