



ANTI-MONEY LAUNDERING COUNCIL AMLC UPDATES

14 MAY 2024

AMLC Resolution No. 81
9 May 2019



Summary of AMLC Resolution No. 81

Covered Persons

Designated Non-Financial Businesses and Professions

Customer Due Diligence Measures

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Covered persons dealing with clients who are classified under the sector of Designated Non-Financial Businesses and Professions (DNFBPs) are directed to demand presentation of their Certificate of Registration (COR) or Provisional COR (PCOR) as part of Customer Due Diligence (CDD) measures.

Pursuant to the Anti-Money Laundering Act of 2001 (AMLA), as recently amended by Republic Act No. 11521, stated that Real Estate Developers (REDs), Real Estate Brokers (REBs), offshore gaming operators (OGOs), and OGO-service providers (OGO-SPs) are now covered persons.

Originally, Covered Persons / Covered Institutions include:

- 1. Banks, offshore banking units, quasi-banks, trust entities, non-stock savings and loan associations, etc., and all other persons and entities supervised or regulated by the BSP, including their subsidiaries and affiliates.**

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- 2. Insurance companies, insurance agents, insurance brokers, professional reinsurers, reinsurance brokers, holding companies, holding company systems, pre-need companies, mutual benefit associations and all other persons and entities supervised and regulated by the Insurance Commission (IC).**

- 3. Covered Persons under the supervision and regulation of the Securities and Exchange Commission (SEC), e.g., jewelry dealers and company service providers which provide any of the following services to third parties:**
 - a) acting as a formation agent of juridical persons;**
 - b) acting as (or arranging for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons;**
 - c) providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement; and**
 - d) acting as (or arranging for another person to act as) a nominee shareholder for another person.**

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- 4. Persons who provide any of the following services other than those supervised and regulated by the BSP, SEC and IC:
 - a. Managing of client money, securities or other assets;**
 - b. Management of bank, savings or securities accounts;**
 - c. Organization of contributions for the creation, operation or management of companies; and**
 - d. Creation, operation or management of juridical persons or arrangements, and buying and selling business entities.****

- 5. Juridical persons, including law firms and accounting firms, which perform any of the activities enumerated in item nos. 3 and 4, to wit:
 - a. act as a formation agent of juridical persons;**
 - b. act as (or arrange for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons;****

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- c. provide a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement; and**
- d. act as (or arrange for another person to act as) a nominee shareholder for another person.**
- e. manage client's money, securities or other assets;**
- f. manage bank, savings or securities accounts;**
- g. organize contributions for the creation, operation or management of companies; and**
- h. create, operate or manage of juridical persons or arrangements, and buy and sell business entities.**

are deemed covered persons under the AMLA.

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Designated Non-Financial Businesses and Professions (DNFBPS)

Refers to businesses and professions, which are not under the supervision or regulation of the BSP, SEC, and IC, and designated as covered persons under AMLA.

Covered Persons / Real Estate Developer shall demand the presentation of the DNFBP's Certificate of Registration (COR) or Provisional COR (PCOR) as part of the Customer Due Diligence Measure.

It is in addition to the identification documents enumerated in the 2018 Implementing Rules & Regulations of AMLA, *to wit*:

- (1) Certificates of Registration issued by the Department of Trade and Industry (DTI) for sole proprietors, or Certificate of Incorporation or Partnership issued by the SEC for corporations and partnerships, respectively, and by the BSP for money changers / foreign exchange dealers and remittance agents, and by the AMLC for covered persons;**
- (2) Articles of Incorporation/Partnership;**

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Designated Non-Financial Businesses and Professions (DNFBPS)

- (3) Registration Data Sheet/Latest General Information Sheet;**
- (4) Secretary's Certificate citing the pertinent portion of the Board or Partners' Resolution authorizing the signatory to sign on behalf of the entity; and**
- (5) For entities registered outside of the Philippines, similar documents and/or information duly authenticated by a senior officer of the covered person assigned in the country of registration; in the absence of said officer, the documents shall be authenticated by the Philippine Consulate, company register or notary public, where said entities are registered.**

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Sanctions

On the part of the DNFBP, failure to supply the required COR / PCOR is a ground to conduct enhanced due diligence measure and / or to re-evaluate the business relationship.

On the part of the Covered Person:

- a. it may be cited for administrative sanction which range from simple reprimand to a fine not exceeding Five Hundred Thousand Pesos (PhP500,000.00) per violation, or such other measures as may be necessary and justified to prevent and counteract money laundering.**
- b. if a Covered Person dealt with an unregistered DNFBPS without valid or subsisting COR / PCOR, it may risk being cited for a serious violation under Section 2 (C)(25), Rule IV of the RPAC.**

The updated list of Registered DNFBPS as of 26 April 2024 is posted at Registered DNFBPs.



Reference Disclaimer:

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