



# *Bangko Sentral ng Pilipinas*

## OFFICE OF THE DEPUTY GOVERNOR SUPERVISION AND EXAMINATION SECTOR

CIRCULAR LETTER NO. CL- 2008 - 012

To : **All Banks and Non-Bank Financial Institutions  
Under BSP Supervision**

Subject : **Anti-Money Laundering Council (AMLC)  
Resolution No. 101 dated 19 December 2007**

Pursuant to Anti-Money Laundering Council Resolution No. 101 dated 19 December 2007, you are hereby informed that on 9 October 2007, the 1267 UN Security Council Committee added the names of **Abdul Rahim Al-Talhi, Muhammad 'Abdallah Salih Sughayr** and **Fahd Muhammad 'Abd Al-'Aziz Al-Khasiban** to the consolidated list of entities and individuals associated with the Al-Qaida, the Taliban or Usama bin Ladin subject to UN Security Council-mandated sanctions for their being associated with terrorists.

Under the same resolution, all covered institutions are required to submit within five (5) days from receipt of copy of said resolution, reports of covered or suspicious transaction, if any, involving **Abdul Rahim Al-Talhi, Muhammad 'Abdallah Salih Sughayr** and **Fahd Muhammad 'Abd Al-'Aziz Al-Khasiban** or by persons acting on their behalf.

In accordance with Sections 7 and 9 of the Anti-Money Laundering Act (AMLA) of 2001, as amended, and Rule 9.3 of the Revised Implementing Rules and Regulations, you are hereby directed to submit directly to the AMLC reports of covered and suspicious transaction, if any, involving the above named individuals.

For your guidance and strict implementation.

  
NESTOR A. ESPENILLA JR.  
Deputy Governor

29 February 2008  
Att: A/S

PANANALAPING MATATAG, BANSANG PANATAG



## ***Anti-Money Laundering Council***

**Bangko Sentral ng Pilipinas Complex  
Manila, Philippines**

### **RESOLUTION NO. 101**

**Series of 2007**

On October 1 and 16, 2007, the Government of the United States of America, through its Embassy in Manila, requested the Anti-Money Laundering Council (AMLC) to carefully check any funds, financial assets or economic resources, including property or interests in property owned or controlled directly or indirectly by the following individuals who allegedly provide support to the Abu Sayyaf Group (ASG):

- 1. Abdul Rahim Al-Talhi;**
- 2. Muhammad 'Abdallah Salih Sughayr; and**
- 3. Fahd Muhammad 'Abd Al-'Aziz Al-Khashiban.**

Information available to the US Government disclosed the following:

**1. Abdul Rahim Al-Talhi (Al-Talhi)**, an al-Qaida-affiliated financier, is a loyal colleague of Usama bin Laden and a member of a Saudi Arabia-based donor network funding terrorists. For many years, Al-Talhi provided financial assistance to the ASG and had helped groom ASG leaders. Information likewise disclosed that Al-Talhi regularly provides the ASG with al-Qaida ideological and training material, including the al-Qaida operational manual;

**2. Muhammad 'Abdallah Salih Sughayr (Sughayr)** provides support to terrorist groups in Southeast Asia and has been identified as one of the major financial supporters of the ASG. From 1998 to 2003, Sughayr ensured continued financial and ideological support to the ASG and other Islamic extremists in the Philippines. He also facilitated weapons and ammunition shipments to the ASG and provided advice and assistance to the group. In addition, Sughayr recruited Arabs to provide training and assistance to the ASG; and

**3. Fahd Muhammad 'Abd Al-'Aziz Al-Khashiban (Al-Khashiban)** provides support to the leadership of the ASG. In 2002, Al-Khashiban gave then ASG-leader Khadaffy Janjalani approximately \$18,000.00 to finance planned ASG bombing operation targeting either the US or the Australian embassy in Manila.

The United States Government submitted the names of these individuals to the UN 1267 Sanctions Committee for inclusion in its consolidated list of entities and individuals associated with Al-Qaida, the Taliban or Usama bin Laden subject to UN Security Council-mandated sanctions.

On 9 October 2007, the 1267 UN Security Council Committee added the names of **Abdul Rahim Al-Talhi, Muhammad 'Abdallah Salih Sughayr and Fahd Muhammad 'Abd Al-'Aziz Al-Khashiban** to the Al-Qaida section of Consolidated list.

Such inclusion of **Abdul Rahim Al-Talhi, Muhammad 'Abdallah Salih Sughayr and Fahd Muhammad 'Abd Al-'Aziz Al-Khashiban** in the list of the UN Security Council Committee validates their being associated with terrorists.

United Nations Security Council Resolution (UNSCR) 1373 adopted by the Security Council at its 4385th meeting on 28 September 2001 provides:

"Acting under Chapter VII of the Charter of the United Nations,

1. Decides that all States shall:

- (a) Prevent and suppress the financing of terrorist acts;
- (b) Criminalize the willful provision or collection, by any means, directly or indirectly, of funds by their nationals or in their territories with the intention that the funds should be used, or in the knowledge that they are to be used, in order to carry out terrorist acts;
- (c) Freeze without delay funds and other financial assets or economic resources of persons who commit, or attempt to commit, terrorist acts or participate in or facilitate the commission of terrorist acts; of entities owned or controlled directly or indirectly by such persons; and of persons and entities acting on behalf of, or at the direction of such persons and entities, including funds derived or generated from property owned or controlled directly or indirectly by such persons and associated persons and entities;

- (d) Prohibit their nationals or any persons and entities within their territories from making any funds, financial assets or economic resources or financial or other related services available, directly or indirectly, for the benefit of persons who commit or attempt to commit or facilitate or participate in the commission of terrorist acts, of entities owned or controlled, directly or indirectly, by such persons and of persons and entities acting on behalf of or at the direction of such persons."

Section 7(1) of R.A. 9160, as amended, provides:

"SEC. 7. Creation of Anti-Money Laundering Council (AMLC) - The Anti-Money Laundering Council is hereby created and shall be composed of the Governor of the Bangko Sentral ng Pilipinas as chairman, the Commissioner of the Insurance Commission and the Chairman of the Securities and Exchange Commission as members. The AMLC shall act unanimously in the discharge of its functions as defined hereunder:

- (1) to require and receive covered or suspicious transaction reports from covered institutions;

Moreover, the Revised Implementing Rules and Regulations of the Anti-Money Laundering Act of 2001, as amended, provide:

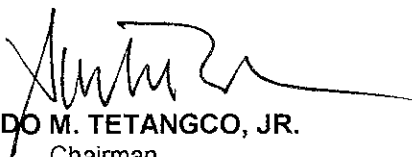
"Rule 13.7.2. Authority to Assist the United Nations and other International Organizations and Foreign States. - The AMLC is authorized under Section 7 (8) and 13 (b) and (d) of the AMLA to receive and take action in respect of any request of foreign states for assistance in their own anti-money laundering operations. It is also authorized under Section 7 (7) of the AMLA to cooperate with the National Government and/or take appropriate action in respect of conventions, resolutions and other directives of the United Nations (UN), the UN Security Council, and other international organizations of which the Philippines is a member. However, the AMLC may refuse to comply with any such request, convention, resolution or directive where the action sought therein contravenes the provision of the Constitution or the execution thereof is likely to prejudice the national interest of the Philippines.

As a charter member of the United Nations and as part of the international coalition against terrorism, the Philippines, through the Anti-Money Laundering Council, must actively support the actions required under the subject UNSC Resolutions.

The Council resolved to require all covered institutions to submit within five (5) days from receipt hereof, reports of covered or suspicious transaction, if any, involving **Abdul Rahim Al-Talhi, Muhammad 'Abdallah Salih Sughayr and Fahd Muhammad 'Abd Al-'Aziz Al-Khashiban** or by persons acting on their behalf.

The Bangko Sentral ng Pilipinas, the Securities and Exchange Commission and the Insurance Commission are requested to circularize this Resolution among all covered institutions under their respective jurisdictions.

19 December 2007, Manila, Philippines.



**AMANDO M. TETANGCO, JR.**  
Chairman  
(Governor, Bangko Sentral ng Pilipinas)



**E. B. BARIN**  
Member  
(Chairperson, Securities and Exchange Commission)



**EDUARDO T. MALINIS**  
Member  
(Commissioner, Insurance Commission)