



## HOUSE OF REPRESENTATIVES

H. No. 6565

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BY REPRESENTATIVES BELMONTE (F.), GONZALES (N.), ANGARA, TUGNA,  
CRUZ-GONZALES, SUAREZ, APOSTOL, KHO (D.), PICHAY, LAPUS,  
LAGDAMEO (M.) AND LICO

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AN ACT FURTHER STRENGTHENING THE ANTI-MONEY  
LAUNDERING LAW, AMENDING FOR THE PURPOSE  
REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS THE  
“ANTI-MONEY LAUNDERING ACT OF 2001”, AS AMENDED

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

1 SECTION 1. Section 3(a) of Republic Act No. 9160, as amended, is  
2 hereby further amended to read as follows:

3 “(a) ‘Covered institution **OR INDIVIDUAL**’ refers to:

4 “(1) banks, non-banks, quasi-banks, trust entities,  
5 **PAWNSHOPS, FOREIGN EXCHANGE CORPORATIONS, MONEY**  
6 **CHANGERS, MONEY PAYMENT, REMITTANCE AND TRANSFER**  
7 **COMPANIES AND OTHER SIMILAR ENTITIES** and all other  
8 institutions and their subsidiaries and affiliates supervised or  
9 regulated by the Bangko Sentral ng Pilipinas (BSP);

10 “(2) insurance companies and all other institutions  
11 supervised or regulated by the Insurance Commission (**IC**);

12 [and]

1           “(3) (i) securities dealers, brokers, salesmen, investment  
2 houses and other similar entities managing securities or  
3 rendering services as investment agent, advisor, or consultant,  
4 (ii) mutual funds, close-end investment companies, common  
5 trust funds, [pre-need companies] and other similar entities,  
6 [(iii) foreign exchange corporations, money changers, money  
7 payment, remittance, and transfer companies and other similar  
8 entities,] and [(iv)] (III) other entities administering or otherwise  
9 dealing in currency, commodities or financial derivatives based  
10 thereon, valuable objects, cash substitutes and other similar  
11 monetary instruments or property supervised or regulated by THE  
12 Securities and Exchange Commission (SEC);

13           “(4) DEALERS IN PRECIOUS STONES;

14           “(5) TRUST AND COMPANY SERVICE PROVIDERS WHICH,  
15 AS A BUSINESS, PROVIDE ANY OF THE FOLLOWING SERVICES  
16 TO THIRD PARTIES: (I) ACTING AS A FORMATION AGENT OF  
17 JURIDICAL PERSONS; (II) ACTING AS (OR ARRANGING FOR  
18 ANOTHER PERSON TO ACT AS) A DIRECTOR OR CORPORATE  
19 SECRETARY OF A COMPANY, A PARTNER OF A PARTNERSHIP,  
20 OR A SIMILAR POSITION IN RELATION TO OTHER JURIDICAL  
21 PERSONS; (III) PROVIDING A REGISTERED OFFICE, BUSINESS  
22 ADDRESS OR ACCOMMODATION, CORRESPONDENCE OR  
23 ADMINISTRATIVE ADDRESS FOR A COMPANY, A PARTNERSHIP  
24 OR ANY OTHER JURIDICAL PERSON OR ARRANGEMENT; (IV)  
25 ACTING AS (OR ARRANGING FOR ANOTHER PERSON TO ACT AS)

1 A TRUSTEE OF AN EXPRESS TRUST; AND (V) ACTING AS (OR  
2 ARRANGING FOR ANOTHER PERSON TO ACT AS) A NOMINEE  
3 SHAREHOLDER FOR ANOTHER PERSON; AND

4 “(6) PERSONS WHO PROVIDE ANY OF THE FOLLOWING  
5 SERVICES: (I) MANAGING OF CLIENT MONEY, SECURITIES  
6 OR OTHER ASSETS; (II) MANAGEMENT OF BANK, SAVINGS  
7 OR SECURITIES ACCOUNTS; (III) ORGANIZATION OF  
8 CONTRIBUTIONS FOR THE CREATION, OPERATION OR  
9 MANAGEMENT OF COMPANIES; AND (IV) CREATION,  
10 OPERATION OR MANAGEMENT OF JURIDICAL PERSONS OR  
11 ARRANGEMENTS, AND BUYING AND SELLING BUSINESS  
12 ENTITIES.”

13 SEC. 2. Section 3(i) of the same Act, as amended, is hereby further  
14 amended to read as follows:

15 “(i) ‘Unlawful activity’ refers to any act or omission or  
16 series or combination thereof involving or having direct relation  
17 to the following:

18 “(1) Kidnapping for ransom under Article 267 of Act  
19 No. 3815, otherwise known as the Revised Penal Code, as  
20 amended;

21 “(2) Sections 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, and 16  
22 of Republic Act No. 9165, otherwise known as the  
23 Comprehensive Dangerous Drugs Act of 2002;

24 “(3) Section 3 paragraphs B, C, E, G, H and I of  
25 Republic Act No. 3019, as amended, otherwise known as the  
26 Anti-Graft and Corrupt Practices Act;

27 “(4) Plunder under Republic Act No. 7080, as amended;

1           “(5) Robbery and extortion under Articles 294, 295, 296,  
2           299, 300, 301 and 302 of the Revised Penal Code, as amended;

3           “(6) Jueteng and Masiao punished as illegal gambling  
4           under Presidential Decree No. 1602;

5           “(7) Piracy on the high seas under the Revised Penal  
6           Code, as amended and Presidential Decree No. 532;

7           “(8) Qualified theft under Article 310 of the Revised  
8           Penal Code, as amended;

9           “(9) Swindling under Article 315 of the Revised Penal  
10          Code, as amended;

11          “(10) Smuggling under Republic Act Nos. 455 and 1937;

12          “(11) Violations under Republic Act No. 8792, otherwise  
13          known as the Electronic Commerce Act of 2000;

14          “(12) Hijacking and other violations under Republic Act  
15          No. 6235; destructive arson and murder, as defined under the  
16          Revised Penal Code, as amended[, including those perpetrated  
17          by terrorists against non-combatant persons and similar targets];

18          “(13) **TERRORISM AND CONSPIRACY TO COMMIT**  
19          **TERRORISM AS DEFINED AND PENALIZED UNDER REPUBLIC**  
20          **ACT NO. 9372;**

21          “(14) **FINANCING OF TERRORISM AS DEFINED AND**  
22          **PENALIZED BY LAW;**

23          “(15) **BRIBERY UNDER ARTICLES 210, 211, 211-A OF**  
24          **THE REVISED PENAL CODE, AS AMENDED, AND CORRUPTION**  
25          **OF PUBLIC OFFICERS UNDER ARTICLE 212 OF THE REVISED**  
26          **PENAL CODE, AS AMENDED;**

1           “(16) FRAUDS AND ILLEGAL EXACTIONS AND  
2           TRANSACTIONS UNDER ARTICLES 213, 214, 215 AND 216 OF  
3           THE REVISED PENAL CODE, AS AMENDED;

4           “(17) MALVERSATION OF PUBLIC FUNDS AND  
5           PROPERTY UNDER ARTICLES 217 AND 222 OF THE REVISED  
6           PENAL CODE, AS AMENDED;

7           “(18) FORGERIES AND COUNTERFEITING UNDER  
8           ARTICLES 163, 166, 167, 168, 169 AND 176 OF THE REVISED  
9           PENAL CODE, AS AMENDED;

10          “(19) VIOLATIONS OF SECTIONS 4 TO 6 OF  
11          REPUBLIC ACT NO. 9208, OTHERWISE KNOWN AS THE  
12          ANTI-TRAFFICKING IN PERSONS ACT OF 2003;

13          “(20) VIOLATIONS OF SECTIONS 68 TO 79 OF CHAPTER  
14          IV OF PRESIDENTIAL DECREE NO. 705, OTHERWISE KNOWN  
15          AS THE REVISED FORESTRY CODE OF THE PHILIPPINES, AS  
16          AMENDED;

17          “(21) VIOLATION OF REPUBLIC ACT NO. 6539,  
18          OTHERWISE KNOWN AS THE ANTI-CARNAPPING ACT OF 2002,  
19          AS AMENDED;

20          “(22) VIOLATIONS OF SECTIONS 1, 3 AND 5 OF  
21          PRESIDENTIAL DECREE NO. 1866, AS AMENDED, OTHERWISE  
22          KNOWN AS THE DECREE CODIFYING THE LAWS ON  
23          ILLEGAL/UNLAWFUL POSSESSION, MANUFACTURE, DEALING  
24          IN, ACQUISITION OR DISPOSITION, OF FIREARMS,  
25          AMMUNITION OR EXPLOSIVES;

26          “(23) VIOLATION OF PRESIDENTIAL DECREE NO. 1612,  
27          OTHERWISE KNOWN AS THE ANTI-FENCING LAW;

1            “[13](24) Fraudulent practices and other violations under  
2            Republic Act No. 8799, otherwise known as the Securities  
3            Regulation Code of 2000; AND

4            “[14](25) Felonies or offenses of a similar nature that are  
5            punishable under the penal laws of other countries.”

6            SEC. 3. Section 4 of the same Act, as amended, is hereby further  
7            amended to read as follows:

8            “SEC. 4. *Money Laundering Offense.* – Money  
9            laundering is a crime whereby the proceeds of an unlawful  
10           activity as herein defined are transacted, CONVERTED,  
11           TRANSFERRED, DISPOSED OF, MOVED, ACQUIRED, POSSESSED,  
12           USED, CONCEALED OR DISGUISED, thereby making them appear  
13           to have originated from legitimate sources. [It is committed by  
14           the following:]

15           “[(a) Any person knowing that any monetary instrument  
16           or property represents, involves, or relates to, the proceeds of  
17           any unlawful activity, transacts or attempts to transact said  
18           monetary instrument or property.

19           “(b) Any person knowing that any monetary instrument  
20           or property involves the proceeds of any unlawful activity,  
21           performs or fails to perform any act as a result of which he  
22           facilitates the offense of money laundering referred to in  
23           paragraph (a) above.

24           “(c) Any person knowing that any monetary instrument  
25           or property is required under this Act to be disclosed and filed  
26           with the Anti-Money Laundering Council (AMLC), fails to do  
27           so”.]

1           "IT IS COMMITTED BY ANY PERSON WHO, KNOWING  
2           THAT ANY MONETARY INSTRUMENT OR PROPERTY  
3           REPRESENTS, INVOLVES, OR RELATES TO THE PROCEEDS OF  
4           ANY UNLAWFUL ACTIVITY:

5           "(A) TRANSACTS OR ATTEMPTS TO TRANSACT SAID  
6           MONETARY INSTRUMENT OR PROPERTY;

7           "(B) CONVERTS, TRANSFERS, DISPOSES OF, MOVES,  
8           ACQUIRES, POSSESSES OR USES, OR ATTEMPTS TO CONVERT,  
9           TRANSFER, DISPOSE OF, MOVE, ACQUIRE, POSSESS OR USE SAID  
10          MONETARY INSTRUMENT OR PROPERTY;

11          "(C) CONCEALS OR DISGUISES OR ATTEMPTS TO  
12          CONCEAL OR DISGUISE THE TRUE NATURE, SOURCE,  
13          LOCATION, DISPOSITION, MOVEMENT OR OWNERSHIP OF OR  
14          RIGHTS WITH RESPECT TO SAID MONETARY INSTRUMENT OR  
15          PROPERTY; AND

16          "(D) PERFORMS OR FAILS TO PERFORM ANY ACT AS A  
17          RESULT OF WHICH HE FACILITATES THE OFFENSE OF MONEY  
18          LAUNDERING REFERRED TO IN PARAGRAPHS (A), (B) OR (C)  
19          ABOVE.

20          "MONETARY LAUNDERING IS ALSO COMMITTED BY ANY  
21          PERSON WHO, KNOWING THAT ANY MONETARY INSTRUMENT  
22          OR PROPERTY IS REQUIRED UNDER THIS ACT TO BE DISCLOSED  
23          AND FILED WITH THE ANTI-MONEY LAUNDERING COUNCIL  
24          (AMLC), FAILS TO DO SO."

25          SEC. 4. Section 7 of the same Act, as amended, is hereby further  
26          amended to read as follows:

27                 "SEC. 7. *Creation of Anti-Money Laundering Council*  
28                 (AMLC). - The Anti-Money Laundering Council is hereby  
29                 created and shall be composed of the Governor of the Bangko

1           Sentral ng Pilipinas as chairman, the Commissioner of the  
2           Insurance Commission and the Chairman of the Securities and  
3           Exchange Commission as members. The AMLC shall act  
4           unanimously in the discharge of its functions as defined  
5           hereunder:

6           “x x x

7           “(6) to apply before the Court of Appeals, *ex parte*, for  
8           the freezing of any monetary instrument or property alleged to be  
9           [the proceeds of] **RELATED IN ANY WAY TO** any unlawful  
10          activity as defined in Section 3(i) hereof;

11          “x x x.”

12          SEC. 5. Section 9(c), paragraphs 1 and 4 of the same Act, as amended,  
13          are hereby further amended to read as follows:

14                 “SEC. 9. *Prevention of Money Laundering; Customer*  
15                 *Identification Requirements and Record Keeping.* – (a) x x x

16                 “(b) x x x

17                 “(c) Reporting of Covered and Suspicious Transactions.  
18                 – Covered institutions shall report to the AMLC all covered  
19                 transactions and suspicious transactions within five (5) working  
20                 days from occurrence thereof, unless the [Supervising Authority]  
21                 **AMLC** prescribes a [longer] **DIFFERENT** period not exceeding  
22                 [ten (10)] **FIFTEEN (15)** working days.

23                 “x x x

24                 “When reporting covered or suspicious transactions to the  
25                 AMLC, covered institutions and their officers and employees  
26                 shall not be deemed to have violated Republic Act No. 1405, as  
27                 amended, Republic Act No. 6426, as amended, Republic Act



1 No. 8791 and other similar laws, but are prohibited from  
2 communicating, directly or indirectly, in any manner or by any  
3 means, to any person[,] OR ENTITY, THE MEDIA, the fact that a  
4 covered or suspicious transaction [report was made,] HAS BEEN  
5 REPORTED OR IS ABOUT TO BE REPORTED, the contents  
6 [thereof,] OF THE REPORT, or any other information in relation  
7 thereto. In case of violation thereof, the concerned officer and  
8 employee of the covered institution shall be criminally liable.  
9 However, no administrative, criminal or civil proceedings, shall  
10 lie against any person for having made a covered or suspicious  
11 transaction report in the regular performance of his duties in  
12 good faith, whether or not such reporting results in any criminal  
13 prosecution under this Act or any other law.

14 "x x x."

15 SEC. 6. Section 12 of the same Act is hereby amended to read as  
16 follows:

17 "SEC. 12. *Forfeiture Provisions.* -

18 "(a) Civil Forfeiture. - [When there is a covered  
19 transaction report made, and the court has, in a petition filed for  
20 the purpose ordered seizure of any monetary instrument or  
21 property, in whole or in part, directly or indirectly, related to said  
22 report, the Revised Rules of Court on civil forfeiture shall  
23 apply.] UPON SWORN STATEMENT OF AN AUTHORIZED  
24 OFFICIAL OR REPRESENTATIVE OF THE AMLC THAT ANY  
25 MONETARY INSTRUMENT OR PROPERTY IS FOUND TO BE  
26 RELATED IN ANY WAY TO AN UNLAWFUL ACTIVITY AS DEFINED  
27 UNDER SECTION 3(I) HEREOF OR A MONEY LAUNDERING

1           **OFFENSE UNDER SECTION 4** HEREOF, **THE AMLC SHALL FILE**  
2           **WITH THE COURT OF APPEALS, THROUGH THE OFFICE OF THE**  
3           **SOLICITOR GENERAL, A PETITION FOR FORFEITURE AND THE**  
4           **RULES OF COURT ON CIVIL FORFEITURE SHALL APPLY.”**

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

19          “(c) Payment in Lieu of Forfeiture. – Where the [court]  
20          **COURT OF APPEALS** has issued an order of forfeiture of the  
21          monetary instrument or property subject of a money laundering  
22          offense defined under Section 4, and said order cannot be  
23          enforced because any particular monetary instrument or property  
24          cannot, with due diligence, be located, or it has been  
25          substantially altered, destroyed, diminished in value or otherwise  
26          rendered worthless by any act or omission, directly or indirectly,  
27          attributable to the offender, or it has been concealed, removed,

1 converted or otherwise transferred to prevent the same from  
2 being found or to avoid forfeiture thereof, or it is located outside  
3 the Philippines or has been placed or brought outside the  
4 jurisdiction of the [court] COURT OF APPEALS, or it has been  
5 commingled with other monetary instruments or property  
6 belonging to either the offender himself or a third person or  
7 entity, thereby rendering the same difficult to identify or be  
8 segregated for purposes of forfeiture, the [court] COURT OF  
9 APPEALS may, instead of enforcing the order of forfeiture of the  
10 monetary instrument or property or part thereof or interest  
11 therein, accordingly order the convicted offender to pay an  
12 amount equal to the value of said monetary instrument or  
13 property. This provision shall apply in both civil and criminal  
14 forfeiture.

15 **"(D) DISPOSITION OF FORFEITED ASSETS AND**  
16 **RETENTION.** - AFTER DEDUCTING COST OF LITIGATION,  
17 NINETY PERCENT (90%) OF THE NET PROCEEDS OF THE  
18 FORFEITED ASSETS OR PROCEEDS THEREFROM SHALL BE  
19 TURNED OVER TO THE NATIONAL TREASURY AND THE  
20 REMAINING TEN PERCENT (10%) BUT IN NO CASE MORE THAN  
21 TWO MILLION PESOS (Php2,000,000.00) SHALL BE RETAINED  
22 BY THE AMLC TO AUGMENT THE APPROPRIATION FOR  
23 ITS OPERATIONS AND MAINTENANCE IN THE GENERAL  
24 APPROPRIATIONS ACT. FOR THIS PURPOSE, THE AMLC MAY  
25 PROMULGATE RULES ON THE SALE OF FORFEITED ASSETS."

1           SEC. 7. Section 14 of the same Act, as amended, is hereby further  
2 amended to read as follows:

3           “SEC. 14. Penal Provisions. – (a) Penalties for the Crime  
4 of Money Laundering. The penalty of imprisonment ranging  
5 from seven (7) to fourteen (14) years and a fine of not less than  
6 Three million Philippine pesos (Php3,000,000.00) but not more  
7 than twice the value of the monetary instrument or property  
8 involved in the offense, shall be imposed upon a person  
9 convicted under Section 4(a), (B), AND (C) of this Act.

10           “The penalty of imprisonment from four (4) to seven (7)  
11 years and a fine of not less than One million five hundred  
12 thousand Philippine pesos (Php1,500,000.00) but not more than  
13 Three million Philippine pesos (Php3,000,000.00), shall be  
14 imposed upon a person convicted under Section 4[(b)](D) of this  
15 Act.

16           “The penalty of imprisonment from six (6) months to four  
17 (4) years or a fine of not less than One hundred thousand  
18 Philippine pesos (Php100,000.00) but not more than Five  
19 hundred thousand Philippine pesos (Php500,000.00), or both,  
20 shall be imposed on a person convicted under THE LAST  
21 PARAGRAPH OF Section 4[(c)] of this Act.

22           “(b) x x x

23           “(c) x x x

24           “(d) x x x

25           “(E) IMPOSITION OF ADMINISTRATIVE SANCTIONS.  
26 AFTER DUE NOTICE AND HEARING, THE AMLC SHALL, AT ITS  
27 DISCRETION, IMPOSE MONETARY PENALTIES, WARNING OR  
28 REPRIMAND, UPON ANY COVERED INSTITUTION, ITS

1 DIRECTORS, OFFICERS, EMPLOYEES OR ANY OTHER PERSON  
2 FOR VIOLATIONS OF THIS ACT, ITS IMPLEMENTING RULES AND  
3 REGULATIONS, OR FOR FAILURE OR REFUSAL TO COMPLY  
4 WITH AMLC ORDERS, RESOLUTIONS AND OTHER ISSUANCES.  
5 SUCH MONETARY PENALTIES SHALL BE IN AMOUNTS AS MAY  
6 BE DETERMINED BY THE COUNCIL TO BE APPROPRIATE,  
7 WHICH SHALL BE NOT MORE THAN ONE HUNDRED THOUSAND  
8 PHILIPPINE PESOS (PHP100,000.00) PER VIOLATION, WHICH  
9 AMOUNT SHALL BE REMITTED TO THE NATIONAL TREASURY.  
10 THE AMLC MAY PROMULGATE RULES ON FINES AND  
11 PENALTIES TAKING INTO CONSIDERATION THE ATTENDANT  
12 CIRCUMSTANCES, SUCH AS THE NATURE AND GRAVITY OF THE  
13 VIOLATION OR IRREGULARITY, THE SIZE, FUNCTIONS AND  
14 RESOURCES OF THE COVERED INSTITUTION. THE IMPOSITION  
15 OF THE ADMINISTRATIVE SANCTIONS SHALL BE WITHOUT  
16 PREJUDICE TO THE FILING OF CRIMINAL CHARGES AGAINST  
17 THE PERSONS RESPONSIBLE FOR THE VIOLATION.”

18 SEC. 8. *Separability Clause.* – If any provision of this Act is declared  
19 unconstitutional, the same shall not affect the validity and effectivity of the  
20 other provisions hereof.

21 SEC. 9. *Repealing Clause.* – All laws, decrees, orders and issuances  
22 or portions thereof which are inconsistent with the provisions of this Act are  
23 hereby repealed or modified accordingly.

24 SEC. 10. *Effectivity.* – This Act shall take effect fifteen (15) days  
25 following its publication in at least two (2) national newspapers of general  
26 circulation.

Approved,