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HOUSE OF REPRESENTATIVES

H. No. 3083

BY REPRESENTATIVES DE VENECIA, TEVES, COJUANGCO (C.), PEREZ, SYJUCO, ABAYON, LOPEZ (J.), MONFORT, BARBERS, GUNIGUNDO I, NANTES, LIBANAN, DEL MAR, ALBANO, MORENO, ALFELOR, AMANTE, ANGPING, APOSTOL, BACANI, BACULIO, BERSAMIN, BUESER, BULUT, CASTRO, CHIONGBIAN, CUENCO, DEFENSOR (A.), DEFENSOR (M.), DIMAPORO, DOMOGAN, DY (F.), DY (C.), ENRILE, GATCHALIAN, JAVIER, LACSON, LAPUS, TAGANAS-LAYUS, LEDESMA, LEVISTE, LOZADA, NIEVA, NOGRALES, PILANDO, PUENTEVELLA, REAL, ROCO, SALCEDA, SANTIAGO, SY-ALVARADO, TORRES, UY (E.), VILLARAMA, ZIALCITA, ANTONINO-CUSTODIO, BADELLES, BERATIO, BONDOC, CHUNGALAO, CLARETE, DE GUZMAN, DUAVIT, DURANO, GARCIA (V.), JARAULA, JIMENEZ, LANOT, LOCSIN (T.), MARTINEZ, RAMIREZ-SATO, REYES (E.), RODRIGUEZ (O.), ROMAN, ROSALES, SEACHON, ZUBIRI, ABAYA (A.), ABLAN, BANAAG, BARINAGA, BATERINA, CABILAO, CAGAS, CAJES, CHATTO, FLOIRENDO, FUA, GOZOS, IMPERIAL, JAAFAR, JALA, NACHURA, VICENCIO, VILLAREAL, WACNANG, ESPINOSA (E.R.), GONZALEZ (R.), SALAPUDDIN, GONZALES II, ESCUDERO, CAYETANO, MACARAMBON, FUENTEBELLA, UY (R.), FAILON, ESPINA, SALUDO, SOON-RUIZ, MALANYAON, MATHAY, HIZON, CELESTE, TULAGAN, CUA, SILVERIO, ESPINOSA (E.T.), ABAYA (P.), VIOLAGO, ECHIVERRI, ABAD, ALMARIO, ALVAREZ, ANCHETA, AQUINO (B.) CARI, COJUANGCO (M.), CRUZ (B.) CRUZ-DUCUT, DUMARPA, DUMPIT, ERICE, ERMITA-BUHAIN, ESPINO, ESPINOSA (V.), ESTRELLA, FALCON, GORDON, GULLAS, IPONG, JOAQUIN, JOSON, KINTANAR, LAGMAN-LUISTRO, LOCSIN (V.), MACIAS, MAMBA, MARAÑON, MARCOS, MONTILLA, NICOLAS, OLAÑO, ORTEGA, PARAS, PINGOY, RAMIRO, REYES (V.), ROMUALDO, SAN JUAN, SINGSON, SOLIS, SUAREZ, UMALI, (A.M.), UNICO, VELOSO, YAPHA AND YLAGAN, PER COMMITTEE REPORT NO. 7

AN ACT DEFINING THE CRIME OF MONEY LAUNDERING,
PROVIDING PENALTIES THEREFOR AND FOR OTHER
PURPOSES

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

1 SECTION 1. *Short Title.* – This Act shall be known as the “Anti-
2 Money Laundering Act of 2001.”

3 SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of
4 the State to make the Philippines a stable and safe financial and banking
5 center. Therefore, the Philippines shall not be used as a money laundering
6 site for the proceeds of any unlawful activity. Consistent with its foreign
7 policy, the State shall extend cooperation in transnational investigations
8 and prosecutions of persons involved in money laundering activities
9 wherever committed.

10 SEC. 3. *Definitions.* – For purposes of this Act, the following terms
11 are hereby defined as follows:

12 (a) “Covered institution” refers to:

13 (1) banks, non-banks, quasi-banks, trust entities, and all other
14 institutions and their subsidiaries and affiliates supervised or regulated by
15 the Bangko Sentral ng Pilipinas (BSP);

16 (2) insurance companies and all other institutions supervised or
17 regulated by the Insurance Commission; and

18 (3) (i) securities dealers, brokers, salesmen, investment houses and
19 other similar entities managing securities or rendering services as
20 investment agent, advisor, or consultant, (ii) mutual funds, close-end

1 investment companies, common trust funds, pre-need companies and other
2 similar entities, (iii) foreign exchange corporations, money changers,
3 money payment, remittance, and transfer companies and other similar
4 entities, and (iv) other entities administering or otherwise dealing in
5 currency, commodities or financial derivatives based thereon, valuable
6 objects, cash substitutes and other similar monetary instruments or property
7 supervised or regulated by Securities and Exchange Commission.

8 (b) "Covered transaction" may be any single, series or combination
9 of the following within a period of one (1) day:

10 (1) transactions involving an amount in excess of Five million pesos
11 (P5,000,000.00) or an equivalent amount in foreign currency based on the
12 prevailing exchange rate, except those between a covered institution and a
13 person who is, at the time of the transaction, a properly identified customer
14 thereof where the amount is commensurate with the business or financial
15 capacity of the client; and

16 (2) transactions involving an amount in excess of Five million pesos
17 (P5,000,000.00) or its equivalent in foreign currency which have having no
18 underlying legal or trade obligation, contract, purpose or origin or
19 economic justification.

20 (c) "Monetary instrument" refers to:

21 (1) coins or currency of legal tender of the Philippines, or of any
22 other country;

23 (2) drafts, checks and notes;

1 (3) securities or negotiable instruments, bonds, commercial papers,
2 deposit certificates, trust certificates, custodial receipts or deposit substitute
3 instruments, trading orders, transaction tickets and confirmations of sale or
4 investments and money market instruments; and

5 (4) other similar instruments where title thereto passes to another by
6 endorsement, assignment or delivery.

7 (d) "Offender" refers to any person who commits a money
8 laundering offense.

9 (e) "Person" refers to any natural or juridical person.

10 (f) "Proceeds" refer to amount derived or realized from an
11 unlawful activity.

12 (g) "Supervising authority" refers to the appropriate supervisory or
13 regulatory agency, department or office supervising or regulating the
14 covered institutions enumerated in Section 3(a).

15 (h) "Transaction" refers to any act establishing any right or
16 obligation or giving rise to any contractual or legal relationship between the
17 parties thereto. It also includes any movement of funds by any means with
18 a covered institution.

19 (i) "Unlawful activity" refers to any act or omission or series or
20 combination thereof involving or having relation to the following:

21 (1) Qualified kidnapping under Article 267 of Act No. 3815 of the
22 Revised Penal Code;

1 (2) Violations under Sections 3, 4, 5, 7 and 8 of Title 2 of Republic
2 Act No. 6425, as amended, otherwise known as the Dangerous Drugs Act
3 of 1972;

4 (3) Violations under Section 3, paragraphs B, C, E, G, H and I of
5 Republic Act No. 3019, as amended, otherwise known as the Anti-Graft
6 and Corrupt Practices Act; and

7 (4) Felonies or offenses of a similar nature of other countries.

8 SEC. 4. *Money Laundering Offense.* – Money laundering is a crime
9 whereby the proceeds of an unlawful activity are transacted, thereby
10 making them appear to have originated from legitimate sources. It is
11 committed by the following:

12 (a) Any person who, knowing that any monetary instrument or
13 property represents, involves, or relates to, the proceeds of any unlawful
14 activity, transacts or attempts to transact said monetary instrument or
15 property.

16 (b) Any person who, knowing that any monetary instrument or
17 property represents, involves, or relates to, the proceeds of any unlawful
18 activity, performs any act, or fails to perform any act, as a result of which
19 act or omission, he, in any manner and by any means, directly or indirectly,
20 abets, assists in, or otherwise facilitates the offense of money laundering
21 referred to in paragraph (a), above.

22 (c) Any person who, with knowledge that any monetary instrument
23 or property, is required under this Act to be disclosed and filed with the

1 government, the supervising authority, or the Anti-Money Laundering Unit
2 (AMLU), fails to disclose such monetary instrument or property.

3 SEC. 5. *Jurisdiction of Money Laundering Cases; Witness*
4 *Protection Program.* – The regional trial courts shall have jurisdiction to
5 try all cases of money laundering, except those committed by public
6 officers, which shall be under the jurisdiction of the Sandiganbayan.
7 Whenever called upon to testify in court or in any criminal investigation in
8 connection with a money laundering crime under this Act, any person shall
9 be admitted to the witness protection, security and benefit program of the
10 government under Republic Act No. 6981, otherwise known as the Witness
11 Protection, Security and Benefit Act.

12 SEC. 6. *Prosecution of Money Laundering.* –

13 (a) Any person may be charged with and convicted of both the
14 offense of money laundering and the unlawful activity as herein defined.

15 (b) The pendency of any proceeding relating to the unlawful
16 activity shall not bar prosecution of any offense or violation under this Act.

17 SEC. 7. *Creation of Anti-Money Laundering Unit.* – The BSP is
18 hereby authorized to establish a unit to function as the Anti-Money
19 Laundering Unit. The AMLU shall be assisted in its operations by a
20 secretariat headed by an executive director who shall be appointed by the
21 BSP for a term of four (4) years. He must be a member of the Philippine
22 Bar, at least thirty-five (35) years of age and of good moral character,
23 unquestionable integrity and known probity. The AMLU shall have the
24 following powers and functions:

1 (a) To cause the filing of complaints with the Department of Justice
2 for the prosecution of money laundering offenses;

3 (b) Subject to Section 13, to investigate covered transactions,
4 money laundering offenses and other violations of this Act;

5 (c) To require and receive covered transaction reports from
6 covered institutions;

7 (d) Subject to Section 13, to issue orders to the appropriate
8 supervising authority or the covered institution concerned to determine the
9 true identity of the owner of any monetary instrument or property subject
10 of a covered transaction report or request for assistance from a foreign
11 State, or believed by the AMLU, on the basis of substantial evidence, to
12 be, in whole or in part, wherever located, representing, involving or related
13 to, directly or indirectly, in any manner or by any means, the proceeds of
14 an unlawful activity;

15 (e) To implement such measures as may be necessary and justified
16 under this Act to counteract money laundering;

17 (f) To receive and take appropriate action in respect of, any
18 requests from foreign States for assistance in their own anti-money
19 laundering operations as provided for in Section 17;

20 (g) To enlist the assistance of any branch, department, bureau,
21 office, agency or instrumentality of the government, including government-
22 owned and -controlled corporations, in undertaking any and all anti-money
23 laundering operations under this Act;

1 (h) To appoint such other officers and employees subject to Civil
2 Service law, rules and regulations; and

3 (i) To require, by way of subpoena *duces tecum* or *ad*
4 *testificandum*, any person to answer questions, at a specified time and
5 place, furnish information or produce such documents as may be required
6 with respect to a covered transaction, money laundering offense, or any
7 other matter in respect thereof, after it shall have determined on the basis of
8 substantial evidence that the covered transaction in question is, directly or
9 indirectly, wholly or partly, involved in a money laundering offense.

10 The BSP shall indemnify the Secretariat and other employees of the
11 AMLU against all costs and expenses reasonably incurred by such persons
12 in connection with any administrative, civil or criminal action to which he
13 may be, or is, made a party by reason of the performance of his functions or
14 duties.

15 SEC. 8. *Prevention of Money Laundering; Customer Identification*
16 *Requirements and Record Keeping.* - (a) Customer Identification. -
17 Covered institutions shall establish and record the true identity of its clients
18 based on official documents. They shall maintain a system of verifying the
19 true identity of their clients and, in case of corporate clients, require a
20 system of verifying their legal existence and organizational structure, as
21 well as the authority and identification of all persons purporting to act on
22 their behalf.

23 The provisions of existing laws to the contrary notwithstanding,
24 anonymous accounts, accounts under fictitious names, and all other similar

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1 accounts shall be absolutely prohibited. In case of numbered accounts, the
2 BSP shall conduct quarterly random testing to ensure that all the true
3 owners of such accounts are known to the banks concerned.

4 (b) Record keeping. - All records of all transactions of covered
5 institutions shall be maintained and safely stored for five (5) years from the
6 dates of transactions. With respect to closed accounts, the records on
7 customer identification, account files and business correspondence, shall be
8 preserved and safely stored for at least five (5) years from the dates when
9 they were closed.

10 (c) Reporting of Covered Transactions. - Covered institutions shall
11 report to the AMLU all covered transactions within five (5) working days
12 from occurrence thereof, unless the supervising authority concerned
13 prescribes a longer period not exceeding ten (10) working days.

14 When reporting covered transactions to the AMLU, covered
15 institutions and their officers, employees, representatives, agents, advisors,
16 consultants or associates shall not be deemed to have violated Republic Act
17 No. 1405, as amended; Republic Act No. 6426, as amended; Republic Act
18 No. 8791 and other similar laws, but are prohibited from communicating,
19 directly or indirectly, in any manner or by any means, to any person the fact
20 that a covered transaction report was made, the contents thereof, or any
21 other information in relation thereto. In case of violation thereof, the
22 concerned officer, employee, representative, agent, advisor, consultant or
23 associate of the covered institution shall be criminally liable. However, no
24 administrative, criminal or civil proceedings, shall lie against any person

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1 for having made a covered transaction report in the regular performance of
2 his duties and in good faith, whether or not such reporting results in any
3 criminal prosecution under this Act or any other Philippine law.

4 SEC. 9. *Additional Exemption from Bank Deposit Secrecy Laws.* –

5 Notwithstanding the provisions of Republic Act No. 1405, as amended;
6 Republic Act No. 6426, as amended; Republic Act No. 8791, and other
7 laws, the AMLU, with prior concurrence of at least five (5) members of the
8 Monetary Board of the BSP, may, by itself, inquire into or examine any
9 particular deposit or investment with any banking institution or non-bank
10 financial institution upon order of any competent court in cases of violation
11 of this Act when it has been established that there is probable cause that the
12 deposits or investments involved are in any way related to money
13 laundering offense: *Provided*, That this provision shall not apply to
14 deposits and investments prior to the effectivity of this Act.

15 SEC. 10. *Forfeiture Provisions.* –

16 (a) Civil Forfeiture. - When there is a covered transaction report
17 made, and the court has, in a petition filed for the purpose ordered seizure
18 of any monetary instrument or property, in whole or in part, directly or
19 indirectly, related to said report, and after hearing during which the
20 offender shall be given opportunity to explain the origin or provenance of
21 said monetary instrument or property, the Court shall declare the same
22 forfeited in favor of the government as proceeds of an unlawful activity as
23 herein defined.

1 (b) Claim on Forfeited Assets. - Where the court has issued an
2 order of forfeiture of the monetary instrument or property in a criminal
3 prosecution for any money laundering offense defined under Section 4 of
4 this Act, the offender or any other person claiming an interest therein may
5 apply, by verified petition, for a declaration that the same legitimately
6 belongs to him and for segregation or exclusion of the monetary instrument
7 or property corresponding thereto. The verified petition shall be filed with
8 the court which rendered the judgment of conviction and order of
9 forfeiture, within fifteen (15) days from the date of the order of forfeiture,
10 in default of which the said order shall become final and executory. This
11 provision shall apply in both civil and criminal forfeiture.

12 (c) Payment in Lieu of Forfeiture. - Where the Court has issued an
13 order of forfeiture of the monetary instrument or property subject of a
14 money laundering offense defined under Section 4, and said order cannot
15 be enforced because any particular monetary instrument or property cannot,
16 with due diligence, be located, or it has been substantially altered,
17 destroyed, diminished in value or otherwise rendered worthless by any act
18 or omission, directly or indirectly, attributable to the offender, or it has
19 been concealed, removed, converted or otherwise transferred to prevent the
20 same from being found or to avoid forfeiture thereof, or it is located outside
21 the Philippines or has been placed or brought outside the jurisdiction of the
22 court, or it has been commingled with other monetary instruments or
23 property belonging to either the offender himself or a third person or entity,
24 thereby rendering the same difficult to identify or be segregated for

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1 purposes of forfeiture, the court may, instead of enforcing the order of
2 forfeiture of the monetary instrument or property or part thereof or interest
3 therein, accordingly order the convicted offender to pay an amount equal to
4 the value of said monetary instrument or property. This provision shall
5 apply in both civil and criminal forfeiture.

6 SEC. 11. *Authority to Freeze.* – Upon determining that there is
7 probable cause that a money laundering offense under Section 4 is about to
8 be, is being or has been committed, and the monetary instrument or
9 property therein involved may be easily and immediately removed or
10 transferred, resulting in either the loss of control of the covered institution
11 over the said monetary instrument or property of the transaction or
12 relationship involving the same, or the loss of supervision or jurisdiction of
13 the supervising authority over the covered institution involved therein, the
14 Court may, upon application by the AMLU, issue *ex parte* an order
15 stopping, freezing, blocking, suspending or otherwise temporarily placing
16 in *custodia legis* the said transaction, monetary instrument or property for a
17 period not exceeding ten (10) days.

18 SEC. 12. *Provisional Remedies Pending Criminal Proceedings.* –
19 Upon the filing of the information for the crime of money laundering, the
20 court may, *motu proprio*, or upon verified motion of the prosecution, issue
21 temporary restraining orders, writs of injunction, writs of attachment or
22 garnishment or other equitable provisional reliefs, or take other appropriate
23 action, for the tracking, seizure and preservation of the monetary
24 instrument or property alleged to be proceeds of an unlawful activity to

1 prevent the same from being removed, concealed, converted, commingled
2 with other property, or otherwise placed beyond the jurisdiction of the
3 court during the pendency of the criminal proceedings. 29

4 SEC. 13. *Prohibition Against Bond.* – No bond or other undertaking
5 shall be allowed that is directed at dissolving, quashing or otherwise lifting
6 the writs, processes and all other orders issued by the court under this Act.

7 SEC. 14. *Mutual Assistance among States.* –

8 (a) Request for Assistance from a Foreign State. - Where a foreign
9 State makes a request for assistance in the investigation or prosecution of a
10 money laundering offense, the AMLU may execute the request or refuse to
11 execute the same and inform the foreign State of any valid reason for not
12 executing the request or for delaying the execution thereof. The principles
13 of mutuality and reciprocity shall, for this purpose, be at all times
14 recognized.

15 (b) Powers of the AMLU to Act on a Request for Assistance from a
16 Foreign State. - The AMLU may execute a request for assistance from a
17 foreign State by: (1) tracking down, freezing, restraining and seizing assets
18 alleged to be proceeds of any unlawful activity under the procedures laid
19 down in this Act; (2) giving information needed by the foreign State within
20 the procedures laid down in Section 11(n); and (3) applying for an order of
21 forfeiture of any monetary instrument or property in the court: *Provided,*
22 That the court shall not issue such an order unless the application is
23 accompanied by an authenticated copy of the order of a court in the
24 requesting State ordering the forfeiture of said monetary instrument or

1 property of a person who has been convicted of a money laundering offense
2 in the requesting State, and a certification or an affidavit of a competent
3 officer of the requesting State stating that the conviction and the order of
4 forfeiture are final and that no further appeal lies in respect of either.

5 (c) Obtaining Assistance from Foreign States. - The AMLU may
6 make a request to any foreign State for assistance in (1) tracking down,
7 freezing, restraining and seizing assets alleged to be proceeds of any
8 unlawful activity; (2) obtaining information that it needs relating to any
9 covered transaction, money laundering offense or any other matter directly
10 or indirectly related thereto; (3) to the extent allowed by the law of the
11 foreign State, applying with the proper court therein for an order to enter
12 any premises belonging to or in the possession or control of, any or all of
13 the persons named in said request, and/or search any or all such persons
14 named therein and/or remove any document, material or object named in
15 said request: *Provided*, That the documents accompanying the request in
16 support of the application have been duly authenticated in accordance with
17 the applicable law or regulation of the foreign State; and (4) applying for
18 an order of forfeiture of any monetary instrument or property in the proper
19 court in the foreign State: *Provided*, That the request is accompanied by an
20 authenticated copy of the order of the regional trial court ordering the
21 forfeiture of said monetary instrument or property of a convicted offender
22 and an affidavit of the clerk of court stating that the conviction and the
23 order of forfeiture are final and that no further appeal lies in respect of
24 either.

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1 (d) Limitations on Requests for Mutual Assistance. - The AMLU
2 may refuse to comply with any request for assistance where the action
3 sought by the request contravenes any provision of the Constitution or the
4 execution of a request is likely to prejudice the national interest of the
5 Philippines unless there is a treaty between the Philippines and the
6 requesting State relating to the provision of assistance in relation to money
7 laundering offenses.

8 (e) Requirements for Requests for Mutual Assistance from Foreign
9 States. - A request for mutual assistance from a foreign State must (1)
10 confirm that an investigation or prosecution is being conducted in respect
11 of a money launderer named therein or that he has been convicted of any
12 money laundering offense; (2) state the grounds on which any person is
13 being investigated or prosecuted for money laundering or the details of his
14 conviction; (3) give sufficient particulars as to the identity of said person;
15 (4) give particulars sufficient to identify any covered institution believed to
16 have any information, document, material or object which may be of
17 assistance to the investigation or prosecution; (5) ask from the covered
18 institution concerned any information, document, material or object which
19 may be of assistance to the investigation or prosecution; (6) specify the
20 manner in which and to whom said information, document, material or
21 object obtained pursuant to said request, is to be produced; (7) give all the
22 particulars necessary for the issuance by the court in the requested State of
23 the writs, orders or processes needed by the requesting State; and (8)
24 contain such other information as may assist in the execution of the request.

1 (f) Authentication of Documents. - For purposes of this Section, a
2 document is authenticated if the same is signed or certified by a judge,
3 magistrate or equivalent officer in or of the requesting State, and
4 authenticated by the oath or affirmation of a witness or sealed with an
5 official or public seal of a minister, secretary of State, or officer in or of,
6 the government of the requesting State, or of the person administering the
7 government or a department of the requesting territory, protectorate or
8 colony. The certificate of authentication may also be made by a secretary
9 of the embassy or legation, consul general, consul, vice consul, consular
10 agent or any officer in the foreign service of the Philippines stationed in the
11 foreign State in which the record is kept, and authenticated by the seal of
12 his office.

13 (g) Extradition. - The Philippines shall negotiate for the inclusion of
14 money laundering offenses as herein defined among extraditable offenses
15 in all future treaties.

16 SEC. 15. *Penal Provisions*. - (a) Penalties for the Crime of Money
17 Laundering. - The punishment of imprisonment ranging from seven (7) to
18 fourteen (14) years or a fine of not less than One million Philippine pesos
19 (P1,000,000.00) but not more than twice the value of the monetary
20 instrument or property involved in the offense, or both, shall be imposed on
21 a person convicted under Section 4(a).

22 The punishment of imprisonment from four (4) to eight (8) years or
23 a fine of not less than Five hundred thousand Philippine pesos
24 (P500,000.00) but not more than One million Philippine pesos

1 (P1,000,000.00), or both, shall be imposed upon a person convicted under
2 Section 4 (b). 283

3 The punishment of imprisonment from six (6) months to four (4)
4 years or a fine of not less than One hundred thousand Philippine pesos
5 (P100,000.00) but not more than Five hundred thousand Philippine pesos
6 (P500,000.00), or both, shall be imposed on a person convicted under
7 Section 4 (c).

8 *Provided*, That if the offender under the two (2) preceding
9 paragraphs is a corporation, association, partnership, or any juridical
10 person, the penalty shall be imposed upon the president, director, or
11 responsible officers, as the case may be, who participated in the
12 commission of the crime or who shall have knowingly permitted or failed
13 to prevent its commission: *Provided, further*, That if the offender is a
14 juridical person, the court may suspend or revoke its license upon
15 conviction: *Provided, furthermore*, That if the offender is an alien, he
16 shall, in addition to the penalties herein prescribed, be deported without
17 further proceedings: *Provided, finally*, That if the offender is a public
18 official, or employee, he shall, in addition to the penalties prescribed
19 herein, suffer perpetual or temporary absolute disqualification from office,
20 as the case may be.

21 (b) Malicious Reporting. - Any person who, with malice, or in bad
22 faith, reports or files a completely unwarranted or false information relative
23 to money laundering transaction against any person shall be subject to a
24 penalty of one (1) month and one (1) day to six (6) months imprisonment or

1 a fine not exceeding One hundred thousand Philippine pesos (P100,000.00)
2 or both, at the discretion of the court. 784

3 (c) Breach of Confidentiality. - The punishment of imprisonment
4 ranging from three (3) to eight (8) years or a fine of not less than Five
5 hundred thousand Philippine pesos (P500,000.00) but not more than One
6 million Philippine pesos (P1,000,000.00), or both shall be imposed on a
7 person convicted for a violation under Section 8(c).

8 (d) Other Violations of this Act. - The violation of any of the other
9 provisions of this Act shall be punished by imprisonment from six (6)
10 months to four (4) years or a fine of not less than One hundred thousand
11 Philippine pesos (P100,000.00) but not more than Five hundred thousand
12 Philippine pesos (P500,000.00), or both, at the discretion of the court.

13 SEC. 16. *Right to Indemnity and Restitution*. - Where, after a person
14 has been convicted with finality for a money laundering offense and is
15 accordingly serving his prison sentence or after the monetary instrument or
16 property subject of a money laundering offense has, with finality, been
17 forfeited in favor of the government through criminal or civil proceedings,
18 there is an acquittal with respect to the unlawful activity involved in the
19 money laundering offense, the government shall release from a prison and
20 indemnify said person or restore to its lawful owner said monetary
21 instruments or property.

22 Said injured party will have the right to sue any public officer who
23 willfully, arbitrarily, capriciously and whimsically abused the exercise of
24 his powers in the prosecution of money laundering offenses.

1 SEC. 17. *Implementing Rules.* – Within thirty (30) days from the 285
2 effectivity of this Act, the BSP, in coordination with all the concerned
3 supervising authorities, shall promulgate the rules and regulations to
4 implement effectively the provisions of this Act.

5 Covered institutions shall formulate their respective money
6 laundering prevention programs in accordance with this Act including but
7 not limited to information dissemination on money laundering activities
8 and its prevention, detection and reporting.

9 SEC. 18. *Separability Clause.* – If any provision or section of this
10 Act or the application thereof to any person or circumstance is held to be
11 unconstitutional or invalid, the other provisions or sections of this Act, and
12 the application of such provision or section to other persons or
13 circumstances, shall not be affected thereby and shall continue to be in full
14 force and effect.

15 SEC. 19. *Repealing Clause.* – All laws, decrees, executive orders,
16 rules and regulations or parts thereof that are inconsistent with the
17 provisions of this Act are hereby repealed, amended or modified
18 accordingly.

19 SEC. 20. *Effectivity.* – This Act shall take effect fifteen (15) days
20 after its complete publication in at least two (2) national newspapers of
21 general circulation.

Approved,