



Republic of the Philippines
Supreme Court
Office of the Court Administrator
Manila

OCA CIRCULAR NO. 87-2004

TO : JUDGES AND CLERKS OF COURT OF THE REGIONAL TRIAL COURTS, SHARI'A DISTRICT COURTS, METROPOLITAN TRIAL COURTS, MUNICIPAL TRIAL COURTS IN CITIES, MUNICIPAL CIRCUIT TRIAL COURTS, MUNICIPAL TRIAL COURTS AND SHARI'A CIRCUIT COURTS

SUBJECT: The opening of High Yield Savings Accounts with the Land Bank of the Philippines for all fiduciary fund deposits

The Land Bank of the Philippines (LBP) has allowed the Judiciary to place fiduciary fund deposits of first and second level courts (including Shari'a courts) in High Yield Savings Accounts (HYSAs).

HYSAs have the following features:

- 1) Minimum Deposit Requirement: **Php 1,000,000.00;**
- 2) Term: **30 days;**
- 3) Interest Rate: **4.25% (prevailing rate as of 16 July 2004);**
- 4) Pre-termination Rate:
 - a) If pre-terminated on or before the 15th day from the date of deposit: **¼ of the rate given on the date of deposit or the prevailing savings rate whichever is higher;**
 - b) If pre-terminated after 15 days from the date of deposit but before the 30 day minimum term: **rate varies but it is never less than the prevailing savings rate;**
- 5) Documentation: **HYSA Passbook;**
- 6) Documentary Stamp Tax(es) [DST]: **No DST required.**

Upon receipt of this Circular, the amount deposited in the LBP bank account for fiduciary funds shall be deposited in a HYSA for a term of 30 days.

The trial court's existing LBP savings/current account will be maintained for purposes of accepting fiduciary funds received from the 1st day up to the last day of the month. Any amount in said account shall then be deposited in the HYSA at the end of the month. Said High Yield Savings Account (HYSA) shall always be renewed on the last day of the month.

Any withdrawal of fiduciary funds shall be approved by the court and shall first be taken from the LBP savings/current account being maintained. If the amount in said account is not sufficient, then the balance shall be taken from the HYSA which withdrawal shall be made preferably on the last day of the month or at least after the 15th day thereof.

09 August 2004


PRESBITERO J. VELASCO, JR.
Court Administrator