



MEMORANDUM – 2018-034

TO : ALL TRADING PARTICIPANTS

**SUBJECT : 2018 ANTI-MONEY LAUNDERING AND COMBATING
THE FINANCING OF TERRORISM GUIDELINES**

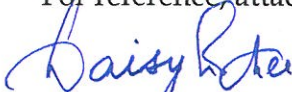
DATE : 23 NOVEMBER 2018



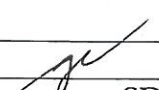
In its letter dated 21 November 2018, the Securities and Exchange Commission ("SEC") has informed the Capital Markets Integrity Corporation ("CMIC") that *SEC Memorandum Circular No. 16, Series of 2018*, otherwise known as the *2018 Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism for SEC Covered Institutions* ("2018 AML/CFT Guidelines") takes effect on 23 November 2018. The 2018 AML/CFT Guidelines requires, among others, all covered institutions to revise/amend their Money Laundering and Terrorist Financing Prevention Program ("MLPP") to provide therein specific procedures and policies that would achieve the ends prescribed in the guidelines.

The SEC adds that in accordance with Section 2 of the 2018 AML/CFT Guidelines, trading participants/members are reminded to submit their revised MLPP on or before 23 May 2019 to the Central Receiving Unit of the SEC (for the Operating Department having supervision over the covered institution), copy furnished the Anti-Money Laundering Division ("AML/D") of the Enforcement and Investor Protection Department. For further information, trading participants may send their query/queries to the AML/D at epd@sec.gov.ph.

Finally, the SEC notes that under Section 4 of the 2018 AML/CFT Guidelines, a covered institution which fails to submit a revised MLPP within the prescribed period shall be subjected to a penalty of Five Hundred Pesos (P500.00) per day of delay until the revised MLPP has been submitted to the Commission.

For reference, attached is the SEC's letter dated 21 November 2018.


DAISY E. ARCE
President

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SCANNED

MARKETS AND SECURITIES REGULATION DEPARTMENT

November 21, 2018

CAPITAL MARKETS INTEGRITY CORPORATION
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MARKET SURVEILLANCE DEPT
NOV 23 2018
JY: [Signature]

Attention: **ATTY. DAISY P. ARCE**
President

Subject: **2018 AML/CFT Guidelines**

Gentlemen:

This refers to SEC Memorandum Circular No. 16, series of 2018, otherwise known as the 2018 *Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism for SEC Covered Institutions (2018 AML/CFT Guidelines)* requiring all covered institutions as defined therein to revise/amend their Money Laundering and Terrorist Financing Prevention Program (MLPP) to provide therein specific procedures and policies that would achieve the ends prescribed in the guidelines. The 2018 AML/CFT Guidelines shall take effect on November 23, 2018.

In accordance with Section 2 of the subject Guidelines, please remind your trading participants/members to submit their revised Money Laundering and Terrorist Financing Prevention Program (MLPP) on or before May 23, 2019 to the Central Receiving of the SEC (for the Operating Department having supervision over the covered institution) copy furnished the Anti-Money Laundering Division (AML D) of the Enforcement and Investor Protection Department (EIPD). For further information, they may send their query to the AMLD at epd@sec.gov.ph.

Please note that Section 4 of the 2018 AML/CFT Guidelines provides that "a covered institution which fails to submit a revised MLPP within the prescribed period shall be subject to a penalty of Five Hundred Pesos (P500.00) per day of delay until the revised MLPP has been submitted to the Commission".

Kindly disseminate this letter, as well as copy of the subject Circular to your trading participants/members.

Very truly yours,


VICENTE GRACIANO FELIZMENIO, JR.
Director