



Republic of the Philippines
DEPARTMENT OF FINANCE

Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004

DEPARTMENT CIRCULAR NO. 002.2016
July 8, 2016

SUBJECT: EXTENDING UNTIL JUNE 30, 2017 THE PERIOD FOR COMPLIANCE WITH SECTION 5.2 OF DEPARTMENT CIRCULAR (DC) NO. 01-2015, AS AMENDED BY DC NO. 03-2015, THE "REVISED GUIDELINES ON AUTHORIZED GOVERNMENT DEPOSITORY BANKS"

In the exigencies of service, in view of the numerous requests received by this Department, and to minimize operational impact among NGAs, GOCCs, and LGUs, Department Circular (DC) No. 01-2015, as amended by DC No. 03-2015, is hereby further amended, to wit:

Section 1. Extension of the Compliance Period to June 30, 2017. The compliance period provided for in Section 6.1 of DC No. 01-2015, as amended, is hereby extended to June 30, 2017. Accordingly, all NGAs, GOCCs or LGUs maintaining accounts with banks not compliant with the requirements of Section 5.2 of DC No. 01-2015, as amended, except those allowed under Sections 5.3 and 5.4 thereof, shall have until June 30, 2017 to transfer all funds and cash balances to a bank compliant with the provisions of said Section 5.2.

Section 2. Maintenance of Existing Accounts. From the date of the effectivity of this Circular until June 30, 2017, NGAs, GOCCs and LGUs may maintain existing accounts with a non-compliant bank but may not increase deposit balances beyond what they were as of the effectivity of this Circular.

Section 3. Requests for Extension of Deadline. After June 30, 2017 and the bank is still unable to meet the requirements of Section 5.2 of DC No. 01-2015, NGAs, GOCCs or LGUs may request the Department of Finance (DOF) to extend the deadline indicated in Section 1 hereof by one (1) year, subject to the submission of a transition plan, for DOF's evaluation and approval. The request for extension must be submitted at least ninety (90) days before the deadline. DOF has until the day before the deadline to evaluate, and approve or disapprove the request.

Section 4. Transfer of Funds After Compliance Period. If the NGAs, GOCCs or LGUs do not request for an extension, or if their request is disapproved by the DOF, the same must transfer all funds and cash balances to banks that meet the requirements of Section 5.2 of DC No. 01-2015.

A handwritten signature in blue ink, consisting of a stylized 'D' followed by a flourish.

Section 5. Repealing Clause. This Circular further amends DC No. 01-2015, as amended by DC No. 03-2015. All other orders, circulars, memoranda, issuances contrary to or inconsistent herewith are hereby revoked and/or modified, and all concerned shall be guided accordingly.

Section 6. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation in the Philippines.


CARLOS G. DOMINGUEZ
Secretary

