

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



HOUSE OF REPRESENTATIVES

House Bill No. 9042

Introduced by Hon. Antonio B. Legarda Jr.

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

Money laundering has become more complex and harder to detect as financial transactions move into digital platforms. Illicit funds can now be transferred quickly through virtual assets and cross-border transactions, making them easier to conceal.¹ In many cases, this takes the form of "cyber laundering", where digital tools such as cryptocurrencies and encrypted networks are used to conceal the origin of illegal funds,² thereby making transactions more difficult to trace.

This trend is also seen globally and across the region. Reports from the United Nations Office on Drugs and Crime (UNODC) highlight the increasing use of cryptocurrency and online systems to move illicit funds across jurisdictions, indicating more organized and sophisticated methods of operation.³

In the Philippines, data from the Anti-Money Laundering Council (AMLC) shows a steady rise in suspicious transaction reports, with approximately 1.3 million reports amounting to Php35.49 billion from 2021 to the first half of 2024.⁴ A significant portion

¹ The Rise of Cyber Laundering and Cyber Terrorism in the Digital Age, AML Watcher, 26 December 2025, <https://amlwatcher.com/blog/the-rise-of-cyber-laundering-and-cyberterrorism-in-the-digital-age/>

² *Id.*

³ Billion-dollar cyberfraud industry expands in Southeast Asia as criminals adopt new technologies, United Nations, UNODC Regional Office for Southeast Asia and the Pacific, 7 October 2024, <https://www.unodc.org/rosa/ap/en/2024/10/cyberfraud-industry-expands-southeast-asia/story.html>

⁴ Anti-Money Laundering Council flags P35B 'suspicious' financial transactions, Philippine Daily Inquirer, 14 February 2026, <http://business.inquirer.net/574022/anti-money-laundering-council-flags-p35b-suspicious-financial-transactions>

involves cyberfraud, showing how these crimes are becoming larger and more complex.⁵

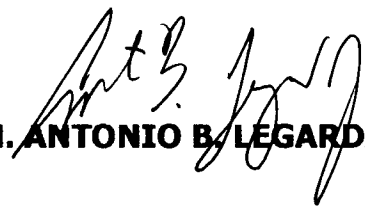
The Philippines has also faced international scrutiny. In 2021, the Financial Action Task Force (FATF) placed the country on its “grey list” due to deficiencies in addressing money laundering. Although the country was removed from the list in 2025 following reforms, the risk of reincluded remains if enforcement weaknesses persist.⁶

Despite existing safeguards, gaps remain in the current legal framework. Some high-risk sectors are not fully covered, and authorities need faster and more effective tools to act on suspicious transactions before funds are withdrawn or transferred beyond reach.

This bill seeks to address these gaps by strengthening Republic Act No. 9160, as amended, and enhancing the authority and capacity of the AMLC. It expands the coverage to include virtual asset service providers, online gambling operators, and other high-risk sectors; updates reporting thresholds and definitions; and broadens the list of predicate offenses to cover emerging crimes. It also authorizes the AMLC to suspend suspicious transactions and issue administrative freeze orders, subject to safeguards, while strengthening its investigatory and enforcement powers.

These reforms are needed to keep up with evolving financial risks and to ensure that the Philippines is not used as a channel for illegal financial activities. Strengthening the country’s anti-money laundering framework protects the economy and safeguards the welfare of the Filipino people.

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


HON. ANTONIO B. LEGARDA, JR.

⁵ *Id.*

⁶ Philippine Government Moving to Prevent Return to ‘Dirty Money’ List, Asia News Network, 26 March 2026, <http://asianews.network/philippine-government-moving-to-prevent-return-to-dirty-money-list/>

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16 **AN ACT**
17 **FURTHER STRENGTHENING THE ANTI-MONEY LAUNDERING COUNCIL,**
18 **AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9160, OTHERWISE**
19 **KNOWN AS THE "ANTI-MONEY LAUNDERING ACT OF 2001", AS AMENDED**
20

21 *Be it enacted by the Senate and House of Representatives of the Philippines in*
22 *Congress assembled:*
23

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

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

36 **LIKEWISE, THE STATE SHALL MAINTAIN AN OPERATIONALLY**
37 **INDEPENDENT CENTRAL ANTI-MONEY LAUNDERING AND COUNTER-**
38 **TERRORISM FINANCING AUTHORITY THAT SHALL FUNCTION AND**
39 **OPERATE AS THE FINANCIAL INTELLIGENCE UNIT, SPECIALIZED**
40 **MONEY LAUNDERING AND TERRORISM FINANCING INVESTIGATION**
41 **AGENCY, AND ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM**
42 **FINANCING REGULATOR AND SUPERVISOR OF THE PHILIPPINES. IN**
43 **LINE WITH THIS POLICY AND CONSIDERING ITS UNIQUE FUNCTIONS**
44 **AND RESPONSIBILITIES THAT AFFECT THE ECONOMY, PEACE AND**
45 **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:

Sec. 3. Definitions. – For purposes of this Act, the following terms are hereby defined as follows:

(a) "Covered Persons", natural or juridical, refers to:

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]:~~

X X X

(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]:~~

X X X

(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

1 **OR REPRESENTING THEIR CLIENTS IN, OR CONCERNING JUDICIAL,**
2 **ADMINISTRATIVE, ARBITRATION OR MEDIATION PROCEEDINGS.**

3 (6) ~~Casinos [including internet and ship-based casinos, with respect to~~
4 ~~their casino cash transactions related to their gaming operations]~~
5 **IN RELATION TO THEIR FINANCIAL TRANSACTIONS WITH**
6 **THEIR CUSTOMERS;**

7 (7) X X X;

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

13 (9) **VIRTUAL ASSET SERVICE PROVIDERS.**

14
15 **Section 3.** Section 3(b) of the same Act is hereby amended to read as follows:

16 Sec. 3. Definitions. – For purposes of this Act, the following terms are hereby
17 defined as follows:

18 (b) "Covered transaction" is a transaction in cash or other equivalent
19 monetary instrument involving a total amount in excess of Five hundred
20 thousand pesos (P500,000.00) within one (1) banking day; **FOR**
21 **COVERED PERSONS UNDER SECTIONS 3(A)(4) AND 3(A)(5), A**
22 **TRANSACTION IN CASH OR OTHER EQUIVALENT MONETARY**
23 **INSTRUMENT EXCEEDING ONE MILLION PESOS**
24 **(PHP1,000,000.00);** for covered persons under Section 3(a)(8), a single
25 casino cash transaction involving an amount in excess of Five million pesos
26 (P5,000,000.00) or its equivalent in any other currency.

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

30
31 **Section 4.** Sections 3(l) (4) and (5) of the same Act are hereby amended to read as
32 follows:

33 (l) For purposes of the covered persons under Sections 3(a)(8) and
34 3(a)(10), the following terms are hereby defined as follows:

35 X X X

36 (4) ~~['Offshore gaming operator']~~ **"ONLINE GAMBLING OPERATOR"**
37 refers to an entity engaged in offering online games of chance or
38 sporting events via the internet using a network and software
39 program, by themselves or through local service providers; and

40 (5) "Service providers" refer to duly constituted business
41 ~~[corporations]~~ **ENTITIES** who provide components of ~~[offshore~~
42 ~~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 PERIOD 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:**

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;**

X X X

- (10) Smuggling under Republic Act No[~~s. 455 and 1937~~] **10863, OTHERWISE KNOWN AS THE CUSTOMS MODERNIZATION AND TARIFF ACT;**

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;**

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**;

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

1 Illegal/Unlawful Possession, Manufacture, Dealing In, Acquisition
2 or Disposition of Firearms, Ammunition or Explosives, **AND**
3 **SECTION 3 OF REPUBLIC ACT NO. 10591, OTHERWISE**
4 **KNOWN AS THE COMPREHENSIVE FIREARMS AND**
5 **AMMUNITION REGULATION ACT;**

6 X X X

7 (31) Violation of Section ~~S 4~~ **AND 6** of Republic Act No. ~~[9775]~~ **11930,**
8 otherwise known as the ~~[Anti-Child Pornography Act of 2009]~~
9 **ANTI-ONLINE SEXUAL ABUSE OR EXPLOITATION OF**
10 **CHILDREN, AND CHILD SEXUAL ABUSE OR**
11 **EXPLOITATION MATERIALS;**

12 (32) Violations of Sections 5, 7, 8, 9, 10(c), (d) and (e), 11, 12, **12-D,**
13 and 14 of Republic Act No. 7610, otherwise known as the Special
14 Protection of Children Against Abuse, Exploitation and
15 Discrimination, **AS AMENDED;**

16 X X X

17 (35) Violation of Section 254 of Chapter II, Title X of the National
18 Internal Revenue Code of 1997, as amended, where the
19 deficiency basic tax due ~~[in the final assessment]~~ is in excess of
20 Twenty-five million pesos (P25,000,000.00) per taxable year, for
21 each tax type covered. ~~[and there has been a finding of probable~~
22 ~~cause by the competent authority: Provided, further That there~~
23 ~~must be a finding of fraud, willful misrepresentation or malicious~~
24 ~~intent on the part of the taxpayer:]~~ Provided, ~~[finally, T]~~ that in
25 no case shall the AMLC institute forfeiture proceedings to recover
26 monetary instruments, property or proceeds representing,
27 involving, or relating to a tax crime, if the same has already been
28 recovered or collected, **OR IN THE PROCESS OF BEING**
29 **RECOVERED OR COLLECTED** by the Bureau of Internal
30 Revenue (BIR) in a separate proceeding; ~~[and]~~

31 (36) ~~[Felonies or offenses of a similar nature that are punishable under~~
32 ~~the penal laws of other countries]~~ **VIOLATIONS OF SECTION**
33 **9 OF REPUBLIC ACT NO. 8484, OTHERWISE KNOWN AS**
34 **THE ACCESS DEVICES REGULATION ACT OF 1998, AS**
35 **AMENDED;**

36 (37) **VIOLATIONS OF SECTION 4 OF REPUBLIC ACT NO. 10175,**
37 **OTHERWISE KNOWN AS THE CYBERCRIME PREVENTION**
38 **ACT OF 2012;**

39 (38) **VIOLATIONS OF SECTIONS 1, 2, AND 2-A OF**
40 **COMMONWEALTH ACT NO. 108, OTHERWISE KNOWN AS**
41 **THE ANTI-DUMMY ACT, AS AMENDED BY PRESIDENTIAL**
42 **DECREE NO. 715;**

- 1 (39) VIOLATIONS OF SECTIONS 7, 8, 9, 10, AND 11 OF
2 REPUBLIC ACT NO. 12022, OTHERWISE KNOWN AS THE
3 ANTI-AGRICULTURAL ECONOMIC SABOTAGE ACT;
4 (40) FALSIFICATION OF DOCUMENTS UNDER ARTICLES 171
5 AND 172 OF THE REVISED PENAL CODE, AS AMENDED;
6 (41) VIOLATIONS OF SECTION 11 OF REPUBLIC ACT NO.
7 11765, OTHERWISE KNOWN AS THE FINANCIAL
8 PRODUCTS AND SERVICES CONSUMER PROTECTION
9 ACT;
10 (42) VIOLATIONS OF REPUBLIC ACT NO. 12312, OTHERWISE
11 KNOWN AS THE ANTI-POGO ACT OF 2025;
12 (43) VIOLATIONS OF SECTION 13(D) OF REPUBLIC ACT NO.
13 6969, OTHERWISE KNOWN AS THE TOXIC SUBSTANCES
14 AND HAZARDOUS AND NUCLEAR WASTE CONTROL ACT;
15 (44) VIOLATIONS OF SECTIONS 20(A), (B), (C), (D), (E), (F),
16 (I), (N), (O), (P), (Q), (R), (T), AND (V) OF REPUBLIC ACT
17 NO. 7586, OTHERWISE KNOWN AS THE NATIONAL
18 INTEGRATED PROTECTED AREA SYSTEM, AS AMENDED;
19 (45) VIOLATIONS OF SECTION 9 OF REPUBLIC ACT NO. 7076,
20 OTHERWISE KNOWN AS THE PEOPLE'S SMALL-SCALE
21 MINING ACT; AND
22 (46) FELONIES OF A SIMILAR NATURE THAT ARE PUNISHABLE
23 UNDER THE PENAL LAWS OF OTHER COUNTRIES.
24

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

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

27 X X X

- 28 (1) to **SERVE AS THE FINANCIAL INTELLIGENCE UNIT OF THE**
29 **PHILIPPINES WITH THE AUTHORITY TO** require, receive
30 and analyze covered or suspicious transactions reports from
31 covered persons;

32 X X X

- 33 (3) to institute civil forfeiture proceedings, and all other remedial
34 proceedings **DIRECTLY WITH THE COMPETENT COURT**, or
35 through the Office of the Solicitor General;

36 X X X

- 37 (6) **TO ISSUE, EX PARTE, AN ADMINISTRATIVE FREEZE**
38 **ORDER, AND** to apply before the Court of Appeals, [~~ex parte~~]
39 **WITH PRIOR NOTICE TO THE OTHER PARTY**, for the
40 freezing of any monetary instrument or property [~~alleged to be~~
41 ~~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;

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~~];

X X X

- (16) to preserve, manage, or dispose assets pursuant to a**N**
ADMINISTRATIVE FREEZE ORDER, freeze order, asset
preservation order, or judg[e]ment 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 DISSIPATED: *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;

- 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
12 THE AMLC UNDER SUCH GUIDELINES THE COUNCIL MAY
13 DETERMINE.
14

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

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

21
22 **IN THE LAWFUL AND AUTHORIZED EXERCISE OF ITS POWERS AND**
23 **PERFORMANCE OF ITS OFFICIAL DUTIES AND FUNCTIONS, THE AMLC,**
24 **THE MEMBERS OF THE COUNCIL, AND ITS PERSONNEL, SHALL BE**
25 **PRESUMED TO HAVE ACTED IN GOOD FAITH.**
26

27 **UNLESS THE ACTIONS OR OMISSIONS IN RELATION THERETO HAVE**
28 **BEEN ADJUDGED TO HAVE BEEN PERFORMED IN EVIDENT BAD FAITH,**
29 **OR WITH GROSS NEGLIGENCE, THEY SHALL BE HELD FREE AND**
30 **HARMLESS FROM LIABILITY TO THE FULLEST EXTENT PERMITTED BY**
31 **LAW, AND THEY SHALL BE INDEMNIFIED FOR ANY AND ALL**
32 **LIABILITIES, LOSSES, CLAIMS, DEMANDS, DAMAGES, DEFICIENCIES,**
33 **COSTS, AND EXPENSES OF WHATSOEVER KIND AND NATURE THAT**
34 **MAY ARISE IN CONNECTION THEREWITH.**
35

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

37 Section 8-A. Information Security and Confidentiality. – **THE COUNCIL, AND**
38 **THE OFFICERS AND STAFF OF** the AMLC [~~and its Secretariat~~] shall securely
39 protect information received or processed and shall not reveal, in any manner,
40 any information known to them by reason of their office. **THIS PROHIBITION**
41 **SHALL ALSO APPLY TO ALL RESPONSIBLE DIRECTORS, OFFICERS, AND**
42 **EMPLOYEES OF COVERED PERSONS, LAW ENFORCEMENT AGENCIES,**
43 **SUPERVISING AUTHORITIES, OTHER GOVERNMENT AGENCIES,**
44 **SUPPLIERS, SERVICE PROVIDERS, CONSULTANTS, TRAINEES,**
45 **DETAILED, SECONDED, OR ENLISTED PERSONNEL, AND OTHER**
46 **PERSONS AND ENTITIES WITH WHOM THE AMLC SHARED**

1 **CONFIDENTIAL INFORMATION OR FOR WHOM ACCESS TO SUCH**
2 **INFORMATION WAS GRANTED, AS ALLOWED UNDER THE**
3 **SUCCEEDING PARAGRAPH. NEITHER MAY SUCH INFORMATION BE**
4 **PUBLISHED OR AIRED IN ANY MANNER OR FORM BY THE MASS MEDIA**
5 **OR SOCIAL MEDIA, ELECTRONIC MAIL, OR OTHER SIMILAR DEVICES**
6 **OR TECHNOLOGY, UNLESS ALLOWED WITHIN THE PARAMETERS SET**
7 **BY THE COUNCIL.** This prohibition shall apply even after their separation from
8 the AMLC, **OR RESPECTIVE OFFICES, OR AFTER THE LAPSE OF THEIR**
9 **CONTRACT, ARRANGEMENT, OR OTHER AGREEMENT WITH THE AMLC,**
10 **AS THE CASE MAY BE.**

11
12 The AMLC shall formulate rules governing information exchange and
13 dissemination, the security and confidentiality of such information, including
14 procedures for handling, storage, and protection of, as well as access to such
15 information. **WHEN EXCHANGING AND DISSEMINATING INFORMATION**
16 **UNDER SUCH RULES, THE COUNCIL, AND THE OFFICERS AND STAFF OF**
17 **THE AMLC SHALL NOT BE DEEMED TO HAVE VIOLATED THE**
18 **PROVISIONS ON INFORMATION SECURITY AND CONFIDENTIALITY**
19 **HEREOF.**

20
21 **Section 11.** A new Section 8-B is hereby inserted in the same Act to read as follows:

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

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

29
30 **Section 12.** Section 9 of the same Act is hereby amended to read as follows:

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

- 33
34 (a) Customer Identification. - Covered persons shall **CONDUCT**
35 **CUSTOMER DUE DILIGENCE BY** establishing and recording
36 the true identity of its clients based on official documents, **OR**
37 **OTHER RELIABLE, INDEPENDENT SOURCE DOCUMENTS,**
38 **DATA OR INFORMATION. PROVIDED, THAT FOR**
39 **CASINOS, THE REQUIREMENT OF CUSTOMER DUE**
40 **DILIGENCE SHALL BE PERFORMED FOR TRANSACTIONS**
41 **INVOLVING THE AMOUNT IN EXCESS OF ONE HUNDRED**
42 **FIFTY THOUSAND PESOS (PHP150,000.00), OR ITS**
43 **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.

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- (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 AND 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~~

1 cases in the courts. In any case, the court should act on the
2 petition to freeze within twenty four (24) hours from filing of the
3 petition. If the application is filed a day before a nonworking day,
4 the computation of the twenty four (24) hour period shall exclude
5 the nonworking days.}

6
7 ~~{The freeze order or asset preservation order issued under this~~
8 ~~Act shall be limited only to the amount of cash or monetary~~
9 ~~instrument or value of property that court finds there is probable~~
10 ~~cause to be considered as proceeds of a predicate offense, and~~
11 ~~the freeze order or asset preservation order shall not apply to~~
12 ~~amounts in the same account in excess of the amount or value of~~
13 ~~the proceeds of the predicate offense.}~~

14
15 A person whose [account] **MONETARY INSTRUMENT OR**
16 **PROPERTY** has been **THE SUBJECT OF AN**
17 **ADMINISTRATIVE FREEZE ORDER OR FREEZE ORDER**
18 ~~[frozen]~~ may ~~[file a motion to lift the freeze order and the court~~
19 ~~must resolve this motion before the expiration of the freeze~~
20 ~~order]~~ **MOVE FOR ITS LIFTING BEFORE THE COURT OF**
21 **APPEALS.**

22
23 **THE ADMINISTRATIVE FREEZE ORDER OR THE FREEZE**
24 **ORDER SHALL INCLUDE THOSE MONETARY INSTRUMENT**
25 **OR PROPERTY HAVING EQUIVALENT VALUE TO THE**
26 **MONETARY INSTRUMENT OR PROPERTY FOUND TO BE**
27 **RELATED IN ANY WAY TO AN UNLAWFUL ACTIVITY OR**
28 **MONEY LAUNDERING OFFENSE, WHEN WITH DUE**
29 **DILIGENCE, THE FORMER CANNOT BE LOCATED, OR IT**
30 **HAS BEEN SUBSTANTIALLY ALTERED, DESTROYED,**
31 **DIMINISHED IN VALUE OR OTHERWISE RENDERED**
32 **WORTHLESS BY ANY ACT OR OMISSION, OR IT HAS BEEN**
33 **CONCEALED, REMOVED, CONVERTED, OR OTHERWISE**
34 **TRANSFERRED, OR IT IS LOCATED OUTSIDE THE**
35 **PHILIPPINES OR HAS BEEN PLACED OR BROUGHT**
36 **OUTSIDE THE JURISDICTION OF THE COUNCIL AND THE**
37 **COURT OF APPEALS, OR IT HAS BEEN COMMINGLED WITH**
38 **OTHER MONETARY INSTRUMENT OR PROPERTY**
39 **BELONGING TO EITHER THE RESPONDENT OR A THIRD**
40 **PERSON OR ENTITY, THEREBY RENDERING THE SAME**
41 **DIFFICULT TO IDENTIFY OR BE SEGREGATED FOR**
42 **PURPOSES OF FREEZING.**

43
44 **THIS IS WITHOUT PREJUDICE TO AN ASSET**
45 **PRESERVATION ORDER THAT THE REGIONAL TRIAL**
46 **COURT HAVING JURISDICTION OVER THE APPROPRIATE**
47 **MONEY LAUNDERING CASE OR CIVIL FORFEITURE CASE**
48 **MAY ISSUE ON THE SAME MONETARY INSTRUMENT OR**

1 PROPERTY DEPENDING ON THE CIRCUMSTANCES OF THE
2 CASE, WHERE THE COURT OF APPEALS WILL REMAND THE
3 CASE AND ITS RECORDS; PROVIDED, THAT IF THERE IS
4 NO CASE FILED AGAINST A PERSON WHOSE MONETARY
5 INSTRUMENT OR PROPERTY HAS BEEN FROZEN WITHIN
6 THE PERIOD DETERMINED BY THE COURT OF APPEALS,
7 THE FREEZE ORDER SHALL BE DEEMED IPSO FACTO
8 LIFTED; PROVIDED, FURTHER, THAT THIS RULE SHALL
9 NOT APPLY TO PENDING PETITIONS FOR FREEZE
10 ORDERS.

11
12 THE PERSON WHOSE MONETARY INSTRUMENT OR
13 PROPERTY HAS BEEN FROZEN MAY WITHDRAW SUCH
14 SUMS AS THE AMLC DETERMINES REASONABLE FOR
15 MONTHLY FAMILY NEEDS AND SUSTENANCE, INCLUDING
16 THE SERVICES OF COUNSEL AND FAMILY MEDICAL
17 NEEDS.

18
19 A COVERED PERSON OR GOVERNMENT AGENCY, OR ANY
20 OF ITS RESPONSIBLE DIRECTORS, OFFICERS, OR
21 EMPLOYEES, SHALL BE HELD FREE AND HARMLESS FROM
22 ANY ACCOUNTABILITY OR LIABILITY FOR ANY ACT DONE
23 IN COMPLIANCE WITH AN ADMINISTRATIVE FREEZE
24 ORDER FROM THE COUNCIL OR FREEZE ORDER FROM THE
25 COURT OF APPEALS.

26
27 No court shall issue a temporary restraining order or a writ of
28 injunction against any freeze order, except the Supreme Court.

29 X X X
30

31 **Section 14.** Section 10 of the same Act is hereby amended to read as follows:

32 SEC. 11. Authority to Inquire into Bank Deposits. – Notwithstanding the
33 provisions of Republic Act No. 1405, as amended; Republic Act No. 6426, as
34 amended; Republic Act No. 8791; **REPUBLIC ACT NO. 10173**; and other
35 laws, the AMLC may inquire into or examine any particular deposit or
36 investment, with any banking institution or non-bank financial institution [~~upon~~
37 ~~order of any competent court based on an ex parte application in cases of~~
38 ~~violations of this Act, when it has been established that there is~~], **WHICH,**
39 **BASED ON** probable cause, [~~that the deposits or investments, including~~
40 ~~related accounts involved, are~~] **MAY BE** related to [~~an unlawful activity as~~
41 ~~defined~~] **IN THE COMMISSION, PROCEEDS, OR INSTRUMENTALITIES**
42 **OF ANY UNLAWFUL ACTIVITY UNDER** Section 3(i) [(1), (2) and (12)]
43 hereof; [~~and felonies or offenses of a nature similar to those mentioned in~~
44 ~~Section 3(i)(1), (2) and (12), which are punishable under the penal laws of~~
45 ~~other countries, and terrorism and conspiracy to commit terrorism as defined~~
46 ~~and penalized under Republic Act No. 9372]~~ subject of a money laundering

1 investigation or prosecution; or subject of a request for assistance from a
2 foreign State.

3
4 ~~[The Court of Appeals shall act on the application to inquire into or examine~~
5 ~~any deposit or investment with any banking institution or non bank financial~~
6 ~~institution within twenty four (24) hours from filing of the application.~~

7
8 ~~To ensure compliance with this Act, the Bangko Sentral ng Pilipinas may, in the~~
9 ~~course of a periodic or special examination, check the compliance of a covered~~
10 ~~person with the requirements of the AMLA and its implementing rules and~~
11 ~~regulations.~~

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

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

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

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

27
28 **NO COURT LOWER THAN THE COURT OF APPEALS SHALL HAVE**
29 **JURISDICTION TO ENJOIN THE AMLC FROM EXERCISING ITS**
30 **AUTHORITY TO INQUIRE INTO OR EXAMINE ANY DEPOSIT OR**
31 **INVESTMENT UNDER THIS ACT.**

32
33 **A COVERED PERSON, OR ANY OF ITS RESPONSIBLE DIRECTORS,**
34 **OFFICERS, OR EMPLOYEES, SHALL BE HELD FREE AND HARMLESS**
35 **FROM ANY ACCOUNTABILITY OR LIABILITY FOR ANY ACT DONE IN**
36 **COMPLIANCE WITH AN ORDER FROM THE AMLC FOR AN INQUIRY OF**
37 **A DEPOSIT, OR INVESTMENT.**

38
39 **TO ENSURE COMPLIANCE WITH THIS ACT, THE AMLC AND THE**
40 **SUPERVISING AUTHORITIES MAY, IN THE COURSE OF A PERIODIC**
41 **OR SPECIAL EXAMINATION OR INSPECTION, CHECK COMPLIANCE**

1 **OF A COVERED PERSON WITH THE REQUIREMENTS OF THE AMLA**
2 **AND ITS IMPLEMENTING RULES AND REGULATIONS.**

3
4 **Section 15.** Section 12 of the same Act is hereby amended to read as follows:

5 SEC. 12. Forfeiture Provisions. –

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

13
14 The forfeiture shall include those other monetary instrument or property
15 having an equivalent value to that of the monetary instrument or
16 property found to be related in any way to an unlawful activity or a
17 money laundering offense, when with due diligence, the former cannot
18 be located, or it has been substantially altered, destroyed, diminished in
19 value or otherwise rendered worthless by any act or omission, or it has
20 been concealed, removed, converted, or otherwise transferred, or it is
21 located outside the Philippines or has been placed or brought outside
22 the jurisdiction of the court, or it has been commingled with other
23 monetary instrument or property belonging to either the ~~[offender~~
24 ~~himself]~~ **RESPONDENT** or a third person or entity, thereby rendering
25 the same difficult to identify or be segregated for purposes of forfeiture.

26 X X X

- 27 (e) **LAWS ON PRESCRIPTION. — THE LAWS CONCERNING**
28 **ACQUISITIVE PRESCRIPTION AND LIMITATION OF ACTIONS**
29 **CANNOT BE INVOKED BY, NOR SHALL THEY BENEFIT THE**
30 **RESPONDENT, IN RESPECT OF ANY UNLAWFULLY ACQUIRED**
31 **MONETARY INSTRUMENT, PROPERTY, OR PROCEEDS, AND**
32 **THEIR FRUITS.**

33
34 **Section 16.** Section 14 of the same Act is hereby amended to read as follows:

35 SEC. 14. Penal Provisions. – X X X.

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

39
40 After due notice and hearing, the AMLC shall, at its discretion, impose
41 sanctions, including **BUT NOT LIMITED TO** monetary penalties,
42 **RESTITUTION, SUSPENSION OR DISQUALIFICATION FROM BEING**

1 **A DIRECTOR, OFFICER, OR EMPLOYEE OF A COVERED PERSON,**
2 **REVOCATION OF AMLC REGISTRATION, INCREASED MONITORING,**
3 **INCLUSION IN A LIST OF AMLA VIOLATORS AND ITS PUBLICATION,**
4 **WARNING, OR REPRIMAND, UPON ANY COVERED PERSON, AND ITS**
5 **DIRECTORS,** warning or reprimand, upon any covered person, its
6 directors, officers, employees or any other person for the violation of this
7 Act, its implementing rules and regulations, or for failure or refusal to comply
8 with AMLC orders, resolutions and other issuances. Such monetary penalties
9 shall be in amounts as may be determined by the AMLC to be appropriate,
10 which shall not be more than [~~Five hundred thousand Philippine pesos~~
11 ~~(P500,000.00) per violation.~~] **TWO MILLION PHILIPPINE PESOS**
12 **(PHP2,000,000.00) PER TRANSACTIONAL VIOLATION, OR ONE**
13 **HUNDRED THOUSAND PHILIPPINE PESOS (PHP100,000.00) PER**
14 **CALENDAR DAY FOR VIOLATIONS OF A CONTINUING NATURE.**

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

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

27
28 **IN THE EXERCISE OF ITS QUASI-JUDICIAL FUNCTION, THE AMLC**
29 **SHALL HAVE THE POWER TO ISSUE SUBPOENA DUCES TECUM AND**
30 **SUMMON WITNESSES TO APPEAR IN THEIR PROCEEDINGS AND**
31 **WHEN APPROPRIATE, ORDER THE EXAMINATION, SEARCH AND**
32 **SEIZURE OF ALL DOCUMENTS, AND BOOKS OF ACCOUNTS OF ANY**
33 **ENTITY OR PERSON UNDER INVESTIGATION AS MAY BE**
34 **NECESSARY FOR THE PROPER DISPOSITION OF THE**
35 **ADMINISTRATIVE CASES BEFORE IT. FURTHER, THE AMLC SHALL**
36 **HAVE THE AUTHORITY TO PUNISH FOR CONTEMPT, BOTH**
37 **DIRECTLY AND INDIRECTLY, IN ACCORDANCE WITH THE**
38 **PERTINENT PROVISIONS OF AND PENALTIES PRESCRIBED BY THE**
39 **RULES OF COURT.**

40
41 **THE QUASI-JUDICIAL POWER OF THE AMLC SHALL BE EXERCISED**
42 **DIRECTLY BY THE COUNCIL OR THE DULY AUTHORIZED HEARING**
43 **OFFICER OR PANEL OF HEARING OFFICERS OF THE AMLC, UNDER**
44 **SUCH RULES AND CONDITIONS TO BE DETERMINED BY THE**
45 **COUNCIL. PROVIDED FURTHER, THAT THE DECISION OF THE**
46 **AUTHORIZED HEARING OFFICER OR PANEL OF HEARING**
47 **OFFICERS SHALL NOT BE APPEALABLE TO THE COUNCIL.**
48

1 The AMLC may promulgate rules on fines and penalties taking into
2 consideration the attendant circumstances, such as the nature and gravity
3 of the violation or irregularity.
4

5 **THE FINES PRESCRIBED IN THIS SECTION SHALL BE INCREASED**
6 **BY TEN PERCENT (10%) EVERY FIVE YEARS TO COMPENSATE FOR**
7 **INFLATION AND TO MAINTAIN THE DETERRENT FUNCTION OF**
8 **SUCH FINES."**
9

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

12 **SEC. 15. RETENTION AND USE OF FORFEITED ASSETS. – THE AMLC**
13 **SHALL BE AUTHORIZED TO RETAIN AND USE THE ASSETS FORFEITED**
14 **FOR THE YEAR, PROVIDED, THAT IN NO CASE SHALL SAID ANNUAL**
15 **APPROPRIATION EXCEED ONE HUNDRED FIFTY MILLION PESOS**
16 **(P150,000,000.00).**
17

18 **THE FOREGOING FUNDS SHALL ACCRUE TO A TRUST FUND TO BE**
19 **MANAGED AND ADMINISTERED BY THE COUNCIL, AS A SPECIAL**
20 **ACCOUNT, IN ANY GOVERNMENT FINANCIAL INSTITUTION. THE**
21 **FUNDS SHALL BE USED EXCLUSIVELY TO AUGMENT THE AMLC'S**
22 **OPERATIONAL EXPENSES.**
23

24 **Section 18.** Section 22 of the same Act shall be reinstated and amended to read as
25 follows:

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

- 29 **(a) THE GENERAL APPROPRIATIONS ACT;**
30 **(b) AUTHORIZED RETAINED FORFEITED ASSETS; AND**
31 **(c) SUPERVISORY, ACCREDITATION, AND OTHER ADMINISTRATIVE**
32 **FEES COLLECTED, IF ANY.**
33

34 **Section 19. *Implementing Rules and Regulations.*** – The AMLC shall, within
35 ninety (90) days from the effectivity of this Act, issue the necessary rules and
36 regulations. Provided, That the non-issuance of the implementing rules and
37 regulations shall not prevent this Act from coming into force and effect.
38

39 **Section 20. *Separability Clause.*** – If any part or provision of this Act is held invalid
40 or unconstitutional, the other provisions not affected shall remain in full force and
41 effect.

1 **Section 21. *Repealing Clause.*** – All laws, executive orders, issuances, decrees,
2 rules and regulations or any part thereof which are inconsistent with or contrary to
3 the provisions of this Act are deemed amended, modified, or repealed accordingly.

4
5 **Section 22. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
6 publication in the *Official Gazette* or in a newspaper of general circulation.

7 *Approved,*