



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila

Head Office:
P. O. Box 3589 Manila
FAX No. 522-14-34
Tel. Nos. 523-84-61 to 70
E-mail: oic@i-manila.com.ph

-November 18, 2003

Circular Letter No. 8-2003

TO: All Insurance Companies doing business in the Philippines, Insurance Intermediaries, whether general agents, ordinary agents or brokers, Professional Reinsurers or Reinsurance Brokers and Holding Companies.

SUBJECT: Covered Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs).

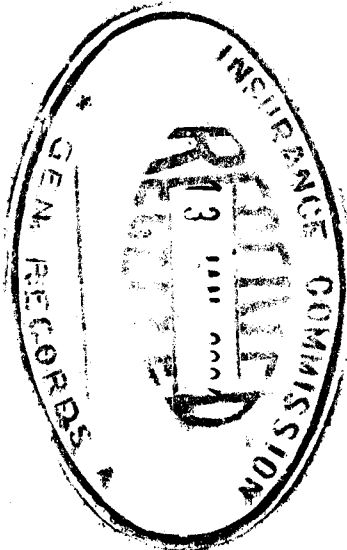
Quoted hereunder is Resolution No. 292 dated October 24, 2003 of the Anti-Money Laundering Council (AMLC) created under Republic Act No. 9160, as amended, otherwise known as the "Anti-Money Laundering Act of 2001."

RESOLUTION NO. 292

The Council has unanimously resolved to adopt the following Rules on the Submission of Covered Transaction Reports and Suspicious Transaction Reports by Covered Institutions.

RULES ON SUBMISSION OF COVERED TRANSACTION REPORTS AND SUSPICIOUS TRANSACTION REPORTS BY COVERED INSTITUTIONS

1. All covered institutions are required to file Suspicious Transaction Reports (STRs) on transactions involving all kinds of monetary instruments or property.
2. Banks shall file covered transaction reports (CTRs) on transactions involving all kinds of monetary instruments or property, i.e., in cash or non-cash, whether in domestic or foreign currency
3. Covered institutions, other than banks, shall file covered transaction reports (CTRs) on transactions in cash or foreign currency or other monetary instruments (other than checks) or properties. Due to the nature of the transactions in the stock exchange, only the brokers-dealers shall be required to file CTRs and STRs. The PSE, PCD, SCCP and transfer agents are exempt from filing CTRs. They, are however, required to file STRs when the transactions that pass through them are deemed to be suspicious.



4. Where the covered institution engages in bulk transactions with a bank, i.e., deposits of premium payments in bulk or settlements of trade, and the bulk transactions do not distinguish clients and their respective transaction amounts, said covered institution shall be required to file CTRs on its clients whose transactions exceed Php500,000.00 and are included in the bulk transactions.
5. With respect to insurance companies, when the total amount of the premiums for the entire year, regardless of the mode of payment (monthly, quarterly, semi-annually or annually), exceeds Php500,000.00, such amount shall be reported as a covered transaction, even if the amounts of the amortizations are less than the threshold amount. The CTR shall be filed upon payment of the first premium amount, regardless of the mode of payment. Under this rule, the insurance company shall file the CTR only once every year until the policy matures or rescinded, whichever comes first.
6. The submission of CTRs is deferred until the AMLC directs otherwise. Submission of STRs, however, are not deferred and covered institutions are mandated to submit such STRs when the circumstances so require.

October 24, 2003, Manila, Philippines.

(SGD.)

RAFAEL B. BUENAVENTURA
Chairman
(Governor, Bangko Sentral ng Pilipinas)

(SGD.)

LILIA R. BAUTISTA
Member
(Chairman, Securities and Exchange Commission)

(SGD.)

EDUARDO T. MALINIS
Member
(Officer-In-Charge, Insurance Commission)

For strict compliance.

EDUARDO T. MALINIS
Officer-In-Charge