



MEMORANDUM – 2017-021

To : All Trading Participants

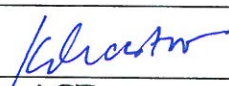

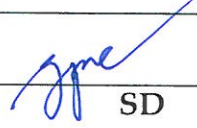
Subject : AMLC Rules on the Imposition of Administrative Sanctions

Date : 20 September 2017

As per letter dated 14 September 2017, the Securities and Exchange Commission (SEC) has directed the Capital Markets Integrity Corporation (CMIC) to disseminate to all trading participants a copy of the Anti-Money Laundering Council (AMLC) Rules on the Imposition of Administrative Sanctions under Republic Act. No. 9160, As Amended.

For reference, attached is a copy of the Commission's directive together with a copy of the AMLC Rules on the Imposition of Administrative Sanctions.


DAISY P. ARCE
Officer-In-Charge

			
ACD	FHRAD	IED	SD



MARKETS AND SECURITIES REGULATION DEPARTMENT

14 September 2017

CAPITAL MARKETS INTEGRITY CORPORATION

Unit 27-E1, 27th Floor, Tower 1 & Exchange Plaza
Ayala Avenue, Makati City
Facsimile No. 6596001/8563058

CMIC 20SEP17 AM11:43:18

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Attention : **ATTY. DAISY ARCE**
OIC - President

Gentlemen:

This refers to the request of the Anti-Money Laundering Council (AMLC) Secretariat for the Commission to circulate among all covered institutions under its jurisdiction the AMLC Rules on the Imposition of Administrative Sanctions under Republic Act. No. 9160, As Amended, copy is hereto attached for your easy reference.

In this regard, you are hereby directed to disseminate copies of said AMLC Republic Act to your members for their information and appropriate action.

Very truly yours,


VICENTE GRACIANO P. FELIZMENIO, JR.
Director



Republic of the Philippines
ANTI-MONEY LAUNDERING COUNCIL

**RULES ON THE IMPOSITION OF ADMINISTRATIVE SANCTIONS
UNDER REPUBLIC ACT NO. 9160, AS AMENDED**

Pursuant to Sections 7(7), 7(11) and 14(f) of Republic Act No. 9160, also known as the *Anti-Money Laundering Act of 2001*, as amended (AMLA), the Rules on the Imposition of Administrative Sanctions are hereby promulgated:

**RULE I
GENERAL PROVISIONS**

Section 1. **Title.** - These Rules shall be known as the *Rules on the Imposition of Administrative Sanctions under Republic Act No. 9160, as Amended*.

Section 2. **Declaration of Policy.** - It is the declared policy of the State to protect and preserve the integrity and confidentiality of bank accounts, and to ensure that the Philippines shall not be used as a money laundering site for the proceeds of any unlawful activity. Consistent thereto, the State shall ensure compliance by covered persons with the AMLA, its Revised Implementing Rules and Regulations (RIRR) and all Anti-Money Laundering Council (AMLC) issuances.

In this regard, administrative sanctions are set to encourage adherence to the provisions of the AMLA, its RIRR and all AMLC issuances.

Section 3. **Applicability.** - These Rules shall apply to covered persons for violations of the AMLA, its RIRR, and all AMLC issuances committed starting 07 March 2013, the date of effectivity of Republic Act No. 10365.

Section 4. **Nature of Proceedings.** - The proceedings under these Rules shall be non-litigious and summary in nature, subject to the requirement of due process and substantial evidence.

Section 5. **Repealing Clause.** - These Rules supersede AMLC Resolution No. 61, Series of 2007, also known as the *"Rule of Procedure Governing Administrative Investigation by the Anti-Money Laundering Council Secretariat"*.

Section 6. **Separability Clause.** - If any part or provision of these Rules is declared invalid or unconstitutional, other provisions not affected thereby shall remain in force and effect.

Section 7. **Effectivity Clause.** - These Rules shall take effect fifteen (15) days after publication in a newspaper of general circulation.

Certified True Copy of Records on File

lme
MA. RHEA SANTOS-MENDOZA
AMLC Secretary / 22 August 2017

Section 8. **Definition of Terms.** – For purposes of these Rules, the following definitions are hereby adopted:

- a. **Administrative Sanction.** – refers to the action taken by the AMLC involving a respondent found to have committed a violation. It may include penalty and non-penalty measures, such as fine, reprimand, warning, or such other measures as may be necessary and justified to prevent and counteract money laundering.
- b. **Covered Person.** – refers to persons and entities enumerated under Section 3(a) of the AMLA.
- c. **Fine.** – refers to the monetary penalty imposed under Rule V of these Rules.
- d. **Formal Charge.** – refers to the indictment for an administrative case upon a finding by the Litigation and Evaluation Unit of the AMLC Secretariat of the existence of a *prima facie* case.
- e. **Report of Compliance.** – refers to the findings of the Compliance Unit of the AMLC Secretariat relative to the compliance issues found in the course of money laundering investigation and in the exercise of its compliance checking functions.
- f. **Report of Examination.** – refers to the findings on the examinations conducted by the Supervising Authorities in the exercise of their compliance checking functions.
- g. **Reprimand.** – refers to the act of formal censure or reproof.
- h. **Respondent.** – refers to a covered person who is the subject of a formal charge.
- i. **Restoration.** – refers to the restitution of the value of a monetary instrument or property that was released in violation of a freeze order, provisional asset preservation order or asset preservation order.
- j. **Substantial Evidence.** – refers to that level of evidence which a reasonable mind might accept as adequate to justify that a specific violation was committed.
- k. **Violation.** – refers to non-compliance with any provision of the AMLA, its RIRR and all AMLC issuances. A violation is committed either on a 'per order/resolution', 'per account', 'per transaction', 'per customer', 'per

examination' or 'daily' basis. One violation shall be considered as one count.

- I. **Warning.** – refers to the act of putting the covered person on guard against the consequence of impending or future violations.

RULE II POWERS AND FUNCTIONS

Section 1. *Litigation and Evaluation Unit.* – The Litigation and Evaluation Unit of the AMLC Secretariat shall have the following functions relative to administrative sanctions:

- a. Receives Reports of Compliance (ROCs) from the Compliance Unit of the AMLC Secretariat, and Reports of Examination (ROEs) from Supervising Authorities;
- b. Conducts preliminary administrative investigation;
- c. Files Formal Charges against covered persons before the Administrative Adjudication Unit; and
- d. Sets aside the ROCs and ROEs in the absence of *prima facie* case, and notifies the Compliance Unit and the Supervising Authorities, accordingly.

Section 2. *Administrative Adjudication Unit.* – The Administrative Adjudication Unit of the AMLC Secretariat shall have the following functions:

- a. Receives and docketes Formal Charges from the Litigation and Evaluation Unit;
- b. Issues Notices of Formal Charge to respondents, and requires the filing of Answer;
- c. Conducts clarificatory meetings, as may be deemed necessary;
- d. Evaluates motions for reconsideration;
- e. Dismisses case for insufficiency of evidence;
- f. Recommends the imposition of administrative sanctions to the AMLC; and

- g. Issues Notices for the implementation of AMLC Resolutions.

Section 3. **AMLC.** – The AMLC shall have the following functions relative to administrative sanctions:

- a. Determines the existence of substantial evidence that a violation was committed;
- b. Imposes administrative sanctions; and
- c. Resolves motions for reconsideration.

RULE III PROCEDURE

Section 1. **How Initiated.** – Administrative cases may be initiated upon referral of the ROC or ROE to the Litigation and Evaluation Unit.

Section 2. **Preliminary Administrative Investigation.** – Upon receipt of the ROC or ROE, the Litigation and Evaluation Unit shall conduct a fact-finding investigation, which involves an *ex parte* evaluation of documents, to determine whether a *prima facie* case exists to warrant the filing of a Formal Charge.

In the absence of a *prima facie* case, the ROC or ROE shall be set aside. The Compliance Unit and the Supervising Authorities shall be notified accordingly.

Section 3. **Formal Charge.** – Upon determination of the existence of a *prima facie* case, the Litigation and Evaluation Unit shall file a Formal Charge against the covered person. The Formal Charge shall contain the following:

- a. Statement of Facts;
- b. Statement of Attendant Circumstances;
- c. Statement of Findings;
- d. Statement that a *prima facie* case exists for a specific violation; and
- e. Relevant documents.

Section 4. **Notice of Formal Charge.** – The Administrative Adjudication Unit shall notify the respondent of the filing of Formal Charge by way of personal delivery, courier service or

registered mail; and direct the respondent to file an Answer within ten (10) working days from receipt thereof.

Section 5. ***Prohibited Pleadings.*** – No motions or requests for, extension of time to file Answer, clarification, bills of particulars, dismissal, quashal, or reconsideration on the Formal Charge shall be entertained.

Section 6. ***Answer.*** – The Answer shall be in writing, under oath, indicate the date of receipt of the Notice, and contain all material facts and certified true copies of supporting evidence. Non-compliance with these requirements shall render the Answer insufficient in form and substance.

An Answer filed by personal delivery or by courier service is deemed filed on the date stamped "Received" thereon by the AMLC Secretariat. In case of filing by registered mail, it shall be deemed filed on the date shown by the postmark on the envelope.

If the respondent fails to file the Answer within the prescribed period, files an Answer that is insufficient in form and substance, or files any document other than an Answer, the respondent shall be considered to have waived the right to file an Answer, and the case shall be submitted for resolution based on available records.

Section 7. ***Clarificatory Meeting.*** – The Administrative Adjudication Unit may, at its discretion, call for a meeting for purposes of clarification. No motion or request for postponement or resetting shall be allowed.

Section 8. ***Disposition of the Case.*** – After giving all the parties the opportunity to be heard, the Administrative Adjudication Unit may, based on evidence presented, dismiss the case, or recommend to the AMLC the imposition of appropriate administrative sanctions.

In case of dismissal, the respondent shall be notified through personal delivery, courier service or registered mail.

Section 9. ***Resolution.*** – Upon finding of substantial evidence that the respondent committed violations as charged, the AMLC shall issue a Resolution imposing such administrative sanction as may be proper, setting forth the factual and legal basis thereof.

The respondent shall be notified through personal delivery, courier service or registered mail.

Section 10. ***Motion for Reconsideration.*** – The respondent may file a motion for reconsideration on the AMLC Resolution within ten (10) working days from receipt thereof.

No extension of time to file a motion for reconsideration shall be allowed.

A motion for reconsideration filed by personal delivery or by courier service is deemed filed on the date stamped "Received" thereon by the AMLC Secretariat. In case of filing by registered mail, it shall be deemed filed on the date shown by the postmark on the envelope.

The filing of a motion for reconsideration shall stay the execution of the Resolution sought to be reconsidered.

No second motion for reconsideration shall be allowed.

Section 11. *Grounds.* – The motion for reconsideration shall be based on any of the following grounds:

- a. Newly-discovered evidence which could not have been discovered and produced at the time the respondent filed its Answer, and which if presented, would materially affect the Resolution rendered;
- b. Substantial mistake in the appreciation of evidence; or
- c. Erroneous computation of fines.

Section 12. *Finality of the Resolution.* – The Resolution shall immediately become final and executory if no motion for reconsideration is filed within the prescribed period.

Section 13. *Notice of Execution.* – If the Resolution involves the payment of fine and restoration, if applicable, the Administrative Adjudication Unit shall issue a Notice of Execution directing the respondent to make payment and restoration, if applicable, within ten (10) working days from receipt thereof.

Payment of fines shall be in the form of Manager's Check payable to the account of the "Anti-Money Laundering Council".

In cases of restoration, the respondent shall submit a proof of its compliance within the same period.

Section 14. *Surcharge.* – A surcharge equivalent to ten percent (10%) of the outstanding fine shall be imposed upon the respondent for its failure to pay the fine within the prescribed period.

RULE IV
ATTENDANT CIRCUMSTANCES

Section 1. Attendant Circumstances. – The following attendant circumstances shall be considered in determining the imposition of appropriate administrative sanction for a specific violation:

a. **Asset Size.** – the financial capability of covered persons to comply with the requirements of the AMLA, its RIRR and all AMLC issuances in relation to: (1) the money laundering and terrorism financing risks the covered persons face or their financial capability poses; or (2) the covered persons' impact on public interest.

For juridical persons, the total assets, as indicated in the audited financial statement or its equivalent, as of the year the violation was committed, shall be the basis for determining the asset size. In case of natural persons, asset size shall be the gross income as indicated in the income tax return for the year the violation was committed.

For this purpose, covered persons shall be classified as follows:

- | | | |
|------------|---|--|
| 1. Micro | - | Php3,000,000.00 and below |
| 2. Small | - | Php3,000,000.01 to Php15,000,000.00 |
| 3. Medium | - | Php15,000,000.01 to Php100,000,000.00 |
| 4. Large A | - | Php100,000,000.01 to Php500,000,000.00 |
| 5. Large B | - | Php500,000,000.01 and above |

b. **Gravity of Violations.** – the importance or significance of the specific provision of the AMLA, its RIRR and all AMLC issuances, in relation to its effect on the AMLC's discharge of its mandate.

For this purpose, gravity of violations is classified as follows:

- i. **Grave violations** – these are violations of the specific remedies available to the AMLC in the pursuit of its mandate and requirements under the AMLA that are essential to pending money laundering investigation and prosecution of cases (Rule V, Section 3.A).

- ii. Major violations – these are violations involving total disregard of customer due diligence, record-keeping, or transaction reporting requirements (Rule V, Section 3.B).
- iii. Serious violations – these are violations of specific core provisions of the AMLA and its RIRR that have a great impact on the AMLC's ability to prevent or counter money laundering and terrorism financing (Rule V, Section 3.C).
- iv. Less serious violations – these are violations of the AMLA and its RIRR that hamper or delay the exercise of AMLC's compliance and investigation functions (Rule V, Section 3.D).
- v. Light violations – these are violations of specific provisions of the AMLA and its RIRR that are necessary for the effective implementation of the AMLA and its RIRR, but have no immediate impact in the discharge of AMLC's mandate (Rule V, Section 3.E).

c. **Nature of Violation.** – Violations of similar nature which a covered person has been previously sanctioned within the two (2)-year period immediately preceding the examination or investigation under consideration, shall be considered as an *aggravating* circumstance.

For this purpose, the nature of violations shall be classified as follows:

- i. Customer Due Diligence [Rule V, Sections 3.B(1), and 3.C(1-9, 11, 12), 3.D (1)];
- ii. Record Keeping [Rule V, Section 3.B(2), 3.C (13), and 3.E (3)];
- iii. Transaction Reporting [Rule V, Sections 3.B(3), 3.C (14), and 3.D(2 & 3)];
- iv. Compliance on freeze, bank inquiry and asset preservation orders; and orders relating to AMLC investigation [Rule V, Sections 3.A(1-3), 3.C (15-17), 3.D(4), and 3.E (1 & 2)];
- v. Money Laundering Prevention Program [Rule V, Sections 3.C(10 & 18), 3.D(5)]; and
- vi. Violations of orders, resolutions and other issuances of the AMLC [Rule V, Section 3.C(19)].

d. **Concealment or Deliberate Effort to Hide the Violation.** – The deliberate effort to hide the violation with the intention to deceive shall be considered as an *aggravating* circumstance.

Concealment is presumed in cases when the officers or employees of the covered person complicate the transaction to make it difficult to uncover, which may also include refusal to provide information/documents that would support a finding of liability, or employment of any other means to cover up any violation.

e. **Material Misrepresentation.** – The act of misstating a fact, knowing or believing that: (i) what he is saying is not true or (ii) is not sure whether or not his statement is true, but passes it off as true anyway; and is likely to induce a reasonable person to assent or that the maker knows is likely to induce the recipient to assent, is an *aggravating* circumstance.

f. **Voluntary Disclosure.** – Voluntary disclosure by the respondent of the offense or violation committed before it is discovered by the Compliance Unit or the Supervising Authorities shall be considered a *mitigating* circumstance.

g. **Corrective Measures.** – Actions taken by covered persons to correct the findings of the Compliance Unit or Supervising Authorities prior to the referral of the ROC or ROE to the Litigation and Evaluation Unit shall be considered a *mitigating* circumstance.

Section 2. **Effects of Attendant Circumstances.** – An aggravating circumstance shall increase, while a mitigating circumstance shall decrease, the imposable fine by twenty-five percent (25%). Provided, the 25% increase or decrease shall be applied on the fine for specific violation committed, not on the total amount of fine after considering all violations.

RULE V ADMINISTRATIVE SANCTIONS

Section 1. **Administrative Sanctions.** – The AMLC shall, at its discretion, impose administrative sanctions upon any covered person for the violation of the AMLA and its RIRR, or for failure or refusal to comply with the orders, resolutions and other issuances of the AMLC.

Fines shall be in amounts as may be determined by the AMLC to be appropriate, which shall not be more than Five Hundred Thousand Pesos (Php500,000.00) per violation. In no case shall the aggregate fine exceed five percent (5%) of the asset size of the respondent.

Section 2. **Fines.** – The following are the fines (in Philippine Peso) per violation based on the entity size and gravity of violations:

Violations	Micro	Small	Medium	Large A	Large B
Grave	50,000	125,000	250,000	375,000	500,000
Major	30,000	75,000	150,000	225,000	300,000
Serious	20,000	50,000	100,000	150,000	200,000
Less Serious	10,000	25,000	50,000	75,000	100,000
Light	5,000	12,500	25,000	37,500	50,000

Section 3. **Table of Violations and Corresponding Sanctions.** – The following are the specific violations and their corresponding sanctions:

A. GRAVE VIOLATIONS		Administrative Sanctions				
		Micro	Small	Medium	Large A	Large B
		50,000	125,000	250,000	375,000	500,000
1	Non-compliance with the requirement to immediately freeze, upon receipt of the notice of the freeze order, the monetary instrument or property identified in the freeze order (<i>Rule 10.E.1, 2016 RIRR</i>).	Fine is on per Resolution (Freeze Order) basis, plus restoration.				
2	Lifting the effects of the freeze order during its effectivity (<i>Rules 10.E.1 and 10.E.2, 2016 RIRR</i>).	Fine is on a per account basis, plus restoration.				
3	Non-compliance with the requirement to immediately give the AMLC and/or its Secretariat full access to all information, documents or objects pertaining to the deposit, investment, account, transaction, and/or person subject of inquiry or investigation (<i>Rules 11.C, par. 1; and 19.B.2, par. 1, 2016 RIRR</i>).	Fine is on a per account basis.				

B. MAJOR VIOLATIONS		Administrative Sanctions				
		Micro	Small	Medium	Large A	Large B
		30,000	75,000	150,000	225,000	300,000
1	Non-compliance with the requirement to establish and record the true identity of each customer and/or the person on whose behalf the transaction is being conducted (<i>Rules 3.M, 9.A; 9.A.b.i, par. 2; and 9.A.b.ii.b, 2016 RIRR</i>).	Fine is on a per customer basis.				
2	Non-compliance with the requirement to retain and safely keep records beyond the five (5)-year period, where the account is the subject of a case, until it is officially confirmed by the AMLC Secretariat that the case has been resolved, decided or terminated with finality (<i>Rule 9.B.1, 2016 RIRR</i>).	Fine is on a per account basis.				
3	Non-compliance with the requirement to report to the AMLC covered and suspicious transactions. (<i>Rules 9.C and 9.A.3, par. 4, 2016 RIRR; and AMLC Resolution No. 61, Series of 2016</i>)	Fine is on a per transaction basis.				
C. SERIOUS VIOLATIONS		Administrative Sanctions				
		Micro	Small	Medium	Large A	Large B
		20,000	50,000	100,000	150,000	200,000
1	Non-compliance with the requirements on Face-to-Face Contact (<i>Rule 9.A.1.a, 2016 RIRR</i>).	Fine is on a per account basis.				
2	Non-compliance with the requirements on Risk Assessment. (<i>Rules 9.A.2, 2016 RIRR</i>).	Fine is on a per account basis.				
3	Non-compliance with the	Fine is on a per customer basis.				

	requirements of the provisions on Politically-Exposed Persons (PEPs) [Rule 9-A.1].	
4	Non-compliance with the requirements of the provisions on Correspondent Banking (Rule 9-A.2).	Fine is on a per transaction basis.
5	Non-compliance with the requirements of the provisions on Shell Company/Bank and Bearer Share Entities (Rule 9-A.3).	Fine is on a per transaction basis.
6	Non-compliance with the requirements of the provisions on Wire/Fund Transfers (Rule 9-A.4).	Fine is on a per transaction basis.
7	Non-compliance with the requirements of the provisions on Customer from High-Risk Jurisdiction (Rule 9-A.5).	Fine is on a per customer basis.
8	Non-compliance with the requirements of the provisions on Foreign Branches and Subsidiaries (Rule 9-A.6).	Fine is on a per customer basis.
9	Non-compliance with the requirement to monitor and update all information and identification documents of existing customers. (Rule 9.A.3, par. 1 and 5, 2016 RIRR)	Fine is on a per customer basis.
10	Non-compliance with the requirement to establish a transaction monitoring system. (Rule 9.A.3, par. 2 and 3, 2016 RIRR)	Fine is on a per year basis reckoned from the effectivity of the 2016 RIRR or 07 January 2017.
11	Allowing the opening of anonymous accounts, accounts under fictitious names, and all	Fine is on a per account basis.

	other similar accounts (<i>Rule 9.A.4.a, 2016 RIRR</i>).	
12	Allowing the opening of checking numbered accounts (<i>Rule 9.A.4.b, par. 1, 2016 RIRR</i>).	Fine is on a per account basis.
13	Non-compliance with the requirement to maintain and safely store for five (5) years from the dates of transactions, or from dates the accounts were closed, all records of transactions, including customer identification documents (<i>Rule 9.B and 9.B.2, 2016 RIRR</i>).	Fine is on a per account basis.
14	Non-compliance with the requirement to register with the AMLC's electronic reporting system within ninety (90) days from the effectivity of the 2016 RIRR or until 07 April 2017 (<i>Rule 9.C.4, 2016 RIRR</i>).	Fine is on a daily basis after the 90-day effectivity date of the RIRR or 07 April 2017.
15	Non-compliance with the requirement to freeze related accounts subject of the freeze order (<i>Rule 10.E.2, 2016 RIRR</i>).	Fine is on a per account basis, plus restoration.
16	Non-compliance with the requirement to secure a written confirmation from the AMLC upon the expiration of the freeze order. (<i>Rule 10.C, par. 2, 2016 RIRR</i>).	Fine is on a per account basis, plus restoration in cases where there is civil forfeiture or money laundering case filed and the monetary instruments were withdrawn, transferred or dissipated.
17	Non-compliance with the requirement to submit certified true copies of the documents pertaining to deposit, investment, account, transaction, and/or person subject of inquiry or	Fine is on a per account basis.

	investigation, within five (5) working days from receipt of the court order or AMLC Resolution (Rules 11.C, par. 2; and 19.B.2, par. 2, 2016 RIRR).					
18	Non-compliance with the requirement to formulate a Money Laundering Prevention Program in accordance with the provisions of the AMLA, its RIRR, all AMLC issuances, and the anti-money laundering guidelines and circulars of the Supervising Authorities (Rules 18.B., 9-A.2, 9-A.4, 9-A.5 and 9-A.6 2016 RIRR).	Fine is on a per examination period.				
19	Violation of orders, resolutions and other issuances of the AMLC (Rule 7.B.11, 2016 RIR)].	Fine is on a per resolution, rule, regulation, circular, order and guideline basis.				
	D. LESS SERIOUS VIOLATIONS	Administrative Sanctions				
		Micro	Small	Medium	Large A	Large B
		10,000	25,000	50,000	75,000	100,000
1	Non-compliance with the requirement to obtain all the minimum information required from individual customers and juridical entities (Rule 9.A.1.b.i and 9.A.b.ii.a, 2016 RIRR).	Fine is on a per account basis.				
2	Non-compliance with the requirement to indicate the true name of the account holder in covered transaction reports (CTRs) and suspicious transaction reports (STRs) involving non-checking numbered accounts (Rule 9.A.4.b, par. 2, 2016 RIRR).	Fine is on a per transaction basis.				
3	Non-compliance with the	Fine is on a per transaction basis.				

	requirement on the accuracy and completeness of covered and suspicious transactions reports. (Rule 9.C.1).					
4	Non-compliance with the requirement to submit to the AMLC within twenty-four (24) hours from receipt of the freeze order a detailed written return on the accounts subject of the freeze order, (Rule 10.E.4, 2016 RIRR), or related accounts (Rule 10.E.2, par. 2, 2016 RIRR).	Fine is on a per Resolution (Freeze Order) basis.				
5	Non-compliance with the requirement to provide all responsible officers and personnel with efficient and effective anti-money laundering training and continuing education programs (Rule 17.C, 2016 RIRR).	Fine is on a per examination period.				
	E. LIGHT VIOLATIONS	Administrative Sanctions				
Micro		Small	Medium	Large A	Large B	
5,000		12,500	25,000	37,500	50,000	
1	Non-compliance with the requirement to submit complete information on the detailed return on the freeze order (Rules 10.E.5.a and c, 2016 RIRR).	Fine is on a per account basis				
2	Non-compliance with the requirement to submit to the AMLC an electronic detailed return of the freeze order in a format prescribed by the latter. (Rule 10.E.4, par. 2, 2016 RIRR)	Fine is on per Resolution (Freeze Order) basis.				
3	Non-compliance with the requirement to keep electronic	Fine is on a per violation basis.				

copies of all CTRs or STRs for, at least, five (5) years from the dates of submission to the AMLC (<i>Rule 9.B.3, par. 2, 2016 RIRR</i>).	
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Section 4. AMLC Discretion. – The AMLC may dispense with the imposition of administrative sanctions in the following cases:

- i. Where light violation was committed, provided corrective action was immediately taken after its attention was called by the Compliance Unit or Supervising Authorities;
- ii. Where less serious violation was committed, provided it is a first time violation and corrective action was immediately taken after its attention was called by the Compliance Unit or Supervising Authorities and;
- iii. Where serious violation was committed, provided it is a first time violation and corrective action was immediately taken after its attention was called by the Compliance Unit or Supervising Authorities, and there is no aggravating circumstance.

In the foregoing cases, a reprimand, a warning that another violation shall be sternly dealt with, or both, may be imposed.

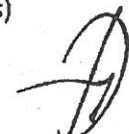
The “*Rules on the Imposition of Administrative Sanctions under Republic Act No. 9160, as Amended*” is hereby approved by the **ANTI-MONEY LAUNDERING COUNCIL** this 24 day of May 2017 in the City of Manila, Philippines.


AMANDO M. TETANGCO, JR.
 Chairman

(Governor, Bangko Sentral ng Pilipinas)


TERESITA J. HERBOSA
 Member

(Chairperson, Securities and Exchange Commission)


DENNIS B. FUNA
 Member

(Commissioner, Insurance Commission)