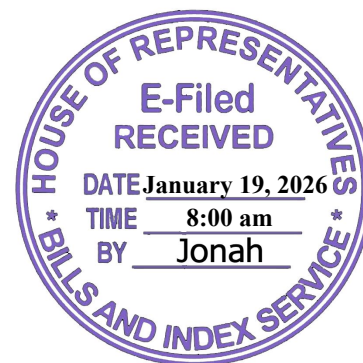




HOUSE OF REPRESENTATIVES

*Introduced by Representative Rufus B. Rodriguez and
Representative Maximo B. Rodriguez, Jr.*

House Bill No. 7128

EXPLANATORY NOTE

On 25 June 2021, the Philippines was included by the Financial Action Task Force (FATF)¹ in its list of “Jurisdictions Under Increased Monitoring” or the FATF Greylist. The country was given eighteen (18) action plan items to be implemented before the country can be delisted. On 2 January 2024, the current administration directed government agencies to accomplish the remaining FATF action plans within 2024.

As a result of this high-level political action, the Philippines has accomplished all eighteen (18) Action Plan Items at the October 2024 FATF Plenary. In its February 2025 statement, the FATF finally removed the Philippines from the greylist.

However, this significant achievement needs to be sustained. For this, the FATF is currently conducting its Fourth Round of Mutual Evaluations² for its members based on the FATF Recommendations and the FATF Methodology. The scope of the evaluations will involve two inter-related components for technical compliance³ and effectiveness.⁴ The Philippines is scheduled to once again be evaluated in 2027. The Mutual Evaluations technical compliance and effectiveness must be met. The bill seeks to address the aforesaid technical compliance requirements arising from the updated FATF Standards, including the key requirements on inclusion of virtual assets service providers (VASPs) into its coverage, giving the financial intelligence unit the authority to temporarily suspend transactions, and the requirement to freeze criminal assets and assets of corresponding value without a court order.

Further, recent events involving complex financial crimes and corruption cases highlighted the importance of empowering the AMLC so it will be more agile and effective in addressing the challenges of times. Particularly, the FATF requirements on the authority to temporarily suspend transactions, and freezing of criminal assets and assets of corresponding value without a court order are very relevant and timely to greatly strengthen the efforts of the government to run after money launderers and recover the people's money.

The AMLC's mandate, of ensuring financial integrity, and affecting peace and order and national security, must be strengthened through administrative and substantive reforms, such as expanding the financial and administrative capacity of the organization; and strengthening its authority to identify and trace proceeds of crime, conduct financial investigations, and pursue civil forfeiture and money laundering cases.

¹ The Financial Action Task Force (FATF) is an Inter-governmental organization that sets the international standards on anti-money laundering and countering the financing of terrorism, known as the FATF 40 Recommendations. All countries are assessed as to the technical compliance of their laws and regulations with the FATF Recommendations.

² Mutual Evaluation is a peer assessment of the technical compliance of our laws and regulations with the FATF Recommendations, and the effective implementation of these laws and regulations. The ME looks at the totality of the AML/CTF system including supervision, beneficial ownership, criminal justice system (intelligence, investigation, prosecution, confiscation), non-profit organizations, targeted financial sanctions and proliferation financing of weapons of mass destruction

³ The technical compliance component will assess whether the necessary laws, regulations or other required measures are in force and effect, and whether the supporting anti-money laundering/counter-terrorism financing (AML/CTF) institutional framework is in place.

⁴ The effectiveness component will assess whether the AML/CTF systems are working, and the extent to which the country is achieving the defined set of outcomes.

The proposed bill is consistent with the updated international standards, recent developments on the country's legislative policy on financial sector compliance, as well as recent regulations enacted to combat financial crimes.

Ultimately, the proposed bill strengthens the country's anti-money laundering/counter-terrorism financing regime and promotes the integrity of the financial system. The passage of this bill the soonest possible time will give the Philippines sufficient time to demonstrate effective implementation before the conduct of the Mutual Evaluation.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



RUFUS B. RODRIGUEZ



MAXIMO B. RODRIGUEZ, JR.

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

HOUSE OF REPRESENTATIVES

*Introduced by Representative Rufus B. Rodriguez and
 Representative Maximo B. Rodriguez, Jr.*

House Bill No. 7128

AN ACT

FURTHER STRENGTHENING THE ANTI-MONEY LAUNDERING COUNCIL, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS “THE ANTI-MONEY LAUNDERING ACT OF 2001”, AS AMENDED

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

Section 1. Section 2 of Republic Act No. 9160, otherwise known as “The Anti-Money Laundering Act of 2001”, as amended, is hereby amended to read as follows:

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to protect and preserve the integrity **OF THE FINANCIAL SYSTEM** ~~[and confidentiality of bank accounts]~~ and to ensure that the Philippines shall not be used as a money laundering site for the proceeds of any unlawful activity. Consistent with its foreign policy, the State shall extend cooperation in transnational investigations and prosecutions of persons involved in money laundering activities wherever committed, as well as in the implementation of targeted financial sanctions related to the financing of the proliferation of weapons of mass destruction terrorism, and financing of terrorism, pursuant to the resolutions of the United Nations Council.

LIKEWISE, THE STATE SHALL MAINTAIN AN OPERATIONALLY INDEPENDENT CENTRAL ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING AUTHORITY THAT SHALL FUNCTION AND OPERATE AS THE FINANCIAL INTELLIGENCE UNIT, SPECIALIZED MONEY LAUNDERING AND TERRORISM FINANCING INVESTIGATION AGENCY, AND ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING REGULATOR AND SUPERVISOR OF THE PHILIPPINES. IN LINE WITH THIS POLICY, AND CONSIDERING ITS UNIQUE FUNCTIONS AND RESPONSIBILITIES THAT AFFECT THE ECONOMY, PEACE AND ORDER, AND NATIONAL SECURITY, AMONG OTHERS, THE ANTI-MONEY LAUNDERING COUNCIL (AMLC) SHALL BE ENHANCED WITH EXPANDED AUTHORITY, CAPABILITY, AND RESOURCES.

Section 2. Section 3(a) of the same Act is hereby amended to read as follows:

- (a) “Covered Persons”, natural or juridical, refers to:
- (1) x x x;
 - (2) x x x;
 - (3) x x x;
 - (4) jewelry dealers ~~[in precious metals, who, as a business, trade in precious metals, for transactions in excess of One million pesos (P1,000,000.00)]~~;
 - (5) **[jewelry]** dealers in **PRECIOUS METALS AND** precious stones, ~~[who, as a business, trade in precious stones, for transactions in excess of One million pesos (P1,000,000.00)]~~;

- (6) **TRUST AND** company service providers which, as a business, **OR MEANS OF LIVELIHOOD, PREPARE FOR, OR CARRY OUT, TRANSACTIONS FOR THEIR CLIENTS** ~~[provide]~~ any of the following **ACTIVITIES** ~~[services to third parties]~~:
- (i) xxx;
 - (ii) xxx;
 - (iii) xxx;
 - (iv) xxx;
 - (v) **ACTING AS (OR ARRANGING FOR ANOTHER TO ACT AS) A TRUSTEE OF AN EXPRESS TRUST OR PERFORMING EQUIVALENT FUNCTION FOR ANOTHER FORM OF LEGAL ARRANGEMENT.**
- (7) persons who, **AS A BUSINESS OR MEANS OF LIVELIHOOD, PREPARE FOR, OR CARRY OUT, TRANSACTIONS FOR THEIR CLIENTS CONCERNING** ~~[provide]~~ any of the following **ACTIVITIES** ~~[services]~~:
- (i) managing of client money, securities or other assets;
 - (ii) management of bank savings or securities accounts;
 - (iii) organization of contributions for the creation, operation or management of companies;
 - (iv) creation, operation or management of juridical persons or arrangements, and buying and selling business entities; **AND**
 - (v) **BUYING AND SELLING REAL ESTATE.**

FOR THESE PURPOSES, LAWYERS AND ACCOUNTANTS WHO PROVIDE THE FOREGOING FINANCIAL OR BUSINESS ACTIVITIES UNDER SECTIONS 3(A)(6) AND 3(A)(7) OF THIS ACT ARE COVERED PERSONS. THEY ARE REQUIRED TO COMPLY WITH THE REQUIREMENTS OF THIS ACT, INCLUDING THE REPORTING OF COVERED AND SUSPICIOUS TRANSACTIONS, WITH REGARD ONLY TO THE TRANSACTIONS CONCERNING THE COVERED ACTIVITIES UNDER SECTIONS 3(A)(6) AND 3(A)(7) OF THIS ACT. PROVIDED, THAT—LAWYERS AND ACCOUNTANTS ARE NOT REQUIRED TO REPORT SUSPICIOUS TRANSACTIONS IF THE RELEVANT INFORMATION WAS OBTAINED FROM THEIR CLIENTS IN PERFORMING THEIR TASK OF DEFENDING OR REPRESENTING THEIR CLIENTS IN, OR CONCERNING JUDICIAL, ADMINISTRATIVE, ARBITRATION OR MEDIATION PROCEEDINGS.

- (8) Casinos ~~[including internet and ship-based casinos, with respect to their casino cash transactions related to their gaming operations]~~ **IN RELATION TO THEIR FINANCIAL TRANSACTIONS WITH THEIR CUSTOMERS;**
- (9) x x x;
- (10) **ONLINE GAMBLING OPERATORS, REGARDLESS OF THEIR LICENSE CLASSIFICATION OR NOMENCLATURE, ~~[Offshore gaming operators,]~~** as well as their service providers, supervised, accredited or regulated by the Philippine Amusement and Gaming Corporation (PAGCOR) or any government agency; **AND**
- (11) **VIRTUAL ASSET SERVICE PROVIDERS.**

Section 3. Section 3(b) is hereby amended to read as follows:

- (b) "Covered transaction" is a transaction in cash or other equivalent monetary instrument involving a total amount in excess of Five hundred thousand pesos (P500,000.00) within one (1) banking day; **FOR COVERED PERSONS UNDER SECTIONS 3(A)(4) AND 3(A)(5), A TRANSACTION IN CASH OR OTHER EQUIVALENT MONETARY INSTRUMENT EXCEEDING ONE MILLION PESOS**

(PHP1,000,000.00); for covered persons under Section 3(a)(8), a single casino cash transaction involving an amount in excess of Five million pesos (P5,000,000.00) or its equivalent in any other currency.

For covered persons under Section 3(a)(9) herein, a single cash transaction involving in excess of Seven Million Five Hundred thousand pesos (7,500,000.00) or its equivalent in any other currency.

Section 4. Sections 3(l) (4) and (5) are hereby amended to read as follows:

- (l) For purposes of the covered persons under Sections 3(a)(8) and 3(a)(10), the following terms are hereby defined as follows:
 - (1) x x x;
 - (2) x x x;
 - (3) x x x;
 - (4) ~~["Offshore gaming operator"]~~ **"ONLINE GAMBLING OPERATOR"** refers to an entity engaged in offering online games of chance or sporting events via the internet using a network and software program, by themselves or through local service providers; and
 - (5) "Service providers" refer to duly constituted business ~~[corporations]~~ **ENTITIES** who provide components of ~~[offshore gaming operations]~~ **ONLINE GAMBLING OPERATIONS**

Section 5. Section 3(q) is hereby inserted on the same Act to read as follows:

(Q) FOR PURPOSES OF THE COVERED PERSON UNDER SECTION 3(A)(11), THE FOLLOWING TERMS ARE HEREBY DEFINED AS FOLLOWS:

- (1) **"VIRTUAL ASSET" REFERS TO A DIGITAL REPRESENTATION OF VALUE THAT CAN BE DIGITALLY TRADED, OR TRANSFERRED, AND CAN BE USED FOR PAYMENT OR INVESTMENT PURPOSES.**

VIRTUAL ASSETS, AS DEFINED HEREIN, DO NOT INCLUDE PRE-EXISTING DIGITAL REPRESENTATIONS OF FIAT CURRENCIES, SECURITIES AND OTHER FINANCIAL ASSETS THAT ARE ALREADY BEING OFFERED BY COVERED PERSONS OTHER THAN VIRTUAL ASSET SERVICE PROVIDERS.

- (2) **"VIRTUAL ASSET SERVICE PROVIDER" REFERS TO ANY PERSON WHO, AS A BUSINESS, CONDUCTS ONE OR MORE OF THE FOLLOWING ACTIVITIES OR OPERATIONS FOR OR ON BEHALF OF ANOTHER NATURAL OR JURIDICAL PERSON:**
 - (a) **EXCHANGE BETWEEN VIRTUAL ASSETS AND FIAT CURRENCIES;**
 - (b) **EXCHANGE BETWEEN ONE OR MORE FORMS OF VIRTUAL ASSETS;**

- (c) **TRANSFER (I.E., THE CONDUCT OF A TRANSACTION ON BEHALF OF ANOTHER PERSON THAT MOVES A VIRTUAL ASSET FROM ONE VIRTUAL ASSET ADDRESS OR ACCOUNT TO ANOTHER) OF VIRTUAL ASSETS;**
- (d) **SAFEKEEPING AND/OR ADMINISTRATION OF VIRTUAL ASSETS OR INSTRUMENTS ENABLING CONTROL OVER VIRTUAL ASSETS; AND**
- (e) **PARTICIPATION IN AND PROVISION OF FINANCIAL SERVICE RELATED TO AN ISSUER'S OFFER AND/OR SALE OF A VIRTUAL ASSET.**

Section 6. Section 3(r) is hereby inserted on the same Act to read as follows:

(R) FOR PURPOSES OF SECTION 14(F), THE FOLLOWING TERMS ARE HEREBY DEFINED AS FOLLOWS:

- A. **"TRANSACTIONAL VIOLATION" REFERS TO AN ACT OR OMISSION CONSTITUTING A VIOLATION OF ANY APPLICABLE LAW, OR ANY REGULATION OR ORDER ISSUED BY THE COUNCIL, OR ANY ORDER BY THE EXECUTIVE DIRECTOR OR AUTHORIZED OFFICER OF THE AMLC, WHICH IS CONSUMMATED AND CONCLUDED IN A SINGLE INSTANCE OR OCCASION.**
- B. **"CONTINUING VIOLATION" REFERS TO AN ACT OR OMISSION CONSTITUTING A VIOLATION OF ANY APPLICABLE LAW, OR ANY REGULATION OR ORDER ISSUED BY THE COUNCIL, OR ANY ORDER BY THE EXECUTIVE DIRECTOR OR AUTHORIZED OFFICER OF THE AMLC, IN WHICH THE VIOLATION PERSISTS OR LINGERS OVER TIME FROM THE INSTANT THE PARTICULAR ACT WAS COMMITTED OR OMITTED UNTIL THE VIOLATION IS STOPPED.**

Section 7. Section 3(i) of the same Act is hereby amended to read as follows:

- (i) **"Unlawful Activity" refers to any act or omission or series or combination thereof involving or having relation to the following LAWS AND THEIR RESPECTIVE AMENDMENTS:**
 - (1) x x x;
 - (2) x x x;
 - (3) x x x;
 - (4) x x x;
 - (5) x x x;
 - (6) **Jueteng and Masiao punished as illegal gambling under Presidential Decree No. 1602; AND ALL ILLEGAL GAMBLING ACTIVITIES DEFINED UNDER EXECUTIVE ORDER NO. 13, SERIES OF 2017 AND PUNISHABLE**

UNDER ARTICLES 195, 197, 198, AND 199 OF THE REVISED PENAL CODE;

- (7) x x x;
- (8) x x x;
- (9) x x x;
- (10) Smuggling under Republic Act No. ~~455 and 1937~~ **10863, OTHERWISE KNOWN AS THE CUSTOMS MODERNIZATION AND TARRIFF ACT;**
- (11) x x x;
- (12) x x x;
- (13) Terrorism ~~[and], [e]~~ **Conspiracy to [e]Commit [t]Terrorism, AND PROVIDING MATERIAL SUPPORT TO TERRORISTS**, as defined and penalized under ~~[Sections 3 and 4 of Republic Act No. 9372]~~ **SECTIONS 4, 7, AND 12 OF REPUBLIC ACT NO. 11479, OTHERWISE KNOWN AS THE ANTI-TERRORISM ACT OF 2020;**
- (14) x x x;
- (15) x x x;
- (16) x x x;
- (17) x x x;
- (18) Violations of Sections 4 to 6 of Republic Act No. 9208, otherwise known as the Anti-Trafficking in Persons Act of 2003, **AS AMENDED;**
- (19) Violations of Sections ~~[78 to]~~ **68, 69, 70, 71, 77, AND 79** of Chapter IV of Presidential Decree No. 705, otherwise known as the Revised Forestry Code of the Philippines, as amended;
- (20) Violations of Sections 86 to ~~[106]~~ **107, 110, 111, 114, AND 126** of Chapter VI, of Republic Act No. 8550, otherwise known as the Philippine Fisheries Code of 1998, **AS AMENDED;**
- (21) x x x;
- (22) x x x;
- (23) x x x;
- (24) x x x;
- (25) x x x;
- (26) Violations of Sections 1 and 5 of Presidential Decree No. 1866, as amended, otherwise known as the Decree Codifying the Laws on Illegal/Unlawful Possession, Manufacture, Dealing In, Acquisition or Disposition of Firearms, Ammunition or Explosives, **AND SECTION 3 OF REPUBLIC ACT NO.**

10591, OTHERWISE KNOWN AS THE COMPREHENSIVE FIREARMS AND AMMUNITION REGULATION ACT;

- (27) x x x;
- (28) x x x;
- (29) x x x;
- (30) x x x;
- (31) Violation of Section 4 **AND 6** of Republic Act No. ~~[9775]~~ **11930**, otherwise known as the ~~[Anti-Child Pornography Act of 2009]~~ **ANTI-ONLINE SEXUAL ABUSE OR EXPLOITATION OF CHILDREN, AND CHILD SEXUAL ABUSE OR EXPLOITATION MATERIALS;**
- (32) Violations of Sections 5, 7, 8, 9, 10(c), (d) and (e), 11, 12, **12-D**, and 14 of Republic Act No. 7610, otherwise known as the Special Protection of Children Against Abuse, Exploitation and Discrimination, **AS AMENDED;**
- (33) x x x;
- (34) x x x;
- (35) Violation of Section 254 of Chapter II, Title X of the National Internal Revenue Code of 1997, as amended, where the deficiency basic tax due ~~[in the final assessment]~~ is in excess of Twenty-five million pesos (P25,000,000.00) per taxable year, for each tax type covered. ~~[and there has been a finding of probable cause by the competent authority: Provided, further That there must be a finding of fraud, willful misrepresentation or malicious intent on the part of the taxpayer:]~~ Provided, ~~[finally, T]~~ that in no case shall the AMLC institute forfeiture proceedings to recover monetary instruments, property or proceeds representing, involving, or relating to a tax crime, if the same has already been recovered or collected, **OR IN THE PROCESS OF BEING RECOVERED OR COLLECTED** by the Bureau of Internal Revenue (BIR) in a separate proceeding; ~~[and]~~
- (36) ~~[Felonies or offenses of a similar nature that are punishable under the penal laws of other countries]~~ **VIOLATIONS OF SECTION 9 OF REPUBLIC ACT NO. 8484, OTHERWISE KNOWN AS THE ACCESS DEVICES REGULATION ACT OF 1998, AS AMENDED-;**
- (37) **VIOLATIONS OF SECTION 4 OF REPUBLIC ACT NO. 10175, OTHERWISE KNOWN AS THE CYBERCRIME PREVENTION ACT OF 2012;**
- (38) **VIOLATIONS OF SECTIONS 1, 2, AND 2-A OF COMMONWEALTH ACT NO. 108, OTHERWISE KNOWN AS THE ANTI-DUMMY ACT, AS AMENDED BY PRESIDENTIAL DECREE NO. 715;**
- (39) **VIOLATIONS OF SECTIONS 7, 8, 9, 10, AND 11 OF REPUBLIC ACT NO. 12022, OTHERWISE KNOWN AS THE ANTI-AGRICULTURAL ECONOMIC SABOTAGE ACT;**

- (40) **FALSIFICATION OF DOCUMENTS UNDER ARTICLES 171 AND 172 OF THE REVISED PENAL CODE, AS AMENDED;**
- (41) **VIOLATIONS OF SECTION 11 OF REPUBLIC ACT NO. 11765, OTHERWISE KNOWN AS THE FINANCIAL PRODUCTS AND SERVICES CONSUMER PROTECTION ACT;**
- (42) **VIOLATIONS OF REPUBLIC ACT NO. 12312, OTHERWISE KNOWN AS THE ANTI-POGO ACT OF 2025;**
- (43) **VIOLATIONS OF SECTION 13(D) OF REPUBLIC ACT NO. 6969, OTHERWISE KNOWN AS THE TOXIC SUBSTANCES AND HAZARDOUS AND NUCLEAR WASTE CONTROL ACT;**
- (44) **VIOLATIONS OF SECTIONS 20(A), (B), (C), (D), (E), (F), (I), (N), (O), (P), (Q), (R), (T), AND (V) OF REPUBLIC ACT NO. 7586, OTHERWISE KNOWN AS THE NATIONAL INTEGRATED PROTECTED AREA SYSTEM, AS AMENDED;**
- (45) **VIOLATIONS OF SECTION 9 OF REPUBLIC ACT NO. 7076, OTHERWISE KNOWN AS THE PEOPLE'S SMALL-SCALE MINING ACT; AND**
- (46) **FELONIES OF A SIMILAR NATURE THAT ARE PUNISHABLE UNDER THE PENAL LAWS OF OTHER COUNTRIES.**

Section 8. Section 7 of the same Act is hereby amended to read as follows:

SEC. 7. Creation of the Anti-Money Laundering Council (AMLC). – x x x.

- (1) to **SERVE AS THE FINANCIAL INTELLIGENCE UNIT OF THE PHILIPPINES WITH THE AUTHORITY TO** require, receive and analyze covered or suspicious transactions reports from covered persons;
- (2) x x x;
- (3) to institute civil forfeiture proceedings, and all other remedial proceedings **DIRECTLY WITH THE COMPETENT COURT**, or through the Office of the Solicitor General;
- (4) x x x;
- (5) x x x;
- (6) **TO ISSUE, EX PARTE, AN ADMINISTRATIVE FREEZE ORDER, AND** to apply before the Court of Appeals, ~~ex parte~~ **WITH PRIOR NOTICE TO THE OTHER PARTY**, for the freezing of any monetary instrument or property ~~[alleged to be laundered, proceeds from, or instrumentalities used in or intended for use]~~ **THAT IS RELATED** in any **WAY TO AN** unlawful activity as defined in Section 3(i) hereof **OR MONEY LAUNDERING OFFENSE;**
- (7) to **FORMULATE AND** implement such **RULES, REGULATIONS, AND** measures as may be necessary and justified under this Act to counteract money laundering;
- (8) x x x;

- (9) x x x;
- (10) x x x;
- (11) x x x ;
- (12) x x x;
- (13) x x x;
- (14) in the conduct of its ~~[investigation]~~, **INVESTIGATORY, PROSECUTORIAL, AND QUASI-JUDICIAL FUNCTIONS**, the AMLC shall ~~[apply for the issuance of]~~ **HAVE THE POWER TO ISSUE** *subpoena ad testificandum* and/or *subpoena duces tecum* ~~[with any competent court]~~;
- (15) xxx;
- (16) to preserve, manage, or dispose assets pursuant to an **ADMINISTRATIVE FREEZE ORDER**, freeze order, asset preservation order, or judgement of forfeiture, **INCLUDING THE AUTHORITY TO PHYSICALLY POSSESS AND MANAGE MONETARY INSTRUMENTS AND PROPERTIES THAT ARE IN DANGER OF BEING LOST, REMOVED, MATERIALLY INJURED, WASTED, OR DISIPATED**: *Provided, however,* That pending their turnover to the national government, all expenses incurred in relation to the duties herein mentioned shall be deducted from the amount to be turned over to the national government;
- (17) **TO SERVE AS THE ANTI-MONEY LAUNDERING SUPERVISOR WITH THE AUTHORITY TO EXERCISE VISITATION, INSPECTION, AND EXAMINATION POWERS TO ENSURE COMPLIANCE BY ALL COVERED PERSONS, AND THEIR RESPONSIBLE DIRECTORS, OFFICERS, AND EMPLOYEES, WITH THE REQUIREMENTS OF THIS ACT, ITS IMPLEMENTING RULES AND REGULATIONS, AND OTHER ISSUANCES OF THE COUNCIL. PROVIDED, THAT THE AMLC MAY DEPUTIZE SUPERVISING AUTHORITIES TO CONDUCT THE ACTUAL COMPLIANCE CHECKING AND IMPOSITION OF ENFORCEMENT ACTIONS ON THE PERSONS AND ENTITIES UNDER THEIR RESPECTIVE PRUDENTIAL SUPERVISION, SUBJECT TO THE ESCALATION TO THE AMLC OF FINDINGS CONCERNING HIGH-RISK VIOLATIONS;**
- (18) **TO ENTER INTO ANY CONTRACT OR TRANSACTION FOR THE ACQUISITION, OWNERSHIP, POSSESSION, ADMINISTRATION, LEASE, DISPOSITION, OR ACCEPTANCE OF REAL OR PERSONAL PROPERTY IN ITS NAME, UNDER SUCH CONDITIONS IMPOSED BY THE COUNCIL;**
- (19) **TO DETERMINE AND IMPOSE SUPERVISORY, ACCREDITATION, AND OTHER ADMINISTRATIVE FEES;**
- (20) **TO SPEARHEAD THE NATIONAL COORDINATION MECHANISM TO IDENTIFY AND ASSESS THE MONEY LAUNDERING, TERRORISM FINANCING, AND PROLIFERATION OF WEAPONS OF MASS DESTRUCTION FINANCING RISKS OF THE PHILIPPINES, INCLUDING FORMULATION AND ADOPTION OF NATIONAL STRATEGIES TO ADDRESS THE SAID RISKS; AND**

- (21) TO DELEGATE SUCH AUTHORITIES TO THE EXECUTIVE DIRECTOR OR ANY OFFICER OR OPERATING UNIT OF THE AMLC UNDER SUCH GUIDELINES THE COUNCIL MAY DETERMINE.

Section 9. A new Section 7-A is hereby inserted on the same Act to read as follows:

SECTION 7-A. RESPONSIBILITY. – THE GENERAL RULE AND THE EXCEPTION THEREFROM ON THE LIABILITY OF PUBLIC OFFICERS AS PROVIDED IN SECTION 38 AND 39 OF CHAPTER 9, BOOK 1 OF THE REVISED ADMINISTRATIVE CODE OF 1987 SHALL APPLY TO THE MEMBERS OF THE COUNCIL AND OTHER PERSONNEL OF THE AMLC.

IN THE LAWFUL AND AUTHORIZED EXERCISE OF ITS POWERS AND PERFORMANCE OF ITS OFFICIAL DUTIES AND FUNCTIONS, THE AMLC, THE MEMBERS OF THE COUNCIL, AND ITS PERSONNEL, SHALL BE PRESUMED TO HAVE ACTED IN GOOD FAITH.

UNLESS THE ACTIONS OR OMISSIONS IN RELATION THERETO HAVE BEEN ADJUDGED TO HAVE BEEN PERFORMED IN EVIDENT BAD FAITH, OR WITH GROSS NEGLIGENCE, THEY SHALL BE HELD FREE AND HARMLESS FROM LIABILITY TO THE FULLEST EXTENT PERMITTED BY LAW, AND THEY SHALL BE INDEMNIFIED FOR ANY AND ALL LIABILITIES, LOSSES, CLAIMS, DEMANDS, DAMAGES, DEFICIENCIES, COSTS, AND EXPENSES OF WHATSOEVER KIND AND NATURE THAT MAY ARISE IN CONNECTION THEREWITH.

Section 10. Section 8-A of the same Act is hereby amended to read as follows:

Section 8-A. Information Security and Confidentiality. – THE COUNCIL, AND THE OFFICERS AND STAFF OF the AMLC [~~and its Secretariat~~] shall securely protect information received or processed and shall not reveal, in any manner, any information known to them by reason of their office. THIS PROHIBITION SHALL ALSO APPLY TO ALL RESPONSIBLE DIRECTORS, OFFICERS, AND EMPLOYEES OF COVERED PERSONS, LAW ENFORCEMENT AGENCIES, SUPERVISING AUTHORITIES, OTHER GOVERNMENT AGENCIES, SUPPLIERS, SERVICE PROVIDERS, CONSULTANTS, TRAINEES, DETAILED, SECONDED, OR ENLISTED PERSONNEL, AND OTHER PERSONS AND ENTITIES WITH WHOM THE AMLC SHARED CONFIDENTIAL INFORMATION OR FOR WHOM AN ACCESS WAS GIVEN TO THE SAID INFORMATION, AS ALLOWED UNDER THE SUCCEEDING PARAGRAPH. NEITHER MAY SUCH INFORMATION BE PUBLISHED OR AIRED IN ANY MANNER OR FORM BY THE MASS MEDIA OR SOCIAL MEDIA, ELECTRONIC MAIL, OR OTHER SIMILAR DEVICES OR TECHNOLOGY, UNLESS ALLOWED WITHIN THE PARAMETERS SET BY THE COUNCIL. This prohibition shall apply even after their separation from the AMLC, OR RESPECTIVE OFFICES, OR AFTER THE LAPSE OF THEIR CONTRACT, ARRANGEMENT, OR OTHER AGREEMENT WITH THE AMLC, AS THE CASE MAY BE.

The AMLC shall formulate rules governing information exchange and dissemination, the security and confidentiality of such information, including procedures for handling, storage, and protection of, as well as access to such information. **WHEN EXCHANGING AND DISSEMINATING INFORMATION UNDER SUCH RULES, THE COUNCIL, AND THE OFFICERS AND STAFF OF THE AMLC SHALL NOT BE DEEMED TO HAVE VIOLATED THE PROVISIONS ON INFORMATION SECURITY AND CONFIDENTIALITY HEREOF.**

Section 11. A new Section 8-B is hereby inserted in the same Act to read as follows:

SECTION 8-B. ISSUANCE OF INJUNCTIVE RELIEF AGAINST AMLC ACTIONS. – NO COURT, OTHER THAN THE COURT OF APPEALS AND THE SUPREME COURT, SHALL ISSUE ANY TEMPORARY RESTRAINING ORDER OR INJUNCTION AGAINST THE AMLC FOR ANY ACTION UNDER THIS ACT.

ANY RESTRAINING ORDER OR INJUNCTION ISSUED IN VIOLATION OF THIS SECTION IS VOID AND OF NO FORCE AND EFFECT.

Section 12. Section 9 of the same Act is hereby amended to read as follows:

SEC. 9. Prevention of Money Laundering: Customer Due Diligence, Record-Keeping, Transaction Reporting, and Registration Requirements.

- (a) Customer Identification. - Covered persons shall **CONDUCT CUSTOMER DUE DILIGENCE BY** establishing and recording the true identity of its clients based on official documents, **OR OTHER RELIABLE, INDEPENDENT SOURCE DOCUMENTS, DATA OR INFORMATION. PROVIDED, THAT FOR CASINOS, THE REQUIREMENT OF CUSTOMER DUE DILIGENCE SHALL BE PERFORMED FOR TRANSACTIONS INVOLVING THE AMOUNT IN EXCESS OF ONE HUNDRED FIFTY THOUSAND PESOS (PHP150,000.00), OR ITS EQUIVALENT IN FOREIGN CURRENCY.**

COVERED PERSONS [They] shall maintain a system of verifying the true identity of their clients and, in case of corporate clients, require a system of verifying their legal existence and organizational structure, as well as the authority and identification of all persons purporting to act on their behalf.

COVERED PERSONS SHALL EXAMINE THE BACKGROUND AND PURPOSE OF ALL COMPLEX, UNUSUALLY LARGE TRANSACTIONS, ALL UNUSUAL PATTERNS OF TRANSACTIONS, WHICH HAVE NO APPARENT ECONOMIC OR LAWFUL PURPOSE, AND OTHER TRANSACTIONS THAT MAY BE CONSIDERED SUSPICIOUS. WHERE THE RISKS ARE HIGHER, COVERED PERSONS SHALL CONDUCT ENHANCED DUE DILIGENCE. FOR THESE PURPOSES, COVERED PERSONS ARE AUTHORIZED TO COORDINATE WITH OTHER COVERED PERSONS TO DETERMINE THE PRESENCE OF UNUSUAL OR SUSPICIOUS TRANSACTIONS. THE PROVISIONS OF REPUBLIC ACT NO. 1405, AS AMENDED; REPUBLIC ACT NO. 6426, AS AMENDED; REPUBLIC ACT NO. 8367; AND REPUBLIC ACT NO. 10173, SHALL NOT APPLY DURING THE VERIFICATION PROCESS WITH OTHER COVERED PERSONS.

The provisions of existing laws to the contrary notwithstanding, anonymous accounts, accounts under fictitious names, and all other similar accounts shall be absolutely prohibited. Peso and foreign currency non-checking numbered accounts shall be allowed. The BSP may conduct annual testing solely limited to the determination of the existence and true identity of the owners of such accounts.

- (b) Record-Keeping. – x x x
- (c) Reporting of Covered and Suspicious Transactions. – Covered persons shall report to the AMLC all covered transactions and suspicious transactions within five (5) working days from occurrence thereof, unless the AMLC prescribes a different period not exceeding fifteen (15) working days.

~~[Lawyers and accountants acting as independent legal professionals are not required to report covered and suspicious transactions if the relevant information was obtained in circumstances where they are subject to professional secrecy or legal professional privilege]~~

Should a transaction be determined to be both a covered transaction and a suspicious transaction, the covered person shall be required to report the same as a suspicious transaction.

X X X

- (d) **REGISTRATION WITH THE AMLC. – COVERED PERSONS SHALL REGISTER WITH THE AMLC IN ACCORDANCE WITH THE GUIDELINES PRESCRIBED FOR SUCH PURPOSE. SUPERVISING AUTHORITIES AND OTHER LICENSING OR BUSINESS REGISTRATION AUTHORITIES OF COVERED PERSONS SHALL PRESCRIBE REGISTRATION WITH THE AMLC AS A REQUIREMENT FOR CONTINUED LICENSING AND/OR OPERATIONS, AND, WHEN NECESSARY, TRANSACTING WITH OTHER COVERED PERSONS.**

Section 13. Section 10 of the same Act is hereby amended to read as follows:

SEC. 10. Authority to Suspend Transactions and Freezing of Monetary Instrument or Property. –

- A. THE AMLC, EITHER UPON ITS OWN INITIATIVE, OR AT THE REQUEST OF A COVERED PERSON OR DOMESTIC OR FOREIGN COMPETENT AUTHORITIES, IS HEREBY AUTHORIZED TO ISSUE, EX PARTE, A TRANSACTION SUSPENSION ORDER, UPON REASONABLE SUSPICION THAT A TRANSACTION OR FUND IS UNUSUAL, WITHOUT CLEAR ECONOMIC PURPOSE, FROM UNKNOWN OR ILLEGAL SOURCE, OR IN ANY WAY RELATED TO AN UNLAWFUL ACTIVITY OR MONEY LAUNDERING OFFENSE.**

THE AUTHORITY TO TEMPORARILY SUSPEND TRANSACTION OR FUND UNDER THIS SECTION SHALL BE EXERCISED BY A DULY AUTHORIZED OFFICER OR OPERATING UNIT OF THE AMLC.

THE TRANSACTION SUSPENSION ORDER SHALL BE EFFECTIVE FOR A PERIOD OF FIFTEEN (15) WORKING DAYS FROM RECEIPT THEREOF, UNLESS THE COUNCIL PRESCRIBES ANOTHER PERIOD NOT EXCEEDING THIRTY (30) WORKING DAYS. PROVIDED, THAT IF THERE IS NO ADMINISTRATIVE FREEZE ORDER ISSUED BY THE COUNCIL OR A PETITION FOR ISSUANCE OF FREEZE ORDER FILED BEFORE THE COURT OF APPEALS, THE TRANSACTION SUSPENSION ORDER SHALL BE DEEMED IPSO FACTO REVOKED WITHOUT NEED OF CONFIRMATION FROM THE AMLC.

A PERSON WHOSE TRANSACTION OR FUND HAS BEEN SUSPENDED MAY MOVE FOR THE REVOCATION OF THE SUSPENSION ORDER SUBJECT TO THE RULES AND REGULATIONS PRESCRIBED BY THE AMLC.

A COVERED PERSON, OR ANY OF ITS RESPONSIBLE DIRECTORS, OFFICERS, OR EMPLOYEES, SHALL BE HELD FREE AND HARMLESS FROM ANY ACCOUNTABILITY OR LIABILITY FOR ANY ACT DONE IN

COMPLIANCE WITH A TEMPORARY SUSPENSION ORDER FROM THE AMLC.

NO COURT SHALL ISSUE A TEMPORARY RESTRAINING ORDER OR A WRIT OF INJUNCTION AGAINST ANY TRANSACTION SUSPENSION ORDER, EXCEPT THE COURT OF APPEALS AND THE SUPREME COURT.

- B. Upon ~~[a verified ex parte petition by the AMLC and after]~~ determination that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Section 3(i) hereof, **THE COUNCIL**, ~~[the Court of Appeals]~~ may issue, **EX PARTE**, an **ADMINISTRATIVE** freeze order which shall be effective immediately, for a period of twenty (20) days.

Within the ~~[twenty (20) day period]~~ **NEXT WORKING DAY FROM THE ISSUANCE OF THE ADMINISTRATIVE FREEZE ORDER THE AMLC SHALL FILE A PETITION FOR ISSUANCE OF A FREEZE ORDER BEFORE THE COURT OF APPEALS: PROVIDED, THAT, THE TWENTY-DAY PERIOD OF THE ADMINISTRATIVE FREEZE ORDER SHALL REMAIN EFFECTIVE UNTIL THE COURT OF APPEALS RESOLVES THE PETITION. PROVIDED, FURTHER THAT, WITHIN THE PERIOD OF THE ADMINISTRATIVE FREEZE ORDER**, the Court of Appeals shall conduct a summary hearing, with notice to the parties, to determine whether or not to modify or lift the **ADMINISTRATIVE** freeze order or extend its effectivity **BY ISSUING A FREEZE ORDER WHICH SHALL BE EFFECTIVE FOR A** ~~[The total]~~ period ~~[of the freeze order issued by the Court of Appeals under this provision shall]~~ not exceeding six (6) months. ~~[This is without prejudice to an asset preservation order that the Regional Trial Court having jurisdiction over the appropriate anti-money laundering case or civil forfeiture case may issue on the same account depending on the circumstances of the case, where the Court of Appeals will remand the case and its records; Provided, That if there is no case filed against a person whose account has been frozen within the period determined by the Court of Appeals, not exceeding six (6) months, the freeze order shall be deemed ipso facto lifted; Provided, further, That this new rule shall not apply to pending cases in the courts. In any case, the court should act on the petition to freeze within twenty four (24) hours from filing of the petition. If the application is filed a day before a nonworking day, the computation of the twenty-four (24) hour period shall exclude the nonworking days.]~~

~~The freeze order or asset preservation order issued under this Act shall be limited only to the amount of cash or monetary instrument or value of property that court finds there is probable cause to be considered as proceeds of a predicate offense, and the freeze order or asset preservation order shall not apply to amounts in the same account in excess of the amount or value of the proceeds of the predicate offense.]~~

A person whose ~~[account]~~ **MONETARY INSTRUMENT OR PROPERTY** has been **THE SUBJECT OF AN ADMINISTRATIVE FREEZE ORDER OR FREEZE ORDER** ~~[frozen]~~ may ~~[file a motion to lift the freeze order and the court must resolve this motion before the expiration of the freeze order]~~ **MOVE FOR ITS LIFTING BEFORE THE COURT OF APPEALS.**

THE ADMINISTRATIVE FREEZE ORDER OR THE FREEZE ORDER SHALL INCLUDE THOSE MONETARY INSTRUMENT OR PROPERTY HAVING EQUIVALENT VALUE TO THE MONETARY INSTRUMENT OR PROPERTY FOUND TO BE RELATED IN ANY WAY TO AN UNLAWFUL ACTIVITY OR MONEY LAUNDERING OFFENSE, WHEN WITH DUE DILIGENCE, THE

FORMER CANNOT BE LOCATED, OR IT HAS BEEN SUBSTANTIALLY ALTERED, DESTROYED, DIMINISHED IN VALUE OR OTHERWISE RENDERED WORTHLESS BY ANY ACT OR OMISSION, OR IT HAS BEEN CONCEALED, REMOVED, CONVERTED, OR OTHERWISE TRANSFERRED, OR IT IS LOCATED OUTSIDE THE PHILIPPINES OR HAS BEEN PLACED OR BROUGHT OUTSIDE THE JURISDICTION OF THE COUNCIL AND THE COURT OF APPEALS, OR IT HAS BEEN COMMINGLED WITH OTHER MONETARY INSTRUMENT OR PROPERTY BELONGING TO EITHER THE RESPONDENT OR A THIRD PERSON OR ENTITY, THEREBY RENDERING THE SAME DIFFICULT TO IDENTIFY OR BE SEGREGATED FOR PURPOSES OF FREEZING.

THIS IS WITHOUT PREJUDICE TO AN ASSET PRESERVATION ORDER THAT THE REGIONAL TRIAL COURT HAVING JURISDICTION OVER THE APPROPRIATE MONEY LAUNDERING CASE OR CIVIL FORFEITURE CASE MAY ISSUE ON THE SAME MONETARY INSTRUMENT OR PROPERTY DEPENDING ON THE CIRCUMSTANCES OF THE CASE, WHERE THE COURT OF APPEALS WILL REMAND THE CASE AND ITS RECORDS; PROVIDED, THAT IF THERE IS NO CASE FILED AGAINST A PERSON WHOSE MONETARY INSTRUMENT OR PROPERTY HAS BEEN FROZEN WITHIN THE PERIOD DETERMINED BY THE COURT OF APPEALS, THE FREEZE ORDER SHALL BE DEEMED IPSO FACTO LIFTED; PROVIDED, FURTHER, THAT THIS RULE SHALL NOT APPLY TO PENDING PETITIONS FOR FREEZE ORDERS.

THE PERSON WHOSE MONETARY INSTRUMENT OR PROPERTY HAS BEEN FROZEN MAY WITHDRAW SUCH SUMS AS THE AMLC DETERMINES REASONABLE FOR MONTHLY FAMILY NEEDS AND SUSTENANCE, INCLUDING THE SERVICES OF COUNSEL AND FAMILY MEDICAL NEEDS.

A COVERED PERSON OR GOVERNMENT AGENCY, OR ANY OF ITS RESPONSIBLE DIRECTORS, OFFICERS, OR EMPLOYEES, SHALL BE HELD FREE AND HARMLESS FROM ANY ACCOUNTABILITY OR LIABILITY FOR ANY ACT DONE IN COMPLIANCE WITH AN ADMINISTRATIVE FREEZE ORDER FROM THE COUNCIL OR FREEZE ORDER FROM THE COURT OF APPEALS.

No court shall issue a temporary restraining order or a writ of injunction against any freeze order, except the Supreme Court.

(C) x x x.

Section 14. Section 11 of the same Act is hereby amended to read as follows:

SEC. 11. Authority to Inquire into Bank Deposits. – Notwithstanding the provisions of Republic Act No. 1405, as amended; Republic Act No. 6426, as amended; Republic Act No. 8791; **REPUBLIC ACT NO. 10173**; and other laws, the AMLC may inquire into or examine any particular deposit or investment, with any banking institution or non-bank financial institution ~~[upon order of any competent court based on an ex parte application in cases of violations of this Act, when it has been established that there is]~~, **WHICH, BASED ON** probable cause, ~~[that the deposits or investments, including related accounts involved, are]~~ **MAY BE** related to ~~[an unlawful activity as defined]~~ **IN THE COMMISSION, PROCEEDS, OR INSTRUMENTALITIES OF ANY UNLAWFUL ACTIVITY UNDER** Section 3(i) ~~[(1), (2) and (12)]~~ hereof; ~~[and felonies or offenses of a nature similar to those mentioned in Section 3(i)(1), (2) and (12), which are punishable under the penal laws of other countries, and terrorism and conspiracy to~~

~~commit terrorism as defined and penalized under Republic Act No. 9372]~~ subject of a money laundering investigation or prosecution; or subject of a request for assistance from a foreign State.

~~[The Court of Appeals shall act on the application to inquire into or examine any deposit or investment with any banking institution or non-bank financial institution within twenty-four (24) hours from filing of the application.~~

~~To ensure compliance with this Act, the Bangko Sentral ng Pilipinas may, in the course of a periodic or special examination, check the compliance of a covered person with the requirements of the AMLA and its implementing rules and regulations.~~

~~For purposes of this section, 'related accounts' shall refer to accounts, the funds and sources of which originated from and/or are materially linked to the monetary instrument(s) or property(ies) subject of the freeze order(s).~~

~~A court order ex parte must first be obtained before the AMLC can inquire into these related accounts: Provided, That the procedure for the ex parte application of the ex parte court order for the principal account shall be the same with that of the related accounts.~~

~~The authority to inquire into or examine the main account and the related accounts shall comply with the requirements of Article III, Sections 2 and 3 of the 1987 Constitution which are hereby incorporated by reference.]~~

THE AUTHORITY TO INQUIRE INTO DEPOSIT OR INVESTMENT UNDER THIS SECTION SHALL BE EXERCISED BY A DULY AUTHORIZED OFFICER OR OPERATING UNIT OF THE AMLC.

NO COURT BELOW THE COURT OF APPEALS SHALL HAVE JURISDICTION TO ENJOIN THE AMLC FROM EXERCISING ITS AUTHORITY TO INQUIRE INTO OR EXAMINE ANY DEPOSIT OR INVESTMENT UNDER THIS ACT.

A COVERED PERSON, OR ANY OF ITS RESPONSIBLE DIRECTORS, OFFICERS, OR EMPLOYEES, SHALL BE HELD FREE AND HARMLESS FROM ANY ACCOUNTABILITY OR LIABILITY FOR ANY ACT DONE IN COMPLIANCE WITH AN ORDER FROM THE AMLC FOR AN INQUIRY OF A DEPOSIT, OR INVESTMENT.

TO ENSURE COMPLIANCE WITH THIS ACT, THE AMLC AND THE SUPERVISING AUTHORITIES MAY, IN THE COURSE OF A PERIODIC OR SPECIAL EXAMINATION OR INSPECTION, CHECK COMPLIANCE OF A COVERED PERSON WITH THE REQUIREMENTS OF THE AMLA AND ITS IMPLEMENTING RULES AND REGULATIONS.

Section 15. Section 12 of the same Act is hereby amended to read as follows:

SEC. 12. Forfeiture Provisions. –

- (a) Civil Forfeiture. – Upon determination by the **[AMLC] COUNCIL** that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Section 3(i) or a money laundering offense under Section 4 hereof, the AMLC shall file, **EX PARTE**, with the **COMPETENT [appropriate]** court **OR** through the Office of the Solicitor General, a verified **[ex parte]** petition for forfeiture. ~~[and the Rules of Court on Civil Forfeiture shall apply.]~~

The forfeiture shall include those other monetary instrument or property having an equivalent value to that of the monetary instrument or property found to be related in any way to an unlawful activity or a money laundering offense, when with due

diligence, the former cannot be located, or it has been substantially altered, destroyed, diminished in value or otherwise rendered worthless by any act or omission, or it has been concealed, removed, converted, or otherwise transferred, or it is located outside the Philippines or has been placed or brought outside the jurisdiction of the court, or it has been commingled with other monetary instrument or property belonging to either the ~~[offender himself]~~ **RESPONDENT** or a third person or entity, thereby rendering the same difficult to identify or be segregated for purposes of forfeiture.

- (b) Claim on Forfeited Assets. – x x x.
- (c) Payment in Lieu of Forfeiture. – x x x.
- (d) x x x.
- (e) **LAWS ON PRESCRIPTION. — THE LAWS CONCERNING ACQUISITIVE PRESCRIPTION AND LIMITATION OF ACTIONS CANNOT BE INVOKED BY, NOR SHALL THEY BENEFIT THE RESPONDENT, IN RESPECT OF ANY UNLAWFULLY ACQUIRED MONETARY INSTRUMENT, PROPERTY, OR PROCEEDS, AND THEIR FRUITS.**

Section 16. Section 14 of the same Act is hereby amended to read as follows:

SEC. 14. Penal Provisions. – x x x.

- (f) Imposition of Administrative Sanctions. The imposition of the administrative sanctions shall be without prejudice to the filing of criminal charges against the persons responsible for the violation.

After due notice and hearing, the AMLC shall, at its discretion, impose sanctions, including **BUT NOT LIMITED TO** monetary penalties, **RESTITUTION, SUSPENSION OR DISQUALIFICATION FROM BEING A DIRECTOR, OFFICER, OR EMPLOYEE OF A COVERED PERSON, REVOCATION OF AMLC REGISTRATION, INCREASED MONITORING, INCLUSION IN A LIST OF AMLA VIOLATORS AND ITS PUBLICATION, WARNING, OR REPRIMAND, UPON ANY COVERED PERSON, AND ITS DIRECTORS,** warning or reprimand, upon any covered person, its directors, officers, employees or any other person for the violation of this Act, its implementing rules and regulations, or for failure or refusal to comply with AMLC orders, resolutions and other issuances. Such monetary penalties shall be in amounts as may be determined by the AMLC to be appropriate, which shall not be more than ~~[Five hundred thousand Philippine pesos (P500,000.00) per violation.]~~ **TWO MILLION PHILIPPINE PESOS (PHP2,000,000.00) PER TRANSACTIONAL VIOLATION, OR ONE HUNDRED THOUSAND PHILIPPINE PESOS (PHP100,000.00) PER CALENDAR DAY FOR VIOLATIONS OF CONTINUING NATURE.**

RESIGNATION, TERMINATION, OR OTHERWISE SEPARATION FROM OFFICE SHALL NOT EXEMPT SUCH DIRECTOR, OFFICER, OR EMPLOYEE FROM ADMINISTRATIVE SANCTIONS.

THE DECISION OF THE AMLC IN ADMINISTRATIVE CASES SHALL BE FINAL AND EXECUTORY, AND MAY NOT BE RESTRAINED OR SET ASIDE BY THE COURT, EXCEPT ON PETITION FOR CERTIORARI ON THE GROUND OF GRAVE ABUSE OF DISCRETION, OR LACK OR EXCESS OF JURISDICTION

OF THE AMLC. PROVIDED, THAT THE AGGRIEVED PARTY SHALL FILE THE PETITION WITH THE COURT OF APPEALS.

IN THE EXERCISE OF ITS QUASI-JUDICIAL FUNCTION, THE AMLC SHALL HAVE THE POWER TO ISSUE SUBPOENA DUCES TECUM AND SUMMON WITNESSES TO APPEAR IN THEIR PROCEEDINGS AND WHEN APPROPRIATE, ORDER THE EXAMINATION, SEARCH AND SEIZURE OF ALL DOCUMENTS, AND BOOKS OF ACCOUNTS OF ANY ENTITY OR PERSON UNDER INVESTIGATION AS MAY BE NECESSARY FOR THE PROPER DISPOSITION OF THE ADMINISTRATIVE CASES BEFORE IT. FURTHER, THE AMLC SHALL HAVE THE AUTHORITY TO PUNISH FOR CONTEMPT, BOTH DIRECTLY AND INDIRECTLY, IN ACCORDANCE WITH THE PERTINENT PROVISIONS OF AND PENALTIES PRESCRIBED BY THE RULES OF COURT.

THE QUASI-JUDICIAL POWER OF THE AMLC SHALL BE EXERCISED DIRECTLY BY THE COUNCIL OR THE DULY AUTHORIZED HEARING OFFICER OR PANEL OF HEARING OFFICERS OF THE AMLC, UNDER SUCH RULES AND CONDITIONS TO BE DETERMINED BY THE COUNCIL. PROVIDED FURTHER, THAT THE DECISION OF THE AUTHORIZED HEARING OFFICER OR PANEL OF HEARING OFFICERS SHALL NOT BE APPEALABLE TO THE COUNCIL.

The AMLC may promulgate rules on fines and penalties taking into consideration the attendant circumstances, such as the nature and gravity of the violation or irregularity.

THE FINES PRESCRIBED IN THIS SECTION SHALL BE INCREASED BY TEN PERCENT (10%) EVERY FIVE YEARS TO COMPENSATE FOR INFLATION AND TO MAINTAIN THE DETERRENT FUNCTION OF SUCH FINES.”

Section 17. Section 15 of the same Act shall be reinstated and amended to read as follows:

SEC. 15. RETENTION AND USE OF FORFEITED ASSETS. – THE AMLC SHALL BE AUTHORIZED TO RETAIN AND USE THE ASSETS FORFEITED FOR THE YEAR, PROVIDED, THAT IN NO CASE SHALL SAID ANNUAL APPROPRIATION EXCEED ONE HUNDRED FIFTY MILLION PESOS (P150,000,000.00).

THE FOREGOING FUNDS SHALL ACCRUE TO A TRUST FUND TO BE MANAGED AND ADMINISTERED BY THE COUNCIL, AS A SPECIAL ACCOUNT, IN ANY GOVERNMENT FINANCIAL INSTITUTION. THE FUNDS SHALL BE USED EXCLUSIVELY TO AUGMENT THE AMLC’S OPERATIONAL EXPENSES.

Section 18. Section 22 of the same Act shall be amended to read as follows:

SEC. 22. FUNDING SOURCE. – THE FUNDS REQUIRED FOR THE IMPLEMENTATION OF THIS ACT AND OTHER OPERATING EXPENSES OF THE AMLC, SHALL BE TAKEN FROM:

- (A) THE GENERAL APPROPRIATIONS ACT; AND**
- (B) AUTHORIZED RETAINED FORFEITED ASSETS; AND**
- (C) SUPERVISORY, ACCREDITATION, AND OTHER ADMINISTRATIVE FEES COLLECTED, IF ANY.**

Section 19. Implementing Rules and Regulations. The AMLC shall, within ninety (90) days from the effectivity of this Act, issue the necessary rules and regulations. Provided, That the non-issuance of the implementing rules and regulations shall not prevent this Act from coming into force and effect.

Section 20. Separability Clause. – If any provision or section of this Act is held to be unconstitutional or invalid, the other provisions or sections hereof, which are not affected thereby shall continue to be in full force and effect.

Section 21. Repealing Clause. – All provisions of existing laws, rules and regulations, orders, or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed or modified accordingly: Provided, That all provisions of Republic Act No. 9160, as amended, which are not inconsistent with this Act are hereby adopted.

Section 22. Effectivity. – This Act shall take effect immediately after the completion of its publication in the Official Gazette or in a newspaper of general circulation.

Approved,