



Republic of the Philippines
ANTI-MONEY LAUNDERING COUNCIL

ADVISORY
(on Implementation of Freeze Orders)

It has been observed that some covered persons submit Returns on the implementation of freeze orders (FO), concerning related accounts, only a few days before the expiration of the six (6)-month FO issued by the Court of Appeals against the main accounts. In addition, some covered persons commence to implement FOs few days or weeks before the expiry of the period prescribed by the Court under the FO. Such late filing of Returns may be considered a violation of Section 4 (4.4), in relation to 4.2 (b), of the *2018 Implementing Rules and Regulations of the Anti-Money Laundering Act of 2001 (AMLA)*, as amended, which prescribes the periods for filing of Returns on FOs.

In view thereof, covered persons are advised that:

1. Periods for filing of Returns on FOs should be strictly observed;
2. The twenty (20)-day effectivity of freeze orders should be reckoned from the time the accounts are actually frozen, as indicated in the Return, which shall be submitted within twenty-four (24) hours from freezing of the related accounts;
3. The late implementation of an FO and the consequent late submission of returns, or failure to file returns within a reasonable period may constitute:
 - (a) A money laundering offense under Section 4 (f) of the AMLA, as amended, punishable with imprisonment of four (4) to seven (7) years, and a fine of not less than One Million Five Hundred Thousand Pesos (PhP1,500,000.00); or
 - (b) If the subject accounts were ordered frozen under the *Terrorism Financing Prevention and Suppression Act of 2012 (TFPSA)* or Republic Act No. (RA) 10168; or the *Anti-Terrorism Act of 2020* or RA 11479, the same may be considered as dealing, directly or indirectly, in any way or by any means, with any property or funds of a designated person under Section 8 of TFPSA, that is punishable with reclusion temporal in its maximum period to reclusion perpetua and a fine of not less than Five Hundred Thousand Pesos (PhP500,000.00) and not more than One Million Pesos (PhP1,000,000.00); and
4. The late implementation of an FO and/or late submission of Returns on freeze orders are administrative offenses or violations under any or all of the

ADVISORY

Re: Timely Filing of Returns on Freeze Orders

following provisions of Rule IV, Section 2 of the *Rules of Procedure on Administrative Cases under Republic Act No. 9160 or the Anti-Money Laundering Act of 2001, as Amended, and its Implementing Rules and Regulations, and Guidelines and Other Issuances of the Anti-Money Laundering Council*:

Table	Violation	Penalty
Table A, A. Grave Violation, (1)	Non-compliance with the requirement to immediately freeze, upon receipt of the notice of the Freeze Order (FO), Provisional Asset Preservation Order (PAPO), and Asset Preservation Order (APO), the monetary instrument or property identified in the FO, and related accounts, the PAPO and the APO.	PhP25,000.00 to PhP500,000.00 per violation
Table A, D. Less Serious Violation, (7)	Non-compliance with the requirement to submit to the AMLC within twenty-four (24) hours from receipt of the FO a detailed written return on the accounts subject of the FO. For related accounts, the twenty-four (24) hours shall be reckoned from the determination thereof.	PhP5,000.00 to PhP100,000.00 per violation
Table A, E. Light Violation, (1)	Non-compliance with the requirement to submit complete information on the detailed return on the FO.	PhP2,500.00 to PhP50,000.00 per violation

For the guidance of all covered persons.

By authority of:
THE ANTI-MONEY LAUNDERING COUNCIL

(ORIGINAL SIGNED)
MEL GEORGIE B. RACELA
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Anti-Money Laundering Council Secretariat

Posted _____