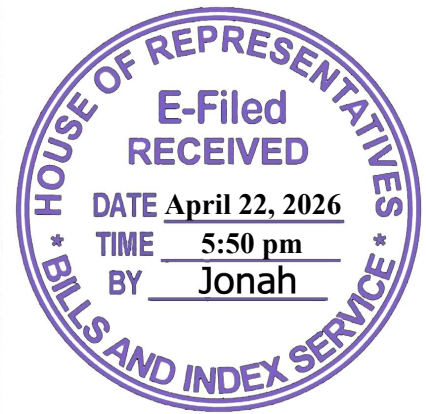


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **8943**



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO
AND JOCELYN P. TULFO**

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

EXPLANATORY NOTE

The Anti-Money-Laundering Council (AMLC) is the Philippines' central government agency tasked to monitor money laundering activities in the country and mandated to strictly implement and enforce anti-money laundering laws and regulations. The AMLC was created pursuant to Republic Act No. 9160, otherwise known as the "Anti-Money-Laundering Act of 2001", to protect the integrity 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.

Despite being removed last year from the Financial Action Task Force (FATF) "grey list", a list for countries under increased monitoring by the Paris-based inter-governmental organization that sets standards on anti-money laundering, the Philippines still faces challenges in its anti-money laundering efforts. High-risk corruption cases, limitations in tracking non-bank transactions, and enforcement deficiencies continue to prevail. Thus, the overall threat from illicit financial flows remains high.

This bill seeks to enhance the country's legal and institutional framework in combating money laundering and terrorism financing by preserving the integrity of the financial system and by maintaining an operationally independent central anti-money laundering and counter-terrorism financing authority as the country's financial intelligence unit, specialized money laundering and terrorism financing investigation agency, and anti-money laundering and counter-terrorism financing regulator and supervisor. Therefore, strengthening the AMLC by expanding its authority, capability, and resources, while recognizing its functions and responsibilities which affect the economy, peace and order, and national security, among others.

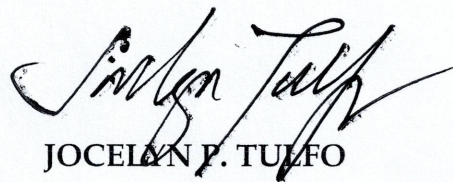
In view of the foregoing, the urgent passing of this bill is earnestly sought.



RALPH WENDEL P. TULFO

Representative

2nd District of Quezon City



JOCELYN P. TULFO

Representative

ACT-CIS Partylist

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

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

3
4 **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State
5 to protect and preserve the integrity OF THE FINANCIAL SYSTEM [~~and~~
6 ~~confidentiality of bank accounts~~] and to ensure that the Philippines shall
7 not be used as a money laundering site for the proceeds of any unlawful
8 activity. Consistent with its foreign policy, the State shall extend
9 cooperation in transnational investigations and prosecutions of persons
10 involved in money laundering activities wherever committed, as well as in
11 the implementation of targeted financial sanctions related to the financing
12 of the proliferation of weapons of mass destruction terrorism, and

1 financing of terrorism, pursuant to the resolutions of the United Nations
2 Council.

3 LIKEWISE, THE STATE SHALL MAINTAIN AN OPERATIONALLY
4 INDEPENDENT CENTRAL ANTI-MONEY LAUNDERING AND
5 COUNTER-TERRORISM FINANCING AUTHORITY THAT SHALL
6 FUNCTION AND OPERATE AS THE FINANCIAL INTELLIGENCE
7 UNIT, SPECIALIZED MONEY LAUNDERING AND TERRORISM
8 FINANCING INVESTIGATION AGENCY, AND ANTI-MONEY
9 LAUNDERING AND COUNTER-TERRORISM FINANCING
10 REGULATOR AND SUPERVISOR OF THE PHILIPPINES. IN LINE WITH
11 THIS POLICY, AND CONSIDERING ITS UNIQUE FUNCTIONS AND
12 RESPONSIBILITIES THAT AFFECT THE ECONOMY, PEACE AND
13 ORDER, AND NATIONAL SECURITY, AMONG OTHERS, THE ANTI-
14 MONEY LAUNDERING COUNCIL (AMLC) SHALL BE ENHANCED
15 WITH EXPANDED AUTHORITY, CAPABILITY, AND RESOURCES.
16

17 **SEC. 2.** Section 3(a) of the same Act is hereby amended to read as follows:
18

19 a. "Covered Persons", natural or juridical, refers to:

- 20 1. x x x;
- 21 2. x x x;
- 22 3. x x x;
- 23 4. jewelry dealers [~~in precious metals, who, as a business, trade in~~
24 ~~precious metals, for transactions in excess of One million pesos~~
25 ~~(P1,000,000.00)];~~
- 26 5. [~~jewelry~~] dealers in PRECIOUS METALS AND precious stones.
27 [~~who, as a business, trade in precious stones, for transactions in~~
28 ~~excess of One million pesos (P1,000,000.00)];~~
- 29 6. TRUST AND company service providers which, as a business, OR
30 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

1 REQUIRED TO REPORT SUSPICIOUS TRANSACTIONS IF THE
2 RELEVANT INFORMATION WAS OBTAINED FROM THEIR
3 CLIENTS IN PERFORMING THEIR TASK OF DEFENDING OR
4 REPRESENTING THEIR CLIENTS IN, OR CONCERNING JUDICIAL,
5 ADMINISTRATIVE, ARBITRATION OR MEDIATION
6 PROCEEDINGS.

7 8. Casinos ~~[including internet and ship-based casinos, with respect to~~
8 ~~their casino cash transactions related to their gaming operations]~~ IN
9 RELATION TO THEIR FINANCIAL TRANSACTIONS WITH THEIR
10 CUSTOMERS;

11 9. x x x;

12 10. ONLINE GAMBLING OPERATORS, REGARDLESS OF THEIR
13 LICENSE CLASSIFICATION OR NOMENCLATURE, ~~[Offshore~~
14 ~~gaming operators,]~~ as well as their service providers, supervised,
15 accredited or regulated by the Philippine Amusement and Gaming
16 Corporation (PAGCOR) or any government agency; AND

17 11. VIRTUAL ASSET SERVICE PROVIDERS.

18
19 **SEC. 3.** Section 3(b) is hereby amended to read as follows:
20

21 b. "Covered transaction" is a transaction in cash or other equivalent
22 monetary instrument involving a total amount in excess of Five
23 hundred thousand pesos (P500,000.00) within one (1) banking day; FOR
24 COVERED PERSONS UNDER SECTIONS 3(A)(4) AND 3(A)(5), A
25 TRANSACTION IN CASH OR OTHER EQUIVALENT MONETARY
26 INSTRUMENT EXCEEDING ONE MILLION PESOS (PHP
27 1,000,000.00); for covered persons under Section 3(a)(8), a single casino
28 cash transaction involving an amount in excess of Five million pesos
29 (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.

SEC. 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

SEC. 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 PREEXISTING DIGITAL REPRESENTATIONS OF FIAT CURRENCIES, SECURITIES AND OTHER FINANCIAL ASSETS

1 THAT ARE ALREADY BEING OFFERED BY COVERED
2 PERSONS OTHER THAN VIRTUAL ASSET SERVICE
3 PROVIDERS.

4 2. "VIRTUAL ASSET SERVICE PROVIDER" REFERS TO
5 ANY PERSON WHO, AS A BUSINESS, CONDUCTS ONE OR
6 MORE OF THE FOLLOWING ACTIVITIES OR OPERATIONS
7 FOR OR ON BEHALF OF ANOTHER NATURAL OR
8 JURIDICAL PERSON:

- 9 a. EXCHANGE BETWEEN VIRTUAL ASSETS AND FIAT
10 CURRENCIES;
11 b. EXCHANGE BETWEEN ONE OR MORE FORMS OF
12 VIRTUAL ASSETS;
13 c. TRANSFER (I.E., THE CONDUCT OF A TRANSACTION ON
14 BEHALF OF ANOTHER PERSON THAT MOVES A VIRTUAL
15 ASSET FROM ONE VIRTUAL ASSET ADDRESS OR
16 ACCOUNT TO ANOTHER) OF VIRTUAL ASSETS;
17 d. SAFEKEEPING AND/OR ADMINISTRATION OF VIRTUAL
18 ASSETS OR INSTRUMENTS ENABLING CONTROL OVER
19 VIRTUAL ASSETS; AND
20 e. PARTICIPATION IN AND PROVISION OF FINANCIAL
21 SERVICE RELATED TO AN ISSUER'S OFFER AND/OR
22 SALE OF A VIRTUAL ASSET.

23
24 **SEC. 6.** Section 3(r) is hereby inserted on the same Act to read as follows:

25
26 (R) FOR PURPOSES OF SECTION 14(F), THE FOLLOWING TERMS ARE
27 HEREBY DEFINED AS FOLLOWS:

- 28 A. "TRANSACTIONAL VIOLATION" REFERS TO AN ACT OR
29 OMISSION CONSTITUTING A VIOLATION OF ANY
30 APPLICABLE LAW, OR ANY REGULATION OR ORDER ISSUED
31 BY THE COUNCIL, OR ANY ORDER BY THE EXECUTIVE

1 DIRECTOR OR AUTHORIZED OFFICER OF THE AMLC, WHICH
2 IS CONSUMMATED AND CONCLUDED IN A SINGLE
3 INSTANCE OR OCCASION.

4 B. "CONTINUING VIOLATION" REFERS TO AN ACT OR
5 OMISSION CONSTITUTING A VIOLATION OF ANY
6 APPLICABLE LAW, OR ANY REGULATION OR ORDER ISSUED
7 BY THE COUNCIL, OR ANY ORDER BY THE EXECUTIVE
8 DIRECTOR OR AUTHORIZED OFFICER OF THE AMLC, IN
9 WHICH THE VIOLATION PERSISTS OR LINGERS OVER TIME
10 FROM THE INSTANT THE PARTICULAR ACT WAS
11 COMMITTED OR OMITTED UNTIL THE VIOLATION IS
12 STOPPED.

13
14
15
16 **SEC. 7.** Section 3(i) of the same Act is hereby amended to read as follows:
17

18 i. "Unlawful Activity" refers to any act or omission or series or
19 combination thereof involving or having relation to the following
20 LAWS AND THEIR RESPECTIVE AMENDMENTS:

21 1. x x x;

22 2. x x x;

23 3. x x x;

24 4. x x x;

25 5. x x x;

26 6. Jueteng and Masiao were punished as illegal gambling under
27 Presidential Decree No. 1602; AND ALL ILLEGAL
28 GAMBLING ACTIVITIES DEFINED UNDER EXECUTIVE
29 ORDER NO. 13, SERIES OF 2017 AND PUNISHABLE

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

3 7. x x x;

4 8. x x x;

5 9. x x x;

6 10. Smuggling under Republic Act No[~~s. 455 and 1937~~] 10863,
7 OTHERWISE KNOWN AS THE CUSTOMS
8 MODERNIZATION AND TARIFF ACT;

9 11. x x x;

10 12. x x x;

11 13. Terrorism [~~and~~], [~~e~~]Conspiracy to [~~e~~]Commit [~~t~~]Terrorism,
12 AND PROVIDING MATERIAL SUPPORT TO TERRORISTS,
13 as defined and penalized under [~~Sections 3 and 4 of Republic~~
14 ~~Act No. 9372~~] SECTIONS 4, 7, AND 12 OF REPUBLIC ACT
15 NO. 11479, OTHERWISE KNOWN AS THE ANTI-
16 TERRORISM ACT OF 2020;

17 14. x x x;

18 15. x x x;

19 16. x x x;

20 17. x x x;

21 18. Violations of Sections 4 to 6 of Republic Act No. 9208,
22 otherwise known as the Anti-Trafficking in Persons Act of
23 2003, AS AMENDED;

24 19. Violations of Sections [~~78 to~~] 68, 69, 70, 71, 77, AND 79 of
25 Chapter IV of Presidential Decree No. 705, otherwise known
26 as the Revised Forestry Code of the Philippines, as amended;
27 20. Violations of Sections 86 to [~~106~~] 107, 110, 111, 114, AND 126
28 of Chapter VI, of Republic Act No. 8550, otherwise known as
29 the Philippine Fisheries Code of 1998, AS AMENDED;

30 21. x x x;

- 1 22. x x x;
2 23. x x x;
3 24. x x x;
4 25. x x x;
5 26. Violations of Sections 1 and 5 of Presidential Decree No. 1866,
6 as amended, otherwise known as the Decree Codifying the
7 Laws on Illegal/Unlawful Possession, Manufacture, Dealing
8 In, Acquisition or Disposition of Firearms, Ammunition or
9 Explosives, AND SECTION 3 OF REPUBLIC ACT NO. 10591,
10 OTHERWISE KNOWN AS THE COMPREHENSIVE
11 FIREARMS AND AMMUNITION REGULATION ACT;
12 27. x x x;
13 28. x x x;
14 29. x x x;
15 30. x x x;
16 31. Violation of Section 4 AND 6 of Republic Act No. [9775] 11930,
17 otherwise known as the [~~Anti-Child Pornography Act of 2009~~]
18 ANTI-ONLINE SEXUAL ABUSE OR EXPLOITATION OF
19 CHILDREN, AND CHILD SEXUAL ABUSE OR
20 EXPLOITATION MATERIALS;
21 32. Violations of Sections 5, 7, 8, 9, 10(c), (d) and (e), 11, 12, 12-D,
22 and 14 of Republic Act No. 7610, otherwise known as the
23 Special Protection of Children Against Abuse, Exploitation
24 and Discrimination, AS AMENDED;
25 33. x x x;
26 34. x x x;
27 35. Violation of Section 254 of Chapter II, Title X of the National
28 Internal Revenue Code of 1997, as amended, where the
29 deficiency basic tax due [~~in the final assessment~~] is in excess
30 of Twenty-five million pesos (P25,000,000.00) per taxable year,

1 for each tax type covered. ~~[and there has been a finding of~~
2 ~~probable cause by the competent authority: Provided, further~~
3 ~~That there must be a finding of fraud, willful~~
4 ~~misrepresentation or malicious intent on the part of the~~
5 ~~taxpayer:]~~ Provided, ~~[finally, T]~~ that in no case shall the
6 AMLC institute forfeiture proceedings to recover monetary
7 instruments, property or proceeds representing, involving, or
8 relating to a tax crime, if the same has already been recovered
9 or collected, OR IN THE PROCESS OF BEING RECOVERED
10 OR COLLECTED by the Bureau of Internal Revenue (BIR) in
11 a separate proceeding; ~~[and]~~

12 36. ~~[Felonies or offenses of a similar nature that are punishable~~
13 ~~under the penal laws of other countries]~~ VIOLATIONS OF
14 SECTION 9 OF REPUBLIC ACT NO. 8484, OTHERWISE
15 KNOWN AS THE ACCESS DEVICES REGULATION ACT
16 OF 1998, AS AMENDED;

17 37. VIOLATIONS OF SECTION 4 OF REPUBLIC ACT NO. 10175,
18 OTHERWISE KNOWN AS THE CYBERCRIME
19 PREVENTION ACT OF 2012;

20 38. VIOLATIONS OF SECTIONS 1, 2, AND 2-A OF
21 COMMONWEALTH ACT NO. 108, OTHERWISE KNOWN
22 AS THE ANTI-DUMMY ACT, AS AMENDED BY
23 PRESIDENTIAL DECREE NO. 715;

24 39. VIOLATIONS OF SECTIONS 7, 8, 9, 10, AND 11 OF
25 REPUBLIC ACT NO. 12022, OTHERWISE KNOWN AS THE
26 ANTI-AGRICULTURAL ECONOMIC SABOTAGE ACT;

27 40. FALSIFICATION OF DOCUMENTS UNDER ARTICLES 171
28 AND 172 OF THE REVISED PENAL CODE, AS AMENDED;

29 41. VIOLATIONS OF SECTION 11 OF REPUBLIC ACT NO.
30 11765, OTHERWISE KNOWN AS THE FINANCIAL

1 PRODUCTS AND SERVICES CONSUMER PROTECTION
2 ACT;

3 42. VIOLATIONS OF REPUBLIC ACT NO. 12312, OTHERWISE
4 KNOWN THE ANTI-POGO ACT OF 2025;

5 43. VIOLATIONS OF SECTION 13(D) OF REPUBLIC ACT NO.
6 6969, OTHERWISE KNOWN AS THE TOXIC SUBSTANCES
7 AND HAZARDOUS AND NUCLEAR WASTE CONTROL
8 ACT;

9 44. VIOLATIONS OF SECTIONS 20(A), (B), (C), (D), (E), (F), (I),
10 (N), (O), (P), (Q), (R), (T), AND (V) OF REPUBLIC ACT NO.
11 7586, OTHERWISE KNOWN AS THE NATIONAL
12 INTEGRATED PROTECTED AREA SYSTEM, AS
13 AMENDED;

14 45. VIOLATIONS OF SECTION 9 OF REPUBLIC ACT NO. 7076,
15 OTHERWISE KNOWN AS THE PEOPLE'S SMALL-SCALE
16 MINING ACT; AND

17 46. FELONIES OF A SIMILAR NATURE THAT ARE
18 PUNISHABLE UNDER THE PENAL LAWS OF OTHER
19 COUNTRIES.

20
21 **SEC. 8.** Section 7 of the same Act is hereby amended to read as follows:
22

23 Sec. 7. Creation of the Anti-Money Laundering Council (AMLC). - x x x.
24

- 25 1. to SERVE AS THE FINANCIAL INTELLIGENCE UNIT OF THE
26 PHILIPPINES WITH THE AUTHORITY TO require, receive and
27 analyze covered or suspicious transactions reports from covered
28 persons;
29 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~~ *DE parte*, 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. x x x;
16. to preserve, manage, or dispose assets pursuant to a N ADMINISTRATIVE FREEZE ORDER, freeze order, asset preservation order, or judgement of forfeiture, INCLUDING

1 THE AUTHORITY TO PHYSICALLY POSSESS AND MANAGE
2 MONETARY INSTRUMENTS AND PROPERTIES THAT ARE
3 IN DANGER OF BEING LOST, REMOVED, MATERIALLY
4 INJURED, WASTED, OR DISIPATED: *Provided, however,* That
5 pending their turnover to the national government, all expenses
6 incurred in relation to the duties herein mentioned shall be
7 deducted from the amount to be turned over to the national
8 government;

9 17. TO SERVE AS THE ANTI-MONEY LAUNDERING
10 SUPERVISOR WITH THE AUTHORITY TO EXERCISE
11 VISITATION, INSPECTION, AND EXAMINATION POWERS
12 TO ENSURE COMPLIANCE BY ALL COVERED PERSONS,
13 AND THEIR RESPONSIBLE DIRECTORS, OFFICERS, AND
14 EMPLOYEES, WITH THE REQUIREMENTS OF THIS ACT, ITS
15 IMPLEMENTING RULES AND REGULATIONS, AND OTHER
16 ISSUANCES OF THE COUNCIL. PROVIDED, THAT THE
17 AMLC MAY DEPUTIZE SUPERVISING AUTHORITIES TO
18 CONDUCT THE ACTUAL COMPLIANCE CHECKING AND
19 IMPOSITION OF ENFORCEMENT ACTIONS ON THE
20 PERSONS AND ENTITIES UNDER THEIR RESPECTIVE
21 PRUDENTIAL SUPERVISION, SUBJECT TO THE
22 ESCALATION TO THE AMLC OF FINDINGS CONCERNING
23 HIGH-RISK VIOLATIONS;

24 18. TO ENTER INTO ANY CONTRACT OR TRANSACTION FOR
25 THE ACQUISITION, OWNERSHIP, POSSESSION,
26 ADMINISTRATION, LEASE, DISPOSITION, OR
27 ACCEPTANCE OF REAL OR PERSONAL PROPERTY IN ITS
28 NAME, UNDER SUCH CONDITIONS IMPOSED BY THE
29 COUNCIL;

- 1 19. TO DETERMINE AND IMPOSE SUPERVISORY,
2 ACCREDITATION, AND OTHER ADMINISTRATIVE FEES;
3 20. TO SPEARHEAD THE NATIONAL COORDINATION
4 MECHANISM TO IDENTIFY AND ASSESS THE MONEY
5 LAUNDERING, TERRORISM FINANCING, AND
6 PROLIFERATION OF WEAPONS OF MASS DESTRUCTION
7 FINANCING RISKS OF THE PHILIPPINES, INCLUDING
8 FORMULATION AND ADOPTION OF NATIONAL
9 STRATEGIES TO ADDRESS THE SAID RISKS; AND
10 21. TO DELEGATE SUCH AUTHORITIES TO THE EXECUTIVE
11 DIRECTOR OR ANY OFFICER OR OPERATING UNIT OF THE
12 AMLC UNDER SUCH GUIDELINES THE COUNCIL MAY
13 DETERMINE.

14
15 **SEC. 9.** A new Section 7-A is hereby inserted on the same Act to read as follows:
16

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

23
24 IN THE LAWFUL AND AUTHORIZED EXERCISE OF ITS POWERS
25 AND PERFORMANCE OF ITS OFFICIAL DUTIES AND FUNCTIONS,
26 THE AMLC, THE MEMBERS OF THE COUNCIL, AND ITS
27 PERSONNEL, SHALL BE PRESUMED TO HAVE ACTED IN GOOD
28 FAITH.
29

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

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

12
13 Section 8-A. Information Security and Confidentiality. - THE COUNCIL,
14 AND THE OFFICERS AND STAFF OF the AMLC [~~and its Secretariat~~]
15 shall securely protect information received or processed and shall not
16 reveal, in any manner, any information known to them by reason of their
17 office. THIS PROHIBITION SHALL ALSO APPLY TO ALL
18 RESPONSIBLE DIRECTORS, OFFICERS, AND EMPLOYEES OF
19 COVERED PERSONS, LAW ENFORCEMENT AGENCIES,
20 SUPERVISING AUTHORITIES, OTHER GOVERNMENT AGENCIES,
21 SUPPLIERS, SERVICE PROVIDERS, CONSULTANTS, TRAINEES,
22 DETAILED, SECONDED, OR ENLISTED PERSONNEL, AND OTHER
23 PERSONS AND ENTITIES WITH WHOM THE AMLC SHARED
24 CONFIDENTIAL INFORMATION OR FOR WHOM AN ACCESS WAS
25 GIVEN TO THE SAID INFORMATION, AS ALLOWED UNDER THE
26 SUCCEEDING PARAGRAPH. NEITHER MAY SUCH INFORMATION
27 BE PUBLISHED OR AIRED IN ANY MANNER OR FORM BY THE
28 MASS MEDIA OR SOCIAL MEDIA, ELECTRONIC MAIL, OR OTHER
29 SIMILAR DEVICES OR TECHNOLOGY, UNLESS ALLOWED WITHIN
30 THE PARAMETERS SET BY THE COUNCIL. This prohibition shall

1 apply even after their separation from the AMLC, OR RESPECTIVE
2 OFFICES, OR AFTER THE LAPSE OF THEIR CONTRACT,
3 ARRANGEMENT, OR OTHER AGREEMENT WITH THE AMLC, AS
4 THE CASE MAY BE.

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

13
14 **SEC. 11.** A new Section 8-B is hereby inserted in the same Act to read as follows:

15
16 SECTION 8-B. ISSUANCE OF INJUNCTIVE RELIEF AGAINST AMLC
17 ACTIONS. - NO COURT, OTHER THAN THE COURT OF APPEALS
18 AND THE SUPREME COURT, SHALL ISSUE ANY TEMPORARY
19 RESTRAINING ORDER OR INJUNCTION AGAINST THE AMLC FOR
20 ANY ACTION UNDER THIS ACT.

21
22 ANY RESTRAINING ORDER OR INJUNCTION ISSUED IN
23 VIOLATION OF THIS SECTION IS VOID AND OF NO FORCE AND
24 EFFECT.

25
26 **SEC. 12.** Section 9 of the same Act is hereby amended to read as follows:

27
28 Sec. 9. Prevention of Money Laundering: Customer Due Diligence,
29 Record-Keeping, Transaction Reporting, and Registration
30 Requirements.

1
2 a. Customer Identification. - Covered persons shall CONDUCT
3 CUSTOMER DUE DILIGENCE BY establishING and recordING
4 the true identity of its clients based on official documents,OR
5 OTHER RELIABLE, INDEPENDENT SOURCE DOCUMENTS,
6 DATA OR INFORMATION. Provided, that for casinos, the
7 requirement of customer due diligence shall be performed
8 for transactions involving the amount in excess of One
9 Hundred Fifty Thousand Pesos (PHP150,000.00), or its
10 equivalent in foreign currency.

11
12 COVERED PERSONS [~~They~~] shall maintain a system of
13 verifying the true identity of their clients and, in case of
14 corporate clients, require a system of verifying their legal
15 existence and organizational structure, as well as the
16 authority and identification of all persons purporting to act
17 on their behalf.

18
19 Covered persons shall examine the background and purpose
20 of all complex, unusually large transactions, all unusual
21 patterns of transactions, which have no apparent economic or
22 lawful purpose, and other transactions that may be
23 considered suspicious. Where the risks are higher, covered
24 persons shall conduct enhanced due diligence. For these
25 purposes, covered persons are authorized to coordinate with
26 other covered persons to determine the presence of unusual
27 or suspicious transactions. The provisions of Republic Act
28 No. 1405, as amended; Republic Act No. 6426, as amended;
29 Republic Act No. 8367; and Republic Act No. 10173, shall not

1 apply during the verification process with other covered
2 persons.

3
4 The provisions of existing laws to the contrary
5 notwithstanding, anonymous accounts, accounts under
6 fictitious names, and all other similar accounts shall be
7 absolutely prohibited. Peso and foreign currency non-
8 checking numbered accounts shall be allowed. The BSP may
9 conduct annual testing solely limited to the determination of
10 the existence and true identity of the owners of such accounts.

11
12 b. Record-Keeping. - x x x

13 c. Reporting of Covered and Suspicious Transactions. -
14 Covered persons shall report to the AMLC all covered
15 transactions and suspicious transactions within five (5)
16 working days from occurrence thereof, unless the AMLC
17 prescribes a different period not exceeding fifteen (15)
18 working days.

19
20 ~~[Lawyers and accountants acting as independent legal~~
21 ~~professionals are not required to report covered and~~
22 ~~suspicious transactions if the relevant information was~~
23 ~~obtained in circumstances where they are subject to~~
24 ~~professional secrecy or legal professional privilege]~~

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

1 d. REGISTRATION WITH THE AMLC. - COVERED PERSONS
2 SHALL REGISTER WITH THE AMLC IN ACCORDANCE
3 WITH THE GUIDELINES PRESCRIBED FOR SUCH
4 PURPOSE. SUPERVISING AUTHORITIES AND OTHER
5 LICENSING OR BUSINESS REGISTRATION AUTHORITIES
6 OF COVERED PERSONS SHALL PRESCRIBE
7 REGISTRATION WITH THE AMLC AS A REQUIREMENT
8 FOR CONTINUED LICENSING AND/OR OPERATIONS,
9 AND, WHEN NECESSARY, TRANSACTING WITH OTHER
10 COVERED PERSONS.

11
12 **SECTION 13.** Section 10 of the same Act is hereby amended to read as follows:

13
14 Sec. 10. Authority to Suspend Transactions and Freezing of Monetary
15 Instrument or Property. -

16
17 A. THE AMLC, EITHER UPON ITS OWN INITIATIVE, OR AT
18 THE REQUEST OF A COVERED PERSON OR DOMESTIC OR
19 FOREIGN COMPETENT AUTHORITIES, IS HEREBY
20 AUTHORIZED TO ISSUE, EX PARTE, A TRANSACTION
21 SUSPENSION ORDER, UPON REASONABLE SUSPICION
22 THAT A TRANSACTION OR FUND IS UNUSUAL,
23 WITHOUT CLEAR ECONOMIC PURPOSE, FROM
24 UNKNOWN OR ILLEGAL SOURCE, OR IN ANY WAY
25 RELATED TO AN UNLAWFUL ACTIVITY OR MONEY
26 LAUNDERING OFFENSE.

27
28 THE AUTHORITY TO TEMPORARILY SUSPEND
29 TRANSACTION OR FUND UNDER THIS SECTION SHALL

1 BE EXERCISED BY A DULY AUTHORIZED OFFICER OR
2 OPERATING UNIT OF THE AMLC.

3
4 THE TRANSACTION SUSPENSION ORDER SHALL BE
5 EFFECTIVE FOR A PERIOD OF FIFTEEN (15) WORKING
6 DAYS FROM RECEIPT THEREOF, UNLESS THE COUNCIL
7 PRESCRIBES ANOTHER PERIOD NOT EXCEEDING
8 THIRTY (30) WORKING DAYS. PROVIDED, THAT IF THERE
9 IS NO ADMINISTRATIVE FREEZE ORDER ISSUED BY THE
10 COUNCIL OR A PETITION FOR ISSUANCE OF FREEZE
11 ORDER FILED BEFORE THE COURT OF APPEALS, THE
12 TRANSACTION SUSPENSION ORDER SHALL BE DEEMED
13 IPSO FACTO REVOKED WITHOUT NEED OF
14 CONFIRMATION FROM THE AMLC.

15
16 A PERSON WHOSE TRANSACTION OR FUND HAS BEEN
17 SUSPENDED MAY MOVE FOR THE REVOCATION OF THE
18 SUSPENSION ORDER SUBJECT TO THE RULES AND
19 REGULATIONS PRESCRIBED BY THE AMLC.

20
21 A COVERED PERSON, OR ANY OF ITS RESPONSIBLE
22 DIRECTORS, OFFICERS, OR EMPLOYEES, SHALL BE HELD
23 FREE AND HARMLESS FROM ANY ACCOUNTABILITY OR
24 LIABILITY FOR ANY ACT DONE IN COMPLIANCE WITH
25 A TEMPORARY SUSPENSION ORDER FROM THE AMLC.

26
27 NO COURT SHALL ISSUE A TEMPORARY RESTRAINING
28 ORDER OR A WRIT OF INJUNCTION AGAINST ANY
29 TRANSACTION SUSPENSION ORDER, EXCEPT THE
30 COURT OF APPEALS AND THE SUPREME COURT.

1
2 B. Upon [~~a verified ex parte petition by the AMLC and after~~]
3 determination that probable cause exists that any monetary
4 instrument or property is in any way related to an unlawful
5 activity as defined in Section 3(i) hereof, THE COUNCIL [~~the~~
6 ~~Court of Appeals~~] may issue, EX PARTE, aN
7 ADMINISTRATIVE freeze order which shall be effective
8 immediately, for a period of twenty (20) days.
9

10 Within the [~~twenty (20) day period~~] NEXT WORKING DAY
11 FROM THE ISSUANCE OF THE ADMINISTRATIVE FREEZE
12 ORDER THE AMLC SHALL FILE A PETITION FOR
13 ISSUANCE OF A FREEZE ORDER BEFORE THE COURT OF
14 APPEALS: Provided, That, the twenty-day period of the
15 administrative freeze order shall remain effective until the Court
16 of Appeals resolves the petition. Provided, further that, within
17 the period of the administrative freeze order, the Court of
18 Appeals shall conduct a summary hearing, with notice to the
19 parties, to determine whether or not to modify or lift the
20 ADMINISTRATIVE freeze order or extend its effectivity BY
21 ISSUING A FREEZE ORDER WHICH SHALL BE EFFECTIVE
22 FOR A [~~The total~~] period [~~of the freeze order issued by the Court~~
23 ~~of Appeals under this provision shall~~] not exceeding six (6)
24 months. [~~This is without prejudice to an asset preservation order~~
25 ~~that the Regional Trial Court having jurisdiction over the~~
26 ~~appropriate anti money laundering case or civil forfeiture case~~
27 ~~may issue on the same account depending on the circumstances~~
28 ~~of the case, where the Court of Appeals will remand the case and~~
29 ~~its records; Provided, That if there is no case filed against a person~~
30 ~~whose account has been frozen within the period determined by~~

1 the Court of Appeals, not exceeding six (6) months, the freeze
2 order shall be deemed ipso facto lifted; *Provided, further, That*
3 this new rule shall not apply to pending cases in the courts. In
4 any case, the court should act on the petition to freeze within
5 twenty four (24) hours from filing of the petition. If the
6 application is filed a day before a nonworking day, the
7 computation of the twenty four (24) hour period shall exclude
8 the nonworking days.

9
10 The freeze order or asset preservation order issued under this Act
11 shall be limited only to the amount of cash or monetary
12 instrument or value of property that court finds there is probable-
13 cause to be considered as proceeds of a predicate offense, and the
14 freeze order or asset preservation order shall not apply to
15 amounts in the same account in excess of the amount or value of
16 the proceeds of the predicate offense.]

17
18 A person whose [account] MONETARY INSTRUMENT OR
19 PROPERTY has been THE SUBJECT OF AN ADMINISTRATIVE
20 FREEZE ORDER OR FREEZE ORDER [frozen] may [file a motion
21 to lift the freeze order and the court must resolve this motion
22 before the expiration of the freeze order] move for its lifting
23 before the Court of Appeals.

24
25 The administrative freeze order or the freeze order shall include
26 those monetary instrument or property having equivalent value
27 to the monetary instrument or property found to be related in any
28 way to an unlawful activity or money laundering offense, when
29 with due diligence, the former cannot be located, or it has been
30 substantially altered, destroyed, diminished in value or

1 otherwise rendered worthless by any act or omission, or it has
2 been concealed, removed, converted, or otherwise transferred, or
3 it is located outside the Philippines or has been placed or brought
4 outside the jurisdiction of the Council and the Court of Appeals,
5 or it has been commingled with other monetary instrument or
6 property belonging to either the respondent or a third person or
7 entity, thereby rendering the same difficult to identify or be
8 segregated for purposes of freezing.

9
10 This is without prejudice to an asset preservation order that the
11 Regional Trial Court having jurisdiction over the appropriate
12 money laundering case or civil forfeiture case may issue on the
13 same monetary instrument or property depending on the
14 circumstances of the case, where the Court of Appeals will
15 remand the case and its records; Provided, that if there is no case
16 filed against a person whose monetary instrument or property
17 has been frozen within the period determined by the Court of
18 Appeals, the freeze order shall be deemed ipso facto lifted;
19 Provided, further, That this rule shall not apply to pending
20 petitions for freeze orders.

21
22 The person whose monetary instrument or property has been
23 frozen may withdraw such sums as the AMLC determines
24 reasonable for monthly family needs and sustenance, including
25 the services of counsel and family medical needs.

26
27
28 A covered person or government agency, or any of its responsible
29 directors, officers, or employees, shall be held free and harmless
30 from any accountability or liability for any act done in

1 compliance with an administrative freeze order from the Council
2 or freeze order from the Court of Appeals.

3
4 No court shall issue a temporary restraining order or a writ of
5 injunction against any freeze order, except the Supreme Court.

6
7 C. x x x.

8
9 **SEC. 14.** Section 11 of the same Act is hereby amended to read as follows:

10
11 Sec. 11. Authority to Inquire into Bank Deposits. – Notwithstanding the
12 provisions of Republic Act No. 1405, as amended; Republic Act No. 6426,
13 as amended; Republic Act No. 8791; REPUBLIC ACT NO. 10173; and other
14 laws, the AMLC may inquire into or examine any particular deposit or
15 investment, with any banking institution or non-bank financial institution
16 ~~[upon order of any competent court based on an ex parte application in~~
17 ~~cases of violations of this Act, when it has been established that there is],~~
18 WHICH, BASED ON probable cause, ~~[that the deposits or investments,~~
19 ~~including related accounts involved, are]~~ MAY BE related to ~~[an unlawful~~
20 ~~activity as defined]~~ IN THE COMMISSION, PROCEEDS, OR
21 INSTRUMENTALITIES OF ANY UNLAWFUL ACTIVITY UNDER
22 ~~Section 3(i) [1], (2) and (12)] hereof; [and felonies or offenses of a nature~~
23 ~~similar to those mentioned in Section 3(i)(1), (2) and (12), which are~~
24 ~~punishable under the penal laws of other countries, and terrorism and~~
25 ~~conspiracy to commit terrorism as defined and penalized under Republic~~
26 ~~Act No. 9372]~~ subject of a money laundering investigation or prosecution;
27 or subject of a request for assistance from a foreign State.

28
29 ~~[The Court of Appeals shall act on the application to inquire into or~~
30 ~~examine any deposit or investment with any banking institution or non~~

1 bank financial institution within twenty four (24) hours from filing of the
2 application.

3
4 To ensure compliance with this Act, the Bangko Sentral ng Pilipinas may,
5 in the course of a periodic or special examination, check the compliance of
6 a covered person with the requirements of the AMLA and its
7 implementing rules and regulations.

8
9 For purposes of this section, 'related accounts' shall refer to accounts, the
10 funds and sources of which originated from and/or are materially linked
11 to the monetary instrument(s) of property(ies) subject of the freeze
12 order(s).

13
14 A court order ex parte must first be obtained before the AMLC can inquire
15 into these related accounts: Provided, That the procedure for the ex parte
16 application of the ex parte court order for the principal account shall be the
17 same with that of the related accounts.

18
19 The authority to inquire into or examine the main account and the related
20 accounts shall comply with the requirements of Article III, Sections 2 and
21 3 of the 1987 Constitution which are hereby incorporated by reference.]

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

25
26 NO COURT BELOW THE COURT OF APPEALS SHALL HAVE
27 JURISDICTION TO ENJOIN THE AMLC FROM EXERCISING ITS
28 AUTHORITY TO INQUIRE INTO OR EXAMINE ANY DEPOSIT OR
29 INVESTMENT UNDER THIS ACT.

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

6
7 TO ENSURE COMPLIANCE WITH THIS ACT, THE AMLC AND THE
8 SUPERVISING AUTHORITIES MAY, IN THE COURSE OF A PERIODIC
9 OR SPECIAL EXAMINATION OR INSPECTION, CHECK COMPLIANCE
10 OF A COVERED PERSON WITH THE REQUIREMENTS OF THE AMLA
11 AND ITS IMPLEMENTING RULES AND REGULATIONS.

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

14
15 Sec. 12. Forfeiture Provisions.-

- 16
17 a. Civil Forfeiture. - Upon determination by the ~~[AMLC]~~ COUNCIL
18 that probable cause exists that any monetary instrument or property
19 is in any way related to an unlawful activity as defined in Section
20 3(i) or a money laundering offense under Section 4 hereof, the
21 AMLC shall file, EX PARTE, with the COMPETENT ~~[appropriate]~~
22 court OR through the Office of the Solicitor General, a verified ~~[ex-~~
23 ~~parte]~~ petition for forfeiture. ~~[and the Rules of Court on Civil~~
24 ~~Forfeiture shall apply.]~~

25
26 The forfeiture shall include those other monetary instrument or
27 property having an equivalent value to that of the monetary
28 instrument or property found to be related in any way to an
29 unlawful activity or a money laundering offense, when with due
30 diligence, the former cannot be located, or it has been substantially

1 altered, destroyed, diminished in value or otherwise rendered
2 worthless by any act or omission, or it has been concealed, removed,
3 converted, or otherwise transferred, or it is located outside the
4 Philippines or has been placed or brought outside the jurisdiction of
5 the court, or it has been commingled with other monetary
6 instrument or property belonging to either the [~~offender himself~~]
7 RESPONDENT or a third person or entity, thereby rendering the
8 same difficult to identify or be segregated for purposes of forfeiture.

9 b. Claim on Forfeited Assets. - x x x.

10 c. Payment in Lieu of Forfeiture. - x x x.

11 d. x x x.

12 e. LAWS ON PRESCRIPTION. - THE LAWS CONCERNING
13 ACQUISITIVE PRESCRIPTION AND LIMITATION OF ACTIONS
14 CANNOT BE INVOKED BY, NOR SHALL THEY BENEFIT THE
15 RESPONDENT, IN RESPECT OF ANY UNLAWFULLY
16 ACQUIRED MONETARY INSTRUMENT, PROPERTY, OR
17 PROCEEDS, AND THEIR FRUITS.

18
19 **SEC. 16.** Section 14 of the same Act is hereby amended to read as follows:

20
21 Sec. 14. Penal Provisions. - x x x.

22
23 (f) Imposition of Administrative Sanctions. The imposition of the
24 administrative sanctions shall be without prejudice to the filing of
25 criminal charges against the persons responsible for the violation.

26
27 After due notice and hearing, the AMLC shall, at its discretion,
28 impose sanctions, including BUT NOT LIMITED TO monetary
29 penalties, restitution, suspension or disqualification from being a
30 director, officer, or employee of a covered person, revocation of

1 AMLC registration, increased monitoring, inclusion in a list of AMLA
2 violators and its publication, warning, or reprimand, upon any
3 covered person, and its directors, warning or reprimand, upon any
4 covered person, its directors, officers, employees or any other person
5 for the violation of this Act, its implementing rules and regulations,
6 or for failure or refusal to comply with AMLC orders, resolutions and
7 other issuances. Such monetary penalties shall be in amounts as may
8 be determined by the AMLC to be appropriate, which shall not be
9 more than ~~[Five hundred thousand Philippine pesos (P500,000.00) per~~
10 ~~violation.]~~ Two Million Philippine Pesos (PHP2,000,000.00) per
11 transactional violation, or One Hundred Thousand Philippine Pesos
12 (PHP100,000.00) per calendar day for violations of continuing nature.
13

14 RESIGNATION, TERMINATION, OR OTHERWISE SEPARATION
15 FROM OFFICE SHALL NOT EXEMPT SUCH DIRECTOR, OFFICER,
16 OR EMPLOYEE FROM ADMINISTRATIVE SANCTIONS.
17

18 THE DECISION OF THE AMLC IN ADMINISTRATIVE CASES
19 SHALL BE FINAL AND EXECUTORY, AND MAY NOT BE
20 RESTRAINED OR SET ASIDE BY THE COURT, EXCEPT ON
21 PETITION FOR CERTIORARI ON THE GROUND OF GRAVE
22 ABUSE OF DISCRETION, OR LACK OR EXCESS OF JURISDICTION
23 OF THE AMLC. PROVIDED, THAT THE AGGRIEVED PARTY
24 SHALL FILE THE PETITION WITH THE COURT OF APPEALS.
25

26 IN THE EXERCISE OF ITS QUASI-JUDICIAL FUNCTION, THE
27 AMLC SHALL HAVE THE POWER TO ISSUE SUBPOENA DUCES
28 TECUM AND SUMMON WITNESSES TO APPEAR IN THEIR
29 PROCEEDINGS AND WHEN APPROPRIATE, ORDER THE
30 EXAMINATION, SEARCH AND SEIZURE OF ALL DOCUMENTS,

1 AND BOOKS OF ACCOUNTS OF ANY ENTITY OR PERSON
2 UNDER INVESTIGATION AS MAY BE NECESSARY FOR THE
3 PROPER DISPOSITION OF THE ADMINISTRATIVE CASES
4 BEFORE IT. FURTHER, THE AMLC SHALL HAVE THE
5 AUTHORITY TO PUNISH FOR CONTEMPT, BOTH DIRECTLY
6 AND INDIRECTLY, IN ACCORDANCE WITH THE PERTINENT
7 PROVISIONS OF AND PENALTIES PRESCRIBED BY THE RULES
8 OF COURT.

9
10 THE QUASI-JUDICIAL POWER OF THE AMLC SHALL BE
11 EXERCISED DIRECTLY BY THE COUNCIL OR THE DULY
12 AUTHORIZED HEARING OFFICER OR PANEL OF HEARING
13 OFFICERS OF THE AMLC, UNDER SUCH RULES AND
14 CONDITIONS TO BE DETERMINED BY THE COUNCIL.
15 PROVIDED FURTHER, THAT THE DECISION OF THE
16 AUTHORIZED HEARING OFFICER OR PANEL OF HEARING
17 OFFICERS SHALL NOT BE APPEALABLE TO THE COUNCIL.

18
19 The AMLC may promulgate rules on fines and penalties taking into
20 consideration the attendant circumstances, such as the nature and
21 gravity of the violation or irregularity.

22
23 THE FINES PRESCRIBED IN THIS SECTION SHALL BE
24 INCREASED BY TEN PERCENT (10%) EVERY FIVE YEARS TO
25 COMPENSATE FOR INFLATION AND TO MAINTAIN THE
26 DETERRENT FUNCTION OF SUCH FINES."

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

3
4 SEC. 15. RETENTION AND USE OF FORFEITED ASSETS. - THE AMLC
5 SHALL BE AUTHORIZED TO RETAIN AND USE THE ASSETS
6 FORFEITED FOR THE YEAR, PROVIDED, THAT IN NO CASE SHALL
7 SAID ANNUAL APPROPRIATION EXCEED ONE HUNDRED FIFTY
8 MILLION PESOS (P150,000,000.00).

9
10 THE FOREGOING FUNDS SHALL ACCRUE TO A TRUST FUND TO BE
11 MANAGED AND ADMINISTERED BY THE COUNCIL, AS A SPECIAL
12 ACCOUNT, IN ANY GOVERNMENT FINANCIAL INSTITUTION. THE
13 FUNDS SHALL BE USED EXCLUSIVELY TO AUGMENT THE AMLC'S
14 OPERATIONAL EXPENSES.

15
16 **SEC. 18.** Section 22 of the same Act shall be amended to read as follows:

17
18 SEC. 22. FUNDING SOURCE. - THE FUNDS REQUIRED FOR THE
19 IMPLEMENTATION OF THIS ACT AND OTHER OPERATING
20 EXPENSES OF THE AMLC, SHALL BE TAKEN FROM:

- 21
22 a. THE GENERAL APPROPRIATIONS ACT;
23 b. AUTHORIZED RETAINED FORFEITED ASSETS; AND
24 c. SUPERVISORY, ACCREDITATION, AND OTHER
25 ADMINISTRATIVE FEES COLLECTED, IF ANY.

26
27 **SEC. 19. *Implementing Rules and Regulations.*** - The AMLC shall, within ninety
28 (90) days from the effectivity of this Act, issue the necessary rules and
29 regulations. Provided, That the non-issuance of the implementing rules and
30 regulations shall not prevent this Act from coming into force and effect.

1
2 **SEC. 20. *Separability Clause.*** – If any provision or section of this Act is held to
3 be unconstitutional or invalid, the other provisions or sections hereof, which are not
4 affected thereby shall continue to be in full force and effect.
5

6 **SEC. 21. *Repealing Clause.*** – All provisions of existing laws, rules and
7 regulations, orders, or parts thereof which are in conflict or inconsistent with the
8 provisions of this Act are hereby repealed or modified accordingly: Provided, That all
9 provisions of Republic Act No. 9160, as amended, which are not inconsistent with this
10 Act are hereby adopted.
11

12 **SEC. 22. *Effectivity.*** – This Act shall take effect immediately after the
13 completion of its publication in the Official Gazette or in a newspaper of general
14 circulation.
15

16 *Approved,*