

## **REDEMPTION OF MUTILATED NOTES/COINS THROUGH CASH PAYMENT**

<b>Description</b>	: EXAMINATION OF MUTILATED PHILIPPINE PESO NOTES AND COINS AS TO THEIR GENUINENESS AND REDEMPTION VALUE
<b>Clients</b>	: General Public
<b>Documents Required</b> <i>(to initiate the service)</i>	: Application Letter or Application for Examination of Mutilated/Doubtful Currencies (AE Form; CM Form No.12-079, 12-080)
<b>Schedule of Service Availability</b>	: Banking days, 9:00 A.M. to 3:00P.M.
<b>Contact Information</b>	: Currency Integrity Staff (CIS), Currency Issue and Integrity Office (CIIO), Security Plant Complex, East Avenue, Diliman, Quezon City <u>Telephone Numbers</u> : 352-1485, 988-4834; <u>E-mail</u> : ciiohelpdesk@bsp.gov.ph
<b>Total Processing Time</b>	: Total processing time starts from the date of receipt up to approval of results of examination. This depends on the case or degree of mutilation and number of pieces of notes/coins and the number of claims received in a day.

*Classification of claims in accordance with the case/degree of mutilation of notes/coins:*

Simple Case (S) refers to claims containing banknotes with minor damage but are almost in their original condition and size or coins which are unfit for circulation but are easily identifiable as to their denomination and genuineness.

Moderate/Regular Case (R) refers to claims containing banknotes that are torn into two parts subject to further examination to validate if both of the torn parts belong to one and the same banknote as indicated by the serial number and/or the continuity of line patterns of the printings on the banknote.

Complex Case (C) refers to claims containing extremely mutilated banknotes such as those that are torn into small and multiple parts like puzzle, charred or brittle due to burning, fragile and stuck together due to prolonged exposure to moisture/flood water, contaminated by chemicals such as motor battery, or other causes rendering piece by piece count, segregation, identification of denomination, serial number and size difficult, or coins which are corroded/melted that denomination and genuineness cannot be easily distinguished. Extremely mutilated notes must be handled with care to avoid disintegration or loss of any of the torn/cut/separated parts.

The following are the standards of processing time for Simple Case, Moderate/Regular Case and Complex Case under various circumstances:

Cases	No. of Pieces	No. of Claims Received in a Day	Approval of Result of Findings
<b>A. Banknotes</b>			
a. Simple			
a.1	≤ 100	≤ 10 claims/day	5 days after date of receipt
a.2	101 to 1,000	≤ 40 total claims/day	10 days after date of receipt
a.3	> 1,000	≤ 40 total claims/day	20 days after date of receipt
b. Moderate			
b.1	≤ 25	≤ 40 total claims/day	15 days after date of receipt
b.2	> 25	≤ 40 total claims/day	20 days after date of receipt
c. Complex	Any	≤ 40 total claims/day	Partial redemption will be made 45 days from date of receipt of CIS from CD and every 30 days thereafter until examination of all notes submitted has been completed.
<b>B. Coins</b>			
a. Simple			
a.1	≤ 25	≤ 40 total claims/day	7 days after date of receipt
a.2	> 25	≤ 40 total claims/day	20 days after date of receipt
c. Complex	Any	≤ 40 total claims/day	Partial redemption will be made 45 days from date of receipt of CIS from CD and every 30 days thereafter until examination of all coins submitted has been completed.

Note: The set standards apply only to claims received within the abovementioned parameters. Fortuitous events may render longer processing time than these standards.

**Total fees** : None

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
1	<p>Prior to submission to Cash Department (CD), segregate and prepare the mutilated peso notes/coins in accordance with the Procedures for the Processing of Mutilated Peso Notes/Coins Submitted by the General Public to the BSP, copy attached.</p>			<p>Mutilated peso notes/coins; relevant documents.</p>	

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
2	Submit to Banking Services Division (CD-BSD) mutilated notes/coins evaluation.	Receive/evaluate the degree of mutilation & no. of pieces of notes/coins. If it does not exceed 100 and the notes/coins exhibit simple case of mutilation that meet requirements for redemption, provide client with Exchange Slip for cash redemption. Otherwise, request client to fill up Application for Examination of Mutilated/Doubtful Currencies Form (AE) prior to endorsement to Currency Integrity Staff (CIS).	Banking Services Division (BSD) I, Teller Area, Ground Floor, Multi-Storey Building, BSP Head Office, A. Mabini, cor. P. Ocampo St., Malate, Manila  Banking Services Division (BSD) II, Teller Area, Ground Floor (GF), Building D, Cash Department (CD), Security Plant Complex (SPC), Bangko Sentral (BSP), East Avenue, Diliman, Quezon City (QC)	Mutilated peso notes/coins	Exchange Slip or AE

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
3	Receive from BSD the amount representing redemption value of simple case of mutilated notes/coins not exceeding 100 pieces.	Replace on the spot simple case of redeemable notes/coins.	-do-	Exchange Slip; mutilated peso notes/coins	Validated Exchange Slip; cash payment
4	For notes/coins with more than 100 pieces, present Application Letter or fill up AE and submit together with the mutilated notes/coins to BSD in accordance with the abovementioned guidelines. Indicate client's contact number in AE, if any.	Receive the claim, verify if Application Letter or AE/ relevant documents and category of mutilated notes/ coins are in order.  Indicate reference number and sign AE.	-do-	Application Letter or AE; mutilated peso notes/coins and relevant documents.	Application Letter or filled out AE with Reference No. and corresponding signatures of BSD Officer/Personnel; mutilated peso notes/coins with relevant documents.

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
5	Receive client's copy of BSP-acknowledged Application Letter/AE.	<p>Return client's copy of BSP-acknowledged Application Letter/AE with contact number of CIS; encode details of the claim and forward the same to CIS for examination.</p> <p>Advice client on the estimated completion of examination by CIS and date of release of results/payment of the redeemable amount.</p>	-do-	BSP-acknowledged Application Letter or filled out AE; mutilated peso notes/coins with relevant documents.	Summary of claims for endorsement by CD to CIS
6		Receive from BSD the claim for examination, i.e., mutilated peso notes/coins, Application Letter or AE and other relevant documents; validate accuracy of details and contents.	CIS, 2nd Floor, Building D Annex, Currency Issue and Integrity Office (CIIO), BSP-SPC, East Avenue, Diliman, Quezon City	-do-	Summary of claims validated by CIIO-CIS

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
7		Record/encode the details of the claim prior to submission to the Head, Laboratory Section-CIS for endorsement to the Currency Specialist for examination.	-do-	-do-	Proof sheet reflecting receipts for the day
8		Conduct examination of mutilated peso notes/ coins.	-do-	-do-	Examined notes/coins
9		Document the result of examination and submit CAS with corresponding notes/ coins to designated Officers for review/ approval	-do-	Application Letter or filled out AE and other relevant documents; examined notes/coins	Currency Action Sheet (CAS) – multiple copies
10		Review and/or approve result of findings	CIS/Currency Issue and Integrity Office (CIIO)/Office of the Managing Director (OMD), BSP-SPC, East Avenue, Diliman, Quezon City	Application Letter or filled out AE and other relevant documents; examined notes/coins; CAS	Application Letter or filled out AE; other relevant documents; examined notes/ coins; approved CAS

STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
11		Encode, segregate and endorse to CIS Currency Specialist (CS) completed claim, i.e., original copy of approved CAS/related documents with corresponding redeemable notes/ coins, if any, for delivery to BSD.	CIS, 2nd Floor, Building D Annex, Currency Issue and Integrity Office (CIIO), BSP-SPC, East Avenue, Diliman, Quezon City	Application Letter or filled out AE; other relevant documents; examined notes/coins; and approved CAS	Proof sheet reflecting releases for the day
12		Deliver to BSD completed claim for subsequent release to claimant.	-do-	Application Letter or filled out AE; other relevant documents; redeemable notes/ coins; and approved CAS	



STEP NO.	CLIENT STEP	BSP ACTION	OFFICE RESPONSIBLE/ LOCATION	DOCUMENT(S) REQUIRED	DOCUMENT(S) GENERATED
13	<p>Proceed to CD to claim the result of findings as per schedule specified by CIS and present the following:</p> <p>i. For owner-claimant : personal ID and client's copy of Application Letter/AE;</p> <p>ii. For owner's representative: personal ID, copy of the owner's ID, owner's authorization letter and client's copy of Application Letter/AE.</p> <p>Receive original copy of CAS and payment for redeemable notes/coins.</p> <p>For notes/coins found to be of No Value/ Counterfeit, only CAS will be provided to claimant by CIS.</p>	<p>Verify and receive from CIS the completed claim and subsequently release the original copy of CAS and payment for redemption to claimant, if any.</p>	<p>BSD I, Teller Area, Ground Floor, Multi-Storey Building, BSP Head Office, A. Mabini cor. P. Ocampo Sts., Malate, Manila; or</p> <p>BSD II, Teller Area, Ground Floor (GF), Building D, Cash Department (CD), Security Plant Complex (SPC), Bangko Sentral (BSP), East Avenue, Diliman, Quezon City (QC)</p>	<p>Client's copy of Application Letter/AE; proof of identity of the claimant/representative; authorization letter and copy of ID of owner (whenever necessary) ; redeemable notes/coins; and approved CAS</p>	<p>Cash payment for notes/coins with redemption value; approved CAS</p>
<p><b>END OF TRANSACTION</b></p>					

## **PROCEDURES FOR THE PROCESSING OF MUTILATED PESO NOTES/COINS SUBMITTED BY GENERAL PUBLIC TO THE BANGKO SENTRAL NG PILIPINAS**

In line with the issuance of BSP Circular No. 829 Series 2014, which amended BSP Circular 61 Series 1995 otherwise known as the Consolidated Rules and Regulations on Currency Notes and Coins, the BSP is requesting owners/claimants of mutilated notes to observe procedures in preparing/submitting mutilated notes/coins for redemption and determination of their exact values by the BSP through the Currency Management Sub-Sector. This is to facilitate processing and examination of mutilated notes/coins for redemption.

### **Notes and coins valid for redemption**

Mutilated notes shall be valid for redemption only if all the requirements have been met, as follows:

- The remaining surface area shall be equal to or more than 3/5 of the original size of the banknote;
- A portion of any one of the signatures of the President of the Philippines or the Governor of the Bangko Sentral ng Pilipinas remains; and
- Presence of the Embedded Security Thread (EST) and/or Windowed Security Thread (WST), unless the same has been lost or damaged due to fire, water, chemical or bitten by termites/rodents and the like. A note whose EST or WST has been willfully removed shall not be valid for redemption, notwithstanding compliance with the first two requirements.

Coins that are unfit such as bent or twisted out of shape, defaced, burned, corroded or have been considerably reduced in weight by natural abrasion/wear and tear but their genuineness and/or denomination can still be readily and clearly determined and identified.

### **Procedures for submission of mutilated notes/coins**

#### **Mutilated Notes**

- Prior to over the counter submission to the Cash Department of the BSP in Quezon City or Cash Unit in BSP Manila, individual claimants of mutilated notes shall inspect these notes and segregate them in accordance with the following categories:
  - Simple Case of mutilation – notes that are almost in their original condition and size with minor damage and can be easily segregated and counted piece by piece. Segregate these notes according to series and denomination.

- Moderately mutilated – notes which are torn into two parts and can be easily segregated and counted piece by piece. Mount the two parts together on a piece of paper slightly bigger than the banknote, using a transparent tape to enable recognition of all the features of the notes. Position each note in a manner that approximates its original appearance ensuring that each piece belongs to one and the same note as indicated by the continuity of printed designs on both parts or the presence of the complete set of serial numbers on the left and right sides.
- Extremely Mutilated – these are notes torn into small and multiple parts like puzzle, charred or brittle due to burning, fragile and stuck together due to prolonged exposure to moisture/flood water, contaminated by chemicals such as motor battery, or other causes. Piece by piece counting, segregation, and identification of denomination, serial number and size of these mutilated notes are extremely difficult. These notes must be handled with care. Keep the notes in a safe container such that disintegration or loss of any of the torn/cut/separated parts will be prevented to enable the experts to identify the genuineness, serial number and denomination of the note and/or match the parts together to establish the 3/5 surface requirement of a note.

#### **Unfit/Mutilated Coins**

- The coins must be free of adhesive tape, segregated per denomination and loosely packed, preferably in a transparent plastic bag containing 100 pieces per bag per denomination.
  - Simple case refers to unfit coins such as bent or twisted out of shape, defaced, burned, corroded or have been considerably reduced in weight by natural abrasion/wear and tear but their genuineness and/or denomination can still be readily and clearly determined and identified and consists only of not more than 100 piece.
  - Extreme case refers to burned/corroded/melted coins whose denomination and genuineness can not be readily identified.

#### **Steps to follow for over the counter submission at the CMSS, BSP, Quezon City**

1. Prepare and segregate mutilated notes/coins in accordance with the procedures for submission of mutilated notes/coins to the Cash Department (CD), Security Plant Complex (SPC), Bangko Sentral ng Pilipinas (BSP), East Avenue, Diliman, Quezon City

- (QC). The form on Application for Examination of Mutilated/Doubtful Currencies (AE) which is the prerequisite in the submission of notes/coins for examination can be accessed from the BSP website or from the Cash Department. Claimant may upload and accomplish this form before proceeding to the BSP, Quezon City to indicate personal account of the owner, i.e., name, address and contact number, details of claim such as number of pieces of each denomination, total pieces and amount, reason for mutilation and date of submission.
2. Proceed to Visitors Gate, SPC, BSP, Quezon City in proper attire and with valid ID. Male visitors are required to wear long pants and Polo shirt/T-shirts with sleeves. Female visitors, in decent attire. Slippers, sando and shorts are prohibited inside the BSP premises.
  3. Fill up entry pass at reception area and proceed to the Telling Area, Ground Floor (GF), Building D, Cash Department (CD) as directed by the BSP Guard/receptionist.
  4. Present to the Receiving Teller (RT) accomplished AE, if applicable, or request for AE, accomplish and submit the same together with the notes/coins/related documents. In the case of extremely mutilated notes/coins whose exact amount is undeterminable, indicate approximate amount to serve as the baseline.
  5. Wait for RT's advice on the estimated completion of currency examination by Currency Analysis & Communication Division's (CACD) and date of release of payment of the redeemable amount. Simple and moderate cases of mutilation may be released within five days if the number of notes/coins do not exceed 100 pieces. For extremely mutilated notes/coins, partial redemption will be made thirty days from date of receipt of CACD from CD and every thirty days thereafter until examination of all notes/coins submitted have been completed.
  6. Contact CACD to validate the release of findings and payment of mutilated notes/coins with redemption value.