

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
First Regular Session

**COMMITTEE REPORT NO. 43**



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Submitted by the Committee on Banks and Financial Intermediaries on  
**December 9, 2025**

Re : House Bill No. **6707**

Recommending its approval in substitution of House Bills Numbered 007,  
1674, 1786, 1918, 3026, 3196, 4388, and 5152.

Sponsor : Representative Irwin C. Tieng

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Mr. Speaker:

The Committee on Banks and Financial Intermediaries to which were referred House Bill No. 007, introduced by Reps. Ferdinand Martin G. Romualdez, Andrew Julian K. Romualdez., and Jude A. Acidre, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No. 1674, introduced by Rep. Irwin C. Tieng, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No. 1786, introduced by Reps. Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, and Terry L. Ridon, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No.1918, introduced by Rep. Atty. Gerville “Jinky Bitrics” R. Luistro, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No. 3026, introduced by Rep. Jurdin Jesus M. Romualdo, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No. 3196, introduced by Rep. Emilio Bernardino L. Yulo, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;**

House Bill No. 4388, introduced by Reps. Bryan B. Revilla, Lani Mercado-Revilla, and Ramon Jolo B. Revilla III, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”;** and

House Bill No. 5152, introduced by Rep. Yedda Marie K. Romualdez, entitled:

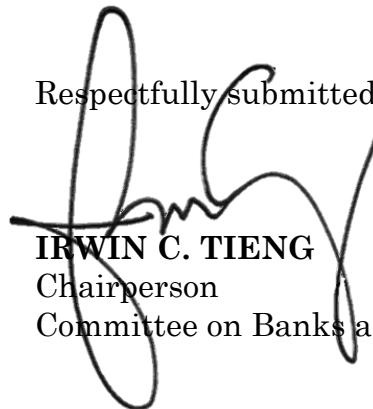
**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”**

has considered the same and recommends that the attached House Bill No. **6707**, entitled:

**“AN ACT  
PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”**

be approved in substitution of House Bill No. 007, 1674, 1786, 1918, 3026, 3196, 4388, and 5152 with Representatives Ferdinand Martin G. Romualdez, Andrew Julian K. Romualdez, Jude A. Acidre, Irwin C. Tieng, Yevgeny Vincente B. Emano, Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Atty. Gerville “Jinky Bitrics” R. Luistro, Jurdin Jesus M. Romualdo, Emilio Bernardino L. Yulo, Bryan B. Revilla, Lani Mercado-Revilla, Ramon Jolo B. Revilla III, Yedda Marie K. Romualdez, Ronaldo V. Puno, Antonio “Tonypet” T. Albano, Maria Rachel J. Arenas, Karen Hope F. Garcia, Antonino B. Roman III, Maria Cristina C. Angeles, Gonzales, Alyssa Michaela “Mica” M. Gonzales, Rachel Marguerite B. Del Mar, Noel “Bong” N. Rivera, Leody “Odie” F. Tarriela, Ziaur-Rahman “Zia” Alonte Adiong, James “Jojo” Ang, Jr., Ramon Jolo III B. Revilla, Antolin A. Oreta III, Jorge Daniel S. Bocobo, Adrian E. Salceda, Ma. Nina Francesca P. Lacson, Linabelle Ruth R. Villarica, Eulogio “Leo” R. Rodriguez, Midy N. Cua, Felimon M. Espares, Irene G. Labadlabad, Jan Rurik “Atty. JP” DL. Padiernos, and Ed Christopher S. Go, as authors thereof.

Respectfully submitted,



**IRWIN C. TIENG**  
Chairperson  
Committee on Banks and Financial Intermediaries

**THE HONORABLE SPEAKER  
HOUSE OF REPRESENTATIVES  
QUEZON CITY**



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
First Regular Session

**House Bill No. 6707**

(In substitution of House Bills Numbered 007, 1674, 1786, 1918; 3026; 3196, 4388, and 5152)

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Introduced by Representatives Romualdez, Ferdinand Martin G., Romualdez Andrew Julian K., Acidre Jude A., Tieng, Irwin C., Emano, Yevgeny Vincente B., Villafuerte, Miguel Luis R., Villafuerte, Vincenzo Renato Luigi R., Horibata, Tsuyoshi Anthony "Hori" G.; Ridon, Terry L., Luistro, Atty. Gerville "Jinky Bitrics" R., Romualdo, Jurdin Jesus M., Yulo, Emilio Bernardino L., Revilla, Bryan B., Mercado-Revilla, Lani, Revilla, Ramon Jolo III B., Romualdez, Yedda Marie K., Albano, Puno, Ronaldo V., Antonio "Tony" T., Arenas, Maria Rachel J., Garcia, Karen Hope F., Roman, Antonino B. III, Angeles, Maria Cristina C., Gonzales, Alyssa Michaela "Mica" M., Del Mar, Rachel Marguerite B., Rivera, Noel "Bong" N., Tarriela, Leody "Odie" F., Adiong, Ziaur-Rahman "Zia" Alonte, Ang, James "Jojo" Jr., Revilla, Ramon Jolo III B., Oreta, Antolin A. III, Jorge Daniel S. Bocobo, Adrian E. Salceda, Ma. Nina Francesca P. Lacson, Linabelle Ruth R. Villarica, Eulogio "Leo" R. Rodriguez, Midy N. Cua, Felimon M. Espares, Irene G. Labadlabad, Jan Rurik "Atty. JP" DL. Padiernos, and Ed Christopher S. Go.

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**AN ACT**  
**PROMOTING TRANSPARENT GOVERNANCE AND**  
**INSTITUTING ANTI-CORRUPTION MECHANISMS IN**  
**THE OPERATION OF BANKS, AMENDING FOR THE**  
**PURPOSE REPUBLIC ACT NO. 1405, ENTITLED "AN**  
**ACT PROHIBITING DISCLOSURE OF OR INQUIRY**  
**INTO, DEPOSITS WITH ANY BANKING INSTITUTION**  
**AND PROVIDING PENALTY THEREFOR"**

*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. 1405, entitled: “An Act  
2 Prohibiting Disclosure of or Inquiry Into, Deposits with Any Banking  
3 Institution and Providing Penalty Therefor” is hereby amended to read, as  
4 follows:

5           **“SEC. 2.** All deposits of whatever nature with banks or banking  
6 institutions including investments in bonds by the Government of the  
7 Philippines, its political subdivisions and its instrumentalities, are  
8 hereby considered as of an absolutely confidential nature and may  
9 not be examined, inquired or looked into by any person, government  
10 official, bureau or office, except upon written permission of the  
11 depositor, or in cases of impeachment, or upon order of a competent  
12 court in cases of bribery or dereliction of duty of public officials, or in  
13 cases where the money deposited is the subject matter of the  
14 litigation [.] **OR IN CASES WHERE THE INQUIRY OR**  
15 **EXAMINATION IS MADE BY THE *BANGKO SENTRAL NG***  
16 ***PILIPINAS (BSP)*, IN THE EXERCISE OF ITS SUPERVISORY**  
17 **POWERS, ON THE DEPOSIT OF THE STOCKHOLDER,**  
18 **OWNER, DIRECTOR, TRUSTEE, OFFICER OR EMPLOYEE**  
19 **OF AN ENTITY THAT IS SUBJECT TO THE SUPERVISION**  
20 **OR REGULATORY POWER OF THE *BSP*, THE**  
21 **REPRESENTATIVE OR AGENT, THE RELATED PARTY, OR**  
22 **ANY OF THE CONSPIRATORS, OF THE PERSON INVOLVED:**  
23 ***PROVIDED*, THAT, UPON DETERMINATION BY THE**  
24 **MONETARY BOARD, THERE IS A REASONABLE GROUND**  
25 **TO BELIEVE THAT FRAUD, SERIOUS IRREGULARITY OR**  
26 **UNLAWFUL ACTIVITY HAS BEEN OR IS BEING**  
27 **COMMITTED BY THE ABOVEMENTIONED PERSONS, AND**  
28 **THAT IT IS NECESSARY TO LOOK INTO THE DEPOSIT TO**  
29 **ESTABLISH SUCH FRAUD, SERIOUS IRREGULARITY OR**  
30 **UNLAWFUL ACTIVITY. THE AUTHORITY OF THE *BSP* TO**  
31 **INQUIRE AND EXAMINE DEPOSITS SHALL ALSO APPLY IN**  
32 **THE COURSE OF ITS INVESTIGATION OF CLOSED BANKS.**

33           **AS USED IN THIS ACT, *DEPOSITS* SHALL REFER TO**  
34 **MONEY OR ITS EQUIVALENT RECEIVED BY A BANK IN**  
35 **THE USUAL COURSE OF BUSINESS, AND FOR WHICH IT**  
36 **HAS GIVEN OR IS OBLIGED TO GIVE CREDIT TO A**  
37 **COMMERCIAL, CHECKING, SAVINGS, TIME OR THRIFT**  
38 **ACCOUNT, EVIDENCED BY A PASSBOOK, CERTIFICATE OF**  
39 **DEPOSIT, OR OTHER EVIDENCE OF DEPOSIT, ISSUED IN**  
40 **ACCORDANCE WITH *BSP* RULES AND REGULATIONS AND**  
41 **OTHER APPLICABLE LAWS, AS WELL AS SUCH OTHER**  
42 **OBLIGATION OF A BANK THAT FORMS PART OF ITS**  
43 **DEPOSIT LIABILITIES PURSUANT TO *BSP* RULES AND**  
44 **REGULATIONS.**

45           **THE RESULTS OF THE INQUIRY OR EXAMINATION**  
46 **CONDUCTED BY THE *BSP* SHALL BE FOR ITS EXCLUSIVE**

1 USE AND SHALL NOT BE MADE AVAILABLE TO ANY  
2 PERSON OR ENTITY, WHETHER PUBLIC OR PRIVATE,  
3 EXCEPT TO THE SECURITIES AND EXCHANGE  
4 COMMISSION, PHILIPPINE DEPOSIT INSURANCE  
5 CORPORATION, ANTI-MONEY LAUNDERING COUNCIL,  
6 DEPARTMENT OF JUSTICE, AND THE COURTS: *PROVIDED*,  
7 THAT THE SHARING OF THE RESULTS OF THE  
8 ABOVEMENTIONED INQUIRY OR EXAMINATION IS  
9 NECESSARY TO PREVENT OR PROSECUTE ANY OFFENSE  
10 OR CRIME.

11 THE EXEMPTIONS UNDER THIS SECTION SHALL APPLY  
12 TO FOREIGN CURRENCY DEPOSITS IN BANKS  
13 OPERATING IN THE PHILIPPINES INCLUDING OFF-  
14 SHORE BRANCHES OF DOMESTIC BANKS: *PROVIDED*,  
15 THAT THESE EXEMPTIONS SHALL NOT APPLY TO  
16 NON-STOCK SAVINGS & LOAN ASSOCIATIONS (NSSLAS)  
17 THAT ARE CATERING ONLY TO THEIR MEMBERS.”

18 **SEC. 2.** Section 3 of the same Act, is hereby amended to read as  
19 follows:

20 “**SEC. 3.** [It shall be unlawful for any official or employee of a  
21 banking institution to disclose to any person other than those  
22 mentioned in Section two hereof any information concerning  
23 said deposits] **NO BANK OR FINANCIAL INSTITUTION, OR**  
24 **ANY OF ITS DIRECTORS, OFFICERS OR EMPLOYEES,**  
25 **SHALL BE SUBJECT TO ANY ACTION, CLAIM OR DEMAND**  
26 **IN CONNECTION WITH, AND SHALL BE HELD FREE AND**  
27 **HARMLESS FROM LIABILITY FOR ANY ACT DONE IN**  
28 **COMPLIANCE WITH AN ORDER FOR INQUIRY OR**  
29 **EXAMINATION FROM THE BSP: PROVIDED, HOWEVER,**  
30 **THAT IT SHALL BE UNLAWFUL FOR ANY OFFICIAL OR**  
31 **EMPLOYEE OF A BANKING INSTITUTION OR THE BSP TO**  
32 **DISCLOSE ANY INFORMATION CONCERNING SAID**  
33 **DEPOSITS TO ANY PERSON AND UNDER SUCH**  
34 **CONDITIONS OTHER THOSE MENTIONED IN SECTION 2**  
35 **HEREOF: PROVIDED, FURTHER, THAT IT SHALL ALSO BE**  
36 **UNLAWFUL FOR ANY PERSON TO USE THIS ACT FOR**  
37 **PERSECUTION OR HARASSMENT OR AS AN INSTRUMENT**  
38 **TO HAMPER COMPETITION IN TRADE AND COMMERCE.”**

39 **SEC. 3.** Section 5 of the same Act is hereby amended to read as  
40 follows:

41 “**SEC. 5.** [Any violation of this law will subject offender upon  
42 conviction, to an imprisonment of not more than five years or a fine of  
43 not more than twenty thousand pesos or both, in the discretion of the  
44 court.] **ANY PERSON WHO VIOLATES ANY PROVISION OF**

1           **THIS ACT SHALL, UPON CONVICTION, BE PUNISHED WITH**  
2           **IMPRISONMENT OF NOT LESS THAN TWO (2) YEARS NOR**  
3           **MORE THAN TEN (10) YEARS, OR A FINE OF NOT LESS**  
4           **THAN FIFTY THOUSAND PESOS (PHP 50,000) NOR MORE**  
5           **THAN TWO MILLION PESOS (PHP 2,000,000), OR BOTH, AT**  
6           **THE DISCRETION OF THE COURT.”**

7           **SEC. 4.** If any provision or section of this Act is held to be  
8           unconstitutional or invalid, the other provisions or sections hereof which are  
9           not affected thereby shall continue to be in full force and effect.

10           **SEC. 5.** Sections 2, 3 and 5 of Republic Act No. 1405; Sections 8 and  
11           12-A of Republic Act No. 6425, as amended, also known as the “Foreign  
12           Currency Deposit Act of the Philippines” with respect to foreign currency  
13           deposits; Section 33 of Republic Act No. 6848, also known as “The Charter of  
14           the Al-Amanah Islamic Investment Bank of the Philippines”; Section  
15           26(a)(2) of Republic Act No. 7906, also known as the “Rural Banks Act of  
16           1992”; and Section 21(a)(2) of Republic Act No. 7906 or the “Thrift Banks  
17           Act of 1995”, are hereby amended or modified accordingly.

18           All other Acts, Special Charters, Executive Orders, Rules and  
19           Regulations, or parts thereof, which are inconsistent with the provisions of  
20           this Act, are hereby repealed.

21           **SEC. 6.** This Act shall take effect fifteen (15) days following its  
22           publication in the Official Gazette or in a newspaper of general circulation  
23           in the Philippines.

*Approved,*

# FACT SHEET

## House Bill No. **6707**

(in substitution of House Bills Numbered 007, 1674, 1786, 1918, 3026, 3196, 4388, and 5152)

### “AN ACT

**PROMOTING TRANSPARENT GOVERNANCE AND INSTITUTING ANTI-CORRUPTION MECHANISMS IN THE OPERATION OF BANKS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 1405, ENTITLED “AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR”**

***Introduced by:*** Representatives Romualdez, Ferdinand Martin G., Romualdez, Andrew Julian K., Acidre, Jude A., Tieng, Irwin C., Emano, Yevgeny Vincente B., Villafuerte, Miguel Luis R., Horibata, Tsuyoshi Anthony “Hori” G., Ridon, Terry L., Luistro, Atty. Gerville “Jinky Bitrics” R., Romualdo, Jesus Jurdin M., Yulo, Emilio Bernardino L., Revilla, Bryan B., Mercado-Revilla Lani, Revilla, Ramon Jolo III B., Romualdez, Yedda Marie K., Puno, Ronaldo V., Albano, Antonio “Tonypet” T., Arenas, Maria Rachel J., Garcia, Karen Hope F., Roman, Antonino B. III, Angeles, Maria Cristina C., Gonzales, Alyssa Michaela “Mica” M., Del Mar, Rachel Marguerite B., Rivera, Noel “Bong” N., Tarriela, Leody “Odie” F., Adiong, Ziaur-Rahman “Zia” Alonte, Ang, James “Jojo” Jr., Revilla, Ramon Jolo III B., Oreta, Antolin A. III, Bocobo, Jorge Daniel S., Salceda, Adrian E., Lacson, Ma. Nina Francesca P., Villarica, Linabelle Ruth R., Rodriguez, Eulogio “Leo” R., Cua, Midy N., Espares, Felimon M., Labadlabad, Irene G., Padiernos, Jan Rurik “Atty. JP” DL, and Go, Ed Christopher S.

***Committee Referral:*** Committee on Banks and Financial Intermediaries

***Committee Chairperson:*** Irwin C. Tieng

### **OBJECTIVES:**

- To lift the barriers in the effective investigation and prosecution of corrupt or illegal financial actions of stockholders, owners, directors, trustees, officers or employees of entities supervised and regulated by the Bangko Sentral ng Pilipinas (BSP)

- To effectively combat tax evasion, money laundering and other financial crimes, address the unintended consequences of bank secrecy laws, and comply with international standards on transparency in financial transactions

#### **KEY PROVISIONS:**

- Defines the term “deposits” as money or its equivalent received by a bank in the usual course of business and for which it is obliged to give credit to a commercial, checking, savings, time or thrift account evidenced by a passbook, certificate of deposit or other evidence of deposit, and other obligations of a bank which forms part of its deposit liabilities under applicable BSP rules and regulations;
- Empowers the BSP to inquire into or examine deposits in the course of its investigation of closed banks, or when, in the determination of the Monetary Board, there is reasonable ground to believe that fraud, serious irregularity, or unlawful activity has been committed by a stockholder, owner, director, trustee, officer, or employee of BSP-supervised institutions, the representative, agent, related party or conspirators;
- Provides that the authority of the BSP to inquire into or examine deposit shall likewise apply to foreign currency deposits in banks operating in the Philippines including off-shore branches of domestic banks, but not to non-stock and savings loan associations (NSSLAs) catering only to their members;
- Limits the use of bank examinations results exclusively to the BSP, Securities and Exchange Commission, Philippine Deposit Insurance Corporation, Anti-Money Laundering Council, Department of Justice, and the courts;
- Provides a safe harbor clause exempting banks or financial institutions, their directors, officers, or employees from any action, claim, demand, or liability, for acts done in compliance with an order of inquiry or examination of deposits from the BSP;

- Prohibits officials or employees of the BSP and banking institutions from disclosing any information concerning deposits to any person other than those authorized under the law;
- Forbids the use of the Bank Secrecy Law for purposes of persecution or harassment, or as an instrument to hamper competition in trade and commerce; and
- Punishes any person or entity found guilty of violating the law with imprisonment of not less than two (2) years but not more ten (10) years, or a fine of not less than Fifty thousand pesos (P50,000.00) or more than Two million pesos (P2,000,000), or both, at the discretion of the court.

## **RELATED LAWS**

Republic Act No. 1405, as amended (“Secrecy of Bank Deposits Act”)

Republic Act No. 6426, as amended (“Foreign Currency Deposit Act of the Philippines”)

Republic Act No. 6848 (“Charter of the Al-Amanah Islamic Investment Bank of the Philippines”)

Republic Act No. 7353, as amended (“Rural Banks Act of 1992”)

Republic Act No. 7906 (“Thrift Banks Act of 1995”)

Republic Act No. 8791 (“General Banking Law of 2000”)

Republic Act No. 7653, as amended (The New Central Bank Act)