

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWELFTH CONGRESS

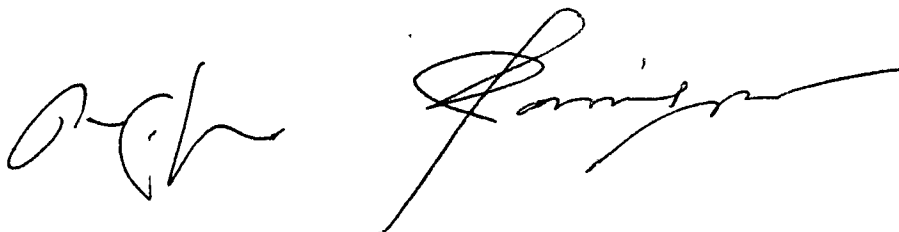
First Regular Session

House Bill No. 3083

Introduced by Representatives De Venecia, J., Teves, H. G., Cojuangco, C. O., Perez, F. S., Syjuco, A., Abayon, H. C., Lopez, J. C., Monfort, N.D., Barbers, R. S., Gunigundo, M. T., Nantes, R. P., Libanan, M.C., Del Mar, R., Albano, R. B. Jr, Moreno, O. S., Alfelor, F. R. Jr., Amante, E. A., Angping, H. C., Apostol, T. G., Bacani, R. C., Baculio, A. H., Bersamin, L. P. Jr., Bueser, D. Q., Bulut, E. C., Castro, F. H., Chiongbian, E. L., Chipeco, J. M. Jr., Cuenco, A. V., Defensor, A. D., Defensor, M. T., Dimaporo, A., Domogan, M. G., Dy III, F. G., Dy, C. A., Enrile, J. C., Gatchalian, S. T., Javier, E. B., Lacson, J. C. V., Lapus, J. A., Layus, C. T., Ledesma IV, J. A., Leviste, C. P., Lozada, J. A. L. Jr., Nieva, E. A., Nograles, P. C., Pilando, R. S., Puentevella, M. O., Real, I. E. Jr., Roco, S. S., Jr., Salceda, J.S., Santiago, J. A., Sy-Alvarado, W. M., Torres, R. D., Uy, E. C., Villarama, W. B., Zialcita, E. C., Antonino-Custodio, D. R., Aquino, A. A., Badelles, A. C. V., Barbers, R. S., Beratio, N. R., Bondoc, J. P. P., Chungalao, S. R., Clarete, E. D., De Guzman, D. R., Duavit, M. J. R., Durano, J. H., Garcia, V. J., Jimenez, M., C. G., Lanot, H. P., Locsin Jr., T. L., Martinez, C. A., Ocampo, S., Ramirez-Sato, J. Y., Reyes, E. O. Jr., Rodriguez, O. S., Roman, A. P., Rosales, L. A. P., Seachon, F. L. Jr., Yumul-Hemida, G. R., Zubiri, J. M., Abaya, A. M., Ablan, R. R., Jr., Banaag, L. B., Barinaga, R. L., Bateria, S. F., Cabilao, B. A., Cagas, D. R.A., Cajes, R. C., Chatto, E. M., Floirendo, A. R., Jr., Fua, O. A., Jr., Gozos, O. L., Imperial, C. R., Jaafar, S. C., Jala, E. M., Maza, L. L., Nachura, A. E. B., Vicencio, R. T., Villareal, R. L., Wacnang, L. B., Espinosa, E. R., Jr., Gonzales, R. M., Salapuddin, G. A., Gonzales II, N. M., Escudero, F. G., Cayetano, A. P. S., Macarambon, B. O. Jr.,
per Committee Report No.7.

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

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



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

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

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

11 (a) "Covered Institution" refers to:

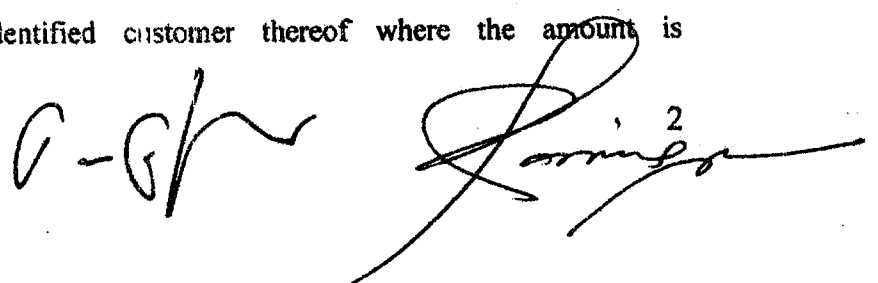
12 (1) banks, non-banks, quasi-banks, trust entities, and all other
13 institutions and their subsidiaries and affiliates supervised or
14 regulated by the Bangko Sentral ng Pilipinas (BSP);

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

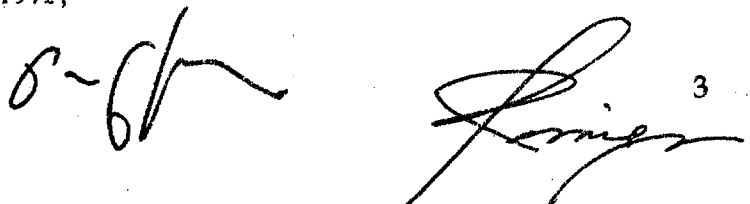
17 (3) (i) securities dealers, brokers, salesmen, investment houses and
18 other similar entities managing securities or rendering services as
19 investment agent, advisor, or consultant, (ii) mutual funds, close-
20 end investment companies, common trust funds, pre-need
21 companies and other similar entities, (iii) foreign exchange
22 corporations, money changers, money payment, remittance, and
23 transfer companies and other similar entities, and (iv) other entities
24 administering or otherwise dealing in currency, commodities, or
25 financial derivatives based thereon, valuable objects, cash
26 substitutes and other similar monetary instruments or property
27 supervised or regulated by Securities and Exchange Commission.

28 (b) "Covered Transaction" may be any single, series or combination of the
29 following within a period of one day:

30 (1) transactions involving an amount in excess of Five Million Pesos
31 (P5,000,000.00) or an equivalent amount in foreign currency based
32 on the prevailing exchange rate, except those between a covered
33 institution and a person who is, at the time of the transaction, a
34 properly identified customer thereof where the amount is



- 1 commensurate with the business or financial capacity of the client;
- 2 and
- 3 (2) transactions involving an amount in excess of Five Million Pesos
- 4 (P5,000,000.00) or its equivalent in foreign currency which have
- 5 having no underlying legal or trade obligation, contract, purpose or
- 6 origin or economic justification.
- 7 (c) "Monetary Instrument" refers to:
 - 8 (1) coins or currency of legal tender of the Philippines, or of any other
 - 9 country;
 - 10 (2) drafts, checks and notes;
 - 11 (3) securities or negotiable instruments, bonds, commercial papers,
 - 12 deposit certificates, trust certificates, custodial receipts or deposit
 - 13 substitute instruments, trading orders, transaction tickets and
 - 14 confirmations of sale or investments and money market
 - 15 instruments; and
 - 16 (4) other similar instruments where title thereto passes to another by
 - 17 endorsement, assignment or delivery.
- 18 (d) "Offender" refers to any person who commits a money laundering offense.
- 19 (e) "Person" refers to any natural or juridical person.
- 20 (f) "Proceeds" refers to any amount derived or realized from an unlawful
- 21 activity.
- 22 (g) "Supervising Authority" refers to the appropriate supervisory or regulatory
- 23 agency, department or office supervising or regulating the covered institutions
- 24 enumerated in Section 3(a).
- 25 (h) "Transaction" refers to any act establishing any right or obligation or
- 26 giving rise to any contractual or legal relationship between the parties thereto. It also
- 27 includes any movement of funds by any means with a covered institution.
- 28 (i) "Unlawful Activity" refers to any act or omission or series or combination
- 29 thereof involving or having relation to the following:
 - 30 (1) Qualified kidnapping under Articles 267 of Act No. 3815 of the
 - 31 Revised Penal Code;
 - 32 (2) Violations under Sections 3, 4, 5, 7 and 8 of Title 2 of Republic Act
 - 33 ("R.A.") No. 6425, as amended, otherwise known as the Dangerous
 - 34 Drugs Act of 1972;



1 (3) Violations under Section 3, paragraphs B, C, E, G, H and I of R.A. No.
2 3019, as amended, otherwise known as the Anti-Graft and Corrupt
3 Practices Act;

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

5 SEC. 4. *Money Laundering Offense.* Money laundering is a crime whereby the
6 proceeds of an unlawful activity are transacted thereby making them appear to have
7 originated from legitimate sources. It is committed by the following:

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

11 (b) Any person who, knowing that any monetary instrument or property
12 represents, involves, or relates to, the proceeds of any unlawful activity, performs any act
13 or fails to perform any act, as a result of which act or omission, he, in any manner and by
14 any means, directly or indirectly, abets, assists in, or otherwise facilitates the offense of
15 money laundering referred to in Paragraph (a), above.

16 (c) Any person who, with knowledge that any monetary instrument or
17 property, is required under this Act to be disclosed and filed with the government, the
18 Supervising Authority, or the Anti-Money Laundering Unit ("AMLU"), fails to disclose
19 such monetary instrument or property.

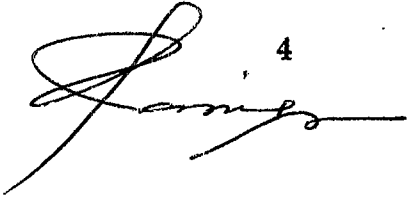

20 SEC. 5. *Jurisdiction of Money Laundering Cases; Witness Protection Program.*
21 The Regional Trial Courts shall have jurisdiction to try all cases of money laundering,
22 except those committed by public officers, which shall be under the jurisdiction of the
23 Sandiganbayan. Whenever called upon to testify in court or in any criminal investigation
24 in connection with a money laundering crime under this Act, any person shall be admitted
25 to the witness protection, security and benefit program of the government under R.A. No.
26 6981, otherwise known as the Witness Protection, Security and Benefit Act.

27 SEC. 6. *Prosecution of Money Laundering*

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

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

32 SEC. 7. *Creation of Anti-Money Laundering Unit (AMLU).* The BSP is hereby
33 authorized to establish a unit to function as the Anti-Money Laundering Unit (AMLU).
34 The AMLU shall be assisted in its operations by a Secretariat headed by an Executive



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1 Director who shall be appointed by the BSP for a term of four (4) years. He must be a
2 member of the Philippine Bar, at least thirty-five (35) years of age and of good moral
3 character, unquestionable integrity and known probity. The AMLU shall have the
4 following powers and functions:

- 5
- 6 (a) To cause the filing of complaints with the Department of Justice for
7 the prosecution of money laundering offenses;
- 8 (b) Subject to Section 13, to investigate covered transactions, money
9 laundering offenses and other violations of this Act;
- 10 (c) To require and receive covered transaction reports from covered
11 institutions;
- 12 (d) Subject to Section 13, to issue orders to the appropriate Supervising
13 Authority or the covered institution concerned to determine the true
14 identity of the owner of any monetary instrument or property subject
15 of a covered transaction report or request for assistance from a foreign
16 state, or believed by the AMLU, on the basis of substantial evidence,
17 to be, in whole or in part, wherever located, representing, involving, or
18 related to, directly or indirectly, in any manner or by any means, the
19 proceeds of an unlawful activity;
- 20 (e) To implement such measures as may be necessary and justified under
21 this Act to counteract money laundering;
- 22 (f) To receive and take appropriate action in respect of, any requests from
23 foreign states for assistance in their own anti-money laundering
24 operations as provided for in Section 17;
- 25 (g) To enlist the assistance of any branch, department, bureau, office,
26 agency or instrumentality of the Government, including government-
27 owned and -controlled corporations, in undertaking any and all anti-
28 money laundering operations under this Act; and
- 29 (h) To appoint such other officers and employees subject to Civil Service
30 law, rules and regulation.
- 31 (i) To require, by way of subpoena *duces tecum* or *ad testificandum*, any
32 person to answer questions at a specified time and place, furnish
33 information or produce such documents as may be required with
34 respect to a covered transaction, money laundering offense, or any


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1 other matter in respect thereof, after it shall have determined on the
2 basis of substantial evidence that the covered transaction in question is,
3 directly or indirectly, wholly or partly, involved in a money laundering
4 offense.

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



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

15 The provisions of existing laws to the contrary notwithstanding, anonymous
16 accounts, accounts under fictitious names, and all other similar accounts shall be
17 absolutely prohibited. In case of numbered accounts, the BSP shall conduct quarterly
18 random testing to ensure that all the true owners of such accounts are known to the banks
19 concerned.

20 (b) Recordkeeping. - All records of all transactions of covered institutions shall be
21 maintained and safely stored for five (5) years from the dates of transactions. With
22 respect to closed accounts, the records on customer identification, account files and
23 business correspondence, shall be preserved and safely stored for at least five (5) years
24 from the dates when they were closed.

25 (c) Reporting of Covered Transactions. - Covered institutions shall report to
26 the AMLU all covered transactions within five (5) working days from occurrence thereof,
27 unless the Supervising Authority concerned prescribes a longer period not exceeding ten
28 (10) working days.

29 When reporting covered transactions to the AMLU, covered institutions and their
30 officers, employees, representatives, agents, advisors, consultants or associates shall not
31 be deemed to have violated R.A. No. 1405, as amended, R.A. No. 6426, as amended,
32 R.A. No. 8791 and other similar laws, but are prohibited from communicating, directly or
33 indirectly, in any manner or by any means, to any person the fact that a covered
34 transaction report was made, the contents thereof, or any other information in relation

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1 therefor. In case of violation thereof, the concerned officer, employee, representative,
2 agent, advisor, consultant or associate of the covered institution, shall be criminally liable.
3 However, no administrative, criminal or civil proceedings, shall lie against any person for
4 having made a covered transaction report in the regular performance of his duties and in
5 good faith, whether or not such reporting results in any criminal prosecution under this
6 Act or any other Philippine law.

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

16 SEC. 10. Forfeiture Provisions.

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

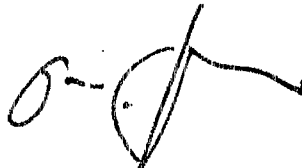
24 (b) Claim on Forfeited Assets. - Where the Court has issued an order of
25 forfeiture of the monetary instrument or property in a criminal prosecution for any money
26 laundering offense defined under Section 4 of this Act, the offender or any other person
27 claiming an interest therein may apply,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

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1 (c) Payment in lieu of forfeiture. - Where the Court has issued an order of
2 forfeiture of the monetary instrument or property subject of a money laundering offense
3 defined under Section 4, and said order cannot be enforced because any particular
4 monetary instrument or property cannot, with due diligence, be located, or it has been
5 substantially altered, destroyed, diminished in value or otherwise rendered worthless by
6 any act or omission directly or indirectly attributable to the offender, or it has been
7 concealed, removed, converted or otherwise transferred to prevent the same from being
8 found or to avoid forfeiture thereof, or it is located outside the Philippines or has been
9 placed or brought outside the jurisdiction of the Court, or it has been commingled with
10 other monetary instruments or property belonging to either the offender himself or a third
11 person or entity, thereby rendering the same difficult to identify or be segregated for
12 purposes of forfeiture, the Court may, instead of enforcing the order of forfeiture of the
13 monetary instrument or property or part thereof or interest therein, accordingly order the
14 convicted offender to pay an amount equal to the value of said monetary instrument or
15 property. This provision shall apply in both civil and criminal forfeiture.

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

26 SEC. 12. *Provisional Remedies Pending Criminal Proceedings.* Upon the filing of
27 the information for the crime of money laundering the court may, *motu proprio*, or upon
28 verified motion of the prosecution, issue temporary restraining orders, writs of injunction,
29 writs of attachment or garnishment or other equitable provisional reliefs, or take other
30 appropriate action, for the tracking, seizure and preservation of the monetary instrument
31 or property alleged to be proceeds of an unlawful activity to prevent the same from being
32 removed, concealed, converted, commingled with other property, or otherwise placed
33 beyond the jurisdiction of the Court during the pendency of the criminal proceedings.



1 SEC. 13. *Prohibition Against Bond.* No bond or other undertaking shall be
2 allowed that is directed at dissolving, quashing or otherwise lifting the writs, processes
3 and all other orders issued by the Court under this Act.

4 SEC. 14. *Mutual Assistance among States.*

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

11 (b) Powers of the AMLU to Act on a Request for Assistance from a Foreign
12 State. - The AMLU may execute a request for assistance from a foreign state
13 by: (1) tracking down, freezing, restraining and seizing assets alleged to be
14 proceeds of any unlawful activity under the procedures laid down in this Act;
15 (2) giving information needed by the foreign state within the procedures laid
16 down in Section 11 (n); and (3) applying for an order of forfeiture of any
17 monetary instrument or property in the Court, provided that the Court shall not
18 issue such an order unless the application is accompanied by an authenticated
19 copy of the order of a Court in the requesting state ordering the forfeiture of
20 said monetary instrument or property of a person who has been convicted of a
21 money laundering offense in the requesting state, and a certification or an
22 affidavit of a competent officer of the requesting state stating that the
23 conviction and the order of forfeiture are final and that no further appeal lies in
24 respect of either.

25 (c) Obtaining Assistance From Foreign States. - The AMLU may make a request
26 to any foreign state for assistance in (1) tracking down, freezing, restraining
27 and seizing assets alleged to be proceeds of any unlawful activity; (2)
28 obtaining information that it needs relating to any covered transaction, money
29 laundering offense or any other matter directly or indirectly related thereto; (3)
30 to the extent allowed by the law of the foreign state, applying with the proper
31 Court therein for an order to enter any premises belonging to or in the
32 possession or control of, any or all of the persons named in said request,
33 and/or search any or all such persons named therein and/or remove any
34 document, material or object named in said request, provided, that the

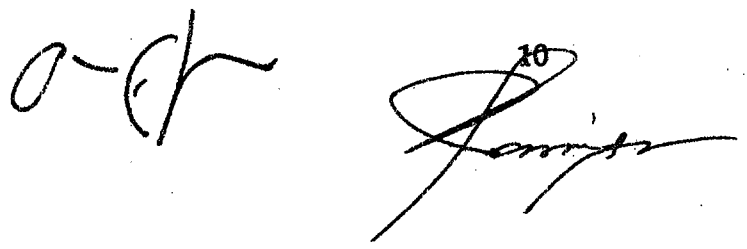


documents accompanying the request in support of the application have been duly authenticated in accordance with the applicable law or regulation of the foreign state; and (4) applying for an order of forfeiture of any monetary instrument or property in the proper Court in the foreign state, provided that the request is accompanied by an authenticated copy of the order of the Regional Trial Court ordering the forfeiture of said monetary instrument or property of a convicted offender and an affidavit of the Clerk of Court stating that the conviction and the order of forfeiture are final and that no further appeal lies in respect of either.

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

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

(f) Authentication of Documents. - For purposes of this Section, a document is authenticated if the same is signed or certified by a judge, magistrate or



1 equivalent officer in or of, the requesting state, and authenticated by the oath
 2 or affirmation of a witness or sealed with an official or public seal of a
 3 minister, secretary of state, or officer in or of, the government of the
 4 requesting state, or of the person administering the government or a
 5 department of the requesting territory, protectorate or colony. The certificate
 6 of authentication may also be made by a secretary of the embassy or legation,
 7 consul general, consul, vice consul, consular agent or any officer in the foreign
 8 service of the Philippines stationed in the foreign state in which the record is
 9 kept, and authenticated by the seal of his office.

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


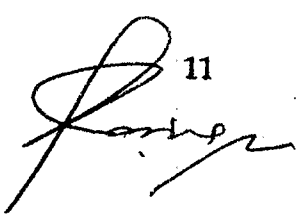
13 SEC. 15. Penal Provisions. (a) Penalties for the Crime of Money Laundering.

14 The punishment of imprisonment ranging from seven (7) to fourteen (14) years or a fine
 15 of not less than One million Philippine pesos (P1,000,000.00) but not more than twice the
 16 value of the monetary instrument or property involved in the offense, or both, shall be
 17 imposed on a person convicted under Section 4(a).

18 The punishment of imprisonment from four (4) to eight (8) years or a fine of not
 19 less than Five hundred thousand Philippine Pesos (P500,000.00) but not more than One
 20 million Philippine Pesos (P1,000,000.00), or both, shall be imposed upon a person
 21 convicted under Section 4 (b).

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

26 Provided, that if the offender under the two preceding paragraphs is a corporation,
 27 association, partnership, or any juridical person, the penalty shall be imposed upon the
 28 president, director, or responsible officers, as the case may be, who participated in the
 29 commission of the crime or who shall have knowingly permitted or failed to prevent its
 30 commission: Provided, further, that if the offender is a juridical person, the court may
 31 suspend or revoke its license upon conviction: Provided, further, that if the offender is an
 32 alien, he shall, in addition to the penalties herein prescribed, be deported without further
 33 proceedings: Provided finally, that if the offender is a public official, or employee, he


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1 shall, in addition to the penalties prescribed herein, suffer perpetual or temporary absolute
2 disqualification from office, as the case may be.

3 (b) Malicious Reporting. Any person who, with malice, or in bad faith, reports or
4 files a completely unwarranted or false information relative to money laundering
5 transaction against any person shall be subject to a penalty of one (1) month and one (1)
6 day to six (6) months imprisonment or a fine not exceeding One hundred thousand
7 Philippine Pesos (P100,000.00) or both, at the discretion of the court.

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

12 (d) Other Violations of this Act. - The violation of any of the other provisions
13 of this Act shall be punished by imprisonment from six (6) months to four (4) years or a
14 fine of not less than One Hundred Thousand Philippine Pesos (P100,000.00) but not more
15 than Five Hundred Thousand Philippine Pesos (P500,000.00), or both at the discretion of
16 the court.

17 SEC. 16. *Implementing Rules.* Within thirty (30) days from the effectivity of this
18 Act, the BSP, in coordination with all the concerned supervising authorities, shall
19 promulgate the rules and regulations to implement effectively the provisions of this Act.

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

23 SEC. 17. *Separability Clause.* If any provision or section of this Act or the
24 application thereof to any person or circumstance is held to be unconstitutional or invalid,
25 the other provisions or sections of this Act, and the application of such provision or
26 section to other persons or circumstances, shall not be affected thereby and shall continue
27 to be in full force and effect.

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

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

Approved.