



BANGKO SENTRAL NG PILIPINAS

**OFFICE OF THE DEPUTY GOVERNOR
SUPERVISION AND EXAMINATION SECTOR**

CIRCULAR LETTER NO. CL-2014- 012

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

Subject : Anti-Money Laundering Council (AMLC) Resolution No. 02 dated 22 January 2014

Please be informed that the AMLC, in its Resolution No. 02 dated 22 January 2014 (copy attached), resolved to remind all covered institutions to strictly observe the requirements of Rule 10.d of the Revised Implementing Rules and Regulations of R.A. No. 9160, as amended, when reporting related accounts by stating in the Returns the fact of such freezing and an explanation as to the grounds for the identification of related accounts.

For your guidance.


NESTOR A. ESPENILLA, JR.
Deputy Governor

10 February 2014

Att.: A/S



Anti-Money Laundering Council
Bangko Sentral ng Pilipinas Complex
Manila, Philippines

RESOLUTION NO. 72
Series of 2014

In its Memorandum dated 8 January 2014, the AMLC Secretariat (AMLCS) reported to the Council that:

"It has been observed by the Secretariat that some covered institutions, in tagging 'related accounts' in the Returns they file pursuant to freeze orders, do not include or state their reasons or grounds for tagging said accounts as related accounts, as mandated by Rule 10.d of the Revised Implementing Rules and Regulations of Republic Act No. 9160 which states:

'Rule 10.d. Upon receipt of the freeze order issued by the Court of Appeals and upon verification by the covered institution that the related accounts originated from and/or are materially linked to the monetary instrument or property subject of the freeze order, the covered institution shall freeze these related accounts wherever these may be found. The return of the covered institution as required under Rule 10.c.3 shall include the fact of such freezing and an explanation as to the grounds for the identification of the related accounts.'

If the related accounts cannot be determined within twenty-four (24) hours from receipt of the freeze order due to the volume and/or complexity of the transactions or any other justifiable factor(s), the covered institution shall effect the freezing of the related accounts, monetary instruments and properties as soon as practicable and shall submit a supplemental return thereof to the Court of Appeals and the AMLC within twenty-four (24) hours from the freezing of said related accounts, monetary instruments and properties.'
(emphasis ours)

The omission by these covered institutions to include their reasons/grounds for tagging related accounts has made it difficult for the AMLC Secretariat to respond or oppose various motions seeking to lift the freeze orders filed by the account holders."

The Council resolved to remind covered institutions to strictly observe the requirements of Rule 10.d of the Revised Implementing Rules and Regulations of Republic Act No. 9160, as amended, when reporting related accounts by stating in the Returns the

fact of such freezing and an explanation as to the grounds for the identification of the related accounts.

The Council further resolved to request the Bangko Sentral ng Pilipinas to disseminate copies of this Resolution to all covered institutions under its jurisdiction.

22 January 2014, Manila, Philippines.



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



TERESITA J. HERBOSA
Member
(Chairperson, Securities and Exchange Commission)



EMMANUEL F. DOOC
Member
(Commissioner, Insurance Commission)