

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Manila

Fifteenth Congress
First Regular Session

HOUSE BILL NO. 3358

Introduced by **HONORABLE BENHUR L. SALIMBANGON & GULLAS**

EXPLANATORY NOTE

This bill seeks for the abolition of the policy on the imposition of fees and charges for deposit accounts that are dormant or those that show no activity after a specified period of time.

The business of banking is imbued with public trust and confidence. Bank's relationship to their clients is of a fiduciary nature. Thus, banks are required to observe utmost degree of diligence in handling the money of their clients and in all transactions involving them.

The policy of banks on imposing fees and charges on deposit accounts considered dormant is in contravention to the fiduciary nature of the business. It is unreasonable for banks to deduct an amount from the deposit as a penalty for the lack of any transaction relating to it as they are sufficiently funded to meet the minimum balance requirement. After all, despite inactivity on the deposit accounts, banks are at liberty to utilize the money in their custody for the purpose of their business.

In view of the foregoing considerations, approval of this bill is earnestly sought.


BENHUR L. SALIMBANGON



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**AN ACT PROVIDING FOR THE ABOLITION OF THE POLICY ON THE
IMPOSITION OF FEES AND CHARGES ON DEPOSIT ACCOUNTS CONSIDERED
AS DORMANT**

*Be it enacted by the Senate and House of Representatives of the Philippines in session
assembled:*

Section 1. It is hereby declared that the policy on the imposition of fees and charges to deposit accounts which are dormant or those that show no activity after a specified period of time is abolished.

Section 2. The Bangko Sentral ng Pilipinas (BSP) shall formulate and issue the manual of regulations necessary for the implementation of this Act.

Section 3. All laws, executive orders, decrees, instructions, rules and regulations contrary to or inconsistent with any provision of this Act are hereby repealed or modified accordingly.

Section 4. This Act shall take effect immediately upon its approval.

Approved,