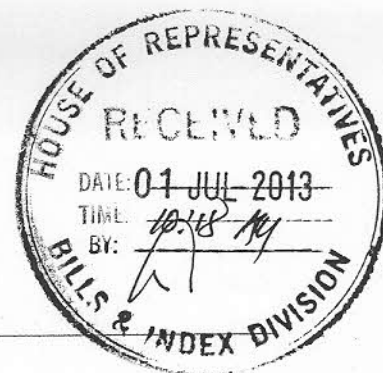




Introduced by HON. LEOPOLDO N. BATAOIL

EXPLANATORY NOTE

Since the enactment of the Revised Penal Code which defines and punish Robbery and other crimes committed against bank and/or bank depositors, through the use of the banking system or force and intimidation; efforts of the government to suppress its commission have been insufficient. In the last five (5) years bank robberies had resulted to staggering losses of more or less P252, 785, 943.78 and the death of numerous bank employees and clients. Likewise, in other bank crimes such as Estafa, Swindling, Theft, violation of Access Device Act, etc; the total losses amounted to more or less P5,013,766,955.19. This amount does not include the losses on foreign currency denomination.

These types of criminal elements and fraudsters, if not decisively addressed, will certainly erode public trust to the duly constituted authorities and undermines the stability of the banking system. They steadily improve their organization and are going strong in number and becoming more aggressive, daring and sophisticated in their nefarious activities in view of the following factors:

- a. It is a lucrative endeavor for criminal elements;
- b. Organizational and operational police problem resulting to insufficient/ineffective solution to suppress the particular type of crime;
- c. Absence of holistic legislation designed to discourage criminal elements by increasing penalties, improved the police effort to maximize protection to the banking system.

In view of the foregoing, there is therefore a need for the immediate passage of a holistic legislation designed to discourage criminal elements by: Strengthening the present efforts of BSP, BAP and BSMA in proactively protecting the banking industry and increasing the penalties for bank crimes and facilitating the recovery of the fruits of the crimes; and creating a dedicated police unit to ensure a continuing integrated and coordinated national campaign against bank robberies and other bank crimes.

LEOPOLDO N. BATAOIL

Representative, 2nd District of Pangasinan

Introduced by HON. LEOPOLDO N. BATAOIL

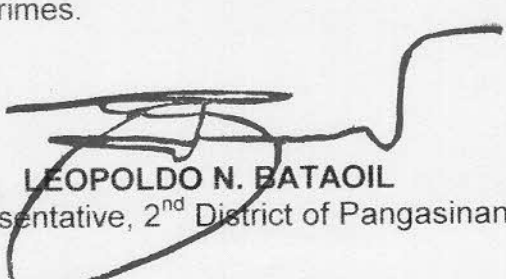
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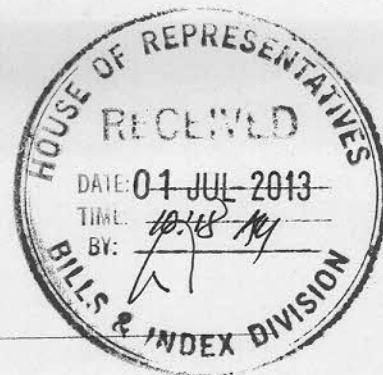
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LEOPOLDO N. BATAOIL
Representative, 2nd District of Pangasinan



HOUSE BILL NO. 164

Introduced by HON. LEOPOLDO N. BATAOIL

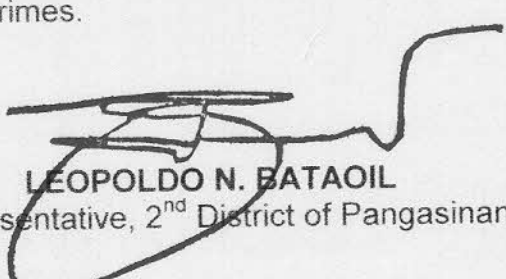
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LEOPOLDO N. BATAOIL
Representative, 2nd District of Pangasinan

SIXTEENTH CONGRESS OF THE)
 REPUBLIC OF THE PHILIPPINES)
 First Regular Session)

HOUSE BILL NO. 164

Introduced by HON. LEOPOLDO N. BATAOIL

BANK PROTECTION ACT OF 2013

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

SECTION 1. Policy. — It is the policy of the State to protect the integrity and stability of the banking system from depredations of bank robbers and fraudster. The security of investments and the availability of credit are permanent interests of the State.

SEC. 2. Objectives. — This Act is designed to:

(a) Ensure maximum protection of lives and property against bank robberies and other bank crimes;

(b) Prevent bank crimes by making it difficult for or discouraging would-be robbers to carry out their nefarious plans; and

(c) See to it that if robberies and fraudulent acts are indeed committed, bank employees and other witnesses can effectively help law enforcement authorities in the identification, eventual apprehension and successful prosecution of the perpetrators thereof.

SEC. 3. Definition of Terms. — For purposes of this Act, the following definition of terms is hereby adopted unless the context clearly indicates otherwise:

(a) "Banking office" shall mean the main office of the bank or a branch and includes an extension office, sub office, agencies or a money shop.

(b) "Banking hours" shall mean the time during which a banking office is open for the normal transaction of business with the public.

(c) "Teller's station" or "window" shall mean a location in a banking office at which bank customers routinely conduct transaction with the bank including a walk-up or drive-in teller's station or window.

(d) "ATM" shall mean a machine that provides cash and performs other banking services on insertion of a special card.

(e) "Firearms" shall mean a gun of any caliber designed and intended to be aimed and fired from one hand, which may either be revolvers or automatic or semi-automatic magazine pistols, or any shotgun, rifle of any caliber or any high-powered gun, automatic or semi-automatic, most suitable for bank security purposes.

(f) "Bank Fraud" shall mean the use of fraudulent means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently representing to be a bank of financial institutions.

(g) "Other bank crimes" means any of the acts defined under Articles 166, 167, 168, 169, 172, 315, and 316 of the Revised Penal Code, and Sec. 9 of RA # 8484 where the banking system is used as a means of perpetrating the offense, including but not limited to, unauthorized transfer of funds from one account to another or from one bank to another.

SEC. 4. Appointment of Chief Security Officer. — within sixty (60) days from the effectivity of this Act, the board of directors of each bank shall appoint or designate a qualified Chief Security Officer with adequate office staff, who shall be under the direct supervision of the president and shall be responsible for the development and administration of a security program and installation, maintenance and operation of security devices in accordance with the standards to prescribed by the Banko Sentral ng Pilipinas (BSP) in separate rules and regulations. In banks with twenty (20) or more branches, Chief security officers shall be full time.

The chief security officer must be a least thirty five (35) years of age, a college degree holder, with a least five (5) years of managerial/supervisory experience in either field of law enforcement or security operations, of unquestionable integrity, of good moral character and has not been convicted on any criminal offense: Provided, that a criminology graduate shall be given credit equivalent in experience in view of his educational background.

The Chief Security Officer shall be responsible for:

- a. The development and administration of a security program acceptable to BSP;
- b. The conduct of continuing security awareness program among all bank employees to highlight that security is a common concern;
- c. Investigation of bank robberies/hold-ups, recommending the filing of appropriate charges in court as the evidence may warrant and assisting in the prosecution of the perpetrator(s) thereof;
- d. The establishment of an effective working relationship with the BSP, Philippine National Police (PNP) and other law enforcement agencies in the prevention of bank crimes and other natural and manmade hazards; and
- e. The conduct of continuing research and studies on new techniques, methods and equipment to enhance bank protection measures.

For the purposes of the foregoing, a security management team headed by the Chief Security Officer maybe constituted if warranted.

SEC. 5. Security Program. — The security program of each bank shall be treated with utmost confidentiality, approved by its board or directors and retain such forms as will readily permit determination of its adequacy and effectiveness by the BSP. The security program shall include training in protection against robbery and violent crimes and training in fraud and property crime. The security program shall likewise include measures against fraud in accounts, measures to protect bank officials and personnel from kidnapping, and measures to be undertaken during calamities.

SEC. 6. Security Devices. — Within sixty (60) days from the designation of the chief security officer in the case of bank with less than ten (10) branches; eighty (80) days in the case of a bank with ten (10) or more but less than twenty (20) branches; and one hundred ninety (190) days in the case of a bank with twenty (20) or more branches, the chief security officer shall, under the direction of the bank's president, conduct a security survey, and submit a report on the needed security devices in each bank's banking offices.

Within one (1) year from the effectivity of this Act, banks shall effect the installation, maintenance and operation, as individually appropriate in its banking offices of:

- (a) A lighting system for illuminating during the hours of darkness, the areas around the vault, if the vault is visible from outside the banking office;
- (b) Tamper-resistant locks on exterior doors and windows designed to be opened;

(c) An alarm system or other appropriate devices or an intermediary for promptly notifying the nearest law enforcement team of an attempted or perpetrated robbery; and

(d) Video cameras and such other devices as the chief security officer shall determine to be appropriate for discouraging robberies and for assisting in the identification and apprehension of persons who commit such acts: Provided, that the chief security officer shall consider, among other things, the following:

(1) The incidence of crime against the particular banking office and other business establishment in the area in which the banking office is located;

(2) The amount of currency or other valuables exposed to robbery;

(3) The distance of the banking office from the nearest law enforcement officer and the time ordinarily required for such law enforcement officers to arrive at the banking office;

(4) The cost of the security devices;

(5) Other existing security measures in effect at the banking office; and

(6) The physical characteristics of the banking office structure and its surroundings.

Each bank shall install, maintain and operate security devices which are expected to give a general level of bank protection equivalent at least to the standards to be prescribed by the BSP in separate rules and regulations, in consultation with the Bank Security Management Association (BSMA)

SEC. 7. High-Powered Firearms. – In the protection of the bank premises and their armored vehicles, a reasonable number of high-powered firearms shall be used upon the recommendation of the bank chief security officer. In all cases, the bank chief security shall ensure that bank security personnel exercise the highest degree of care in the carrying of firearms.

SEC. 8. Armored Vans. – The BSP shall, within six (6) months from the effectivity of this Act, establish minimum standards for armored vehicles, including the types of and standards for security devices contained inside such vehicles. No vehicle can be sold/utilized as an armored vehicle without such certification.

SEC. 9. Training of Security Personnel. – No security guard shall be eligible to be hired or assigned as bank security personnel unless he has successfully completed the BSMA Security Training Course.

SEC. 10. Right to Secure Bank Employees / Premises and Possess Firearms. – all banking institutions recognized and accredited by the Bangko Central ang Pilipinas shall have the right to provide special security services for their VIPs against kidnapping and for their employees and valuables during their banking activities and operations, and for this purpose, to produce and possess firearms to secure and safeguard such persons, activities and operations.

SEC. 11. Reports. – Within fourteen (14) months after the effectivity of this Act and as of the last business day of December of every year thereafter, each bank shall file with the appropriate supervising and examining departments of the BSP a statement certifying to its compliance with the requirements of the BSP rules and regulations on bank protection.

1 **SEC. 12. Corrective Action.** – The governor of the BSP shall designate a
2 representative or representatives who shall be knowledgeable in bank protection to
3 personally determine if the security measures, devices, training methods or procedures used
4 or adopted by a bank meet the requirements of this Act and its suppletory regulations. If,
5 based on the report of the representative/s, the bank fails to meet the standards herein
6 setforth, the governor may direct or require the bank to take necessary corrective action.

7
8 **SEC. 13. Administrative Penalties.** – Violations of or failure to comply with any of the
9 provisions of this Act or such other rules and directives that may be issued by the Bangko
10 Sentral ng Pilipinas in the implementation hereof shall subject the offender to administrative
11 sanctions including at least the payment of a penalty of One hundred thousand pesos
12 (P100,000.00) to as much as the suspension or permanent forfeiture of the bank's license to
13 operate which may be impose by the BSP.

14
15 **SEC. 14. Penalties for Bank Crimes.** – A bank robbery, bank fraud and other
16 bank crimes committed by or in conspiracy with the bank officials or employees or with their
17 knowledge or in connivance with other persons or by active or formerly active military or
18 police personnel shall be punishable with reclusion perpetua and shall not be bailable. A
19 bank robbery, bank fraud and other bank crimes by any other person shall be punishable
20 with reclusion temporal to reclusion perpetua.

21
22 **SEC. 15. Qualified Accessories.** – The provisions of the Revised Penal Code on
23 accessories notwithstanding, any person in authority or any of his agents who shall
24 harbor, conceal, assist or intercede for the suspect/s or threaten, intimidate, harass or exert
25 undue influence on the witness/es or victim/s or in any manner shall impede or obstruct the
26 prosecution and trial of the case shall be liable as accessory to the crime of bank robbery,
27 bank fraud and other bank crimes.

28
29 **SEC. 16. Separability Clause.** – If any part or parts of this Act should for any
30 reason be held to be invalid or unconstitutional, the remaining parts thereof shall remain in
31 full force and effect.

32
33 **SEC. 17. Repealing Clause.** – All laws, presidential decrees, executive orders,
34 rules and regulations which are contrary to or inconsistent with the provisions of this Act are
35 hereby repealed, amended and modified accordingly.

36
37 **SEC. 18. Effectivity.** — This Act shall take effect immediately.

38
39 Approved,