



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



Advisory No:	RS-2022-037
Classification:	Regulatory and Supervisory Advisory
Date:	28 September 2022

INSURANCE COMMISSION ADVISORY

TO : All Insurance/Reinsurance Companies, Mutual Benefit Associations, Trusts for Charitable Uses, Insurance and Reinsurance Brokers, Pre-Need Companies and Health Maintenance Organizations

SUBJECT : Dissemination of the AMLC Advisory Reminder on the Deadline for the Digitization of Customer Records (DIGICUR)

Please be informed of the AMLC’s Advisory reminder to all Covered Persons of the **Final and Non-Extendable Deadline of 30 September 2022** pursuant to AMLC Regulatory Issuance (ARI) No. 6, Series of 2021, dated 24 September 2021, to fully comply with the Guidelines on the Digitization of Customer Records (DIGICUR).

Thus, all Insurance Commission Regulated Entities (ICREs) are directed to comply with the said Guidelines to avoid the imposition of the corresponding enforcement actions stated therein.

A copy of the AMLC Advisory reminder of the Deadline for the DIGICUR and ARI No. 6, Series of 2021, is herein attached for your information and strict compliance.

DENNIS B. FUNA
 Insurance Commissioner





AMLC REGULATORY ISSUANCE (ARI) NO. 6

Series of 2021

Subject: **Final extension of the deadline for compliance with AMLC Regulatory Issuance (ARI) A, B and C, No. 2, Series of 2018, also known as the Guidelines on Digitization of Customer Records (DIGICUR)**

By the authority vested upon the Anti-Money Laundering Council (AMLC) to implement measures as may be necessary and justified to counteract money laundering, in accordance with Section 7(7) of Republic Act (RA) No. 9160, also known as the Anti-Money Laundering Act of 2001, as amended (AMLA), the Council in its Resolution No. 205, dated 22 September 2021, all concerned Covered Persons are:

1. **GRANTED** a final extension of the deadline for compliance with the DIGICUR to a non-extendable period of one year from 30 September 2021, or **until 30 September 2022**. For this purpose, all prior and subsequent requests for extension shall be covered by this ARI;
2. **REQUIRED** to submit to the AMLC, through email/AMLC portal, a Quarterly DIGICUR Status Report of Compliance (QUADSREC) to be certified correct by the Chief Compliance Officer, and attested by the President or Chief Executive Officer or its equivalent. For this purpose, the QUADSREC template is hereto attached as Annex "A", which shall be submitted within fifteen (15) calendar days after each reference quarter, except that the first report shall be submitted on or before 31 October 2021. Submission of the QUADSREC shall continue until such time that such covered persons have fully completed and complied with all the requirements of the DIGICUR. For fully complied Covered Persons, a one-time submission of the QUADSREC is sufficient, which shall be submitted on or before 31 October 2021;
3. **WARNED** that failure to submit the QUADSREC shall constitute a Serious Violation (i.e., penalty between Php15,000.00 to Php150,000.00 per account) under Item C.25, Table A, Section 2, Rule IV of the Rules of Procedure in Administrative Cases (RPAC) for violation of orders, resolutions, and issuances of the AMLC; and

4. **REMINDED** that non-compliance with the DIGICUR is a Grave Violation (i.e., penalty between Php37,500.00 to Php375,000.00 per customer) under Item A.4, Table A., Section 2, Rule IV of the RPAC.

This ARI supplements ARI A, B and C, No. 2, Series of 2018, also known as the Guidelines on Digitization of Customer Records (DIGICUR), and shall take effect on 1 October 2021, following its publication in a newspaper of general circulation, or in the Official Gazette.

BY AUTHORITY OF THE AMLC:

(ORIGINAL SIGNED)

MEL GEORGIE B. RACELA

Executive Director

Anti-Money Laundering Council Secretariat

24 September 2021

QUARTERLY DIGICUR STATUS REPORT (QUADSREC)

Name of the Covered Person

__ Quarter, 202__

Obligations under the DIGICUR	Ongoing Issues	% of Completion as of _____	DIGICUR Completion Measures	Target Completion Date (must be on or before <u>30 September 2022</u>)
Updating of the Money Laundering/Terrorism Financing Prevention Program (MTPP)	•		<ul style="list-style-type: none"> • Revision of the MTPP to incorporate the requirements under the DIGICUR • Approval of the updated MTPP by the Board of Directors/ Senior Management (for partnerships, sole corporations or sole proprietorships) 	
Development of a central database of customer records	•		Indicate details and amount of investment in the following: <ul style="list-style-type: none"> • Capital Expenditures; • IT equipment; • System upgrades; • Training; and • Other measures. 	
Digitization of <u>existing customer accounts</u> prior to the effectivity of the DIGICUR	•	<i>Number of digitized existing customer accounts prior to the effectivity of the DIGICUR/total number of existing</i>	Indicate details and amount of investment in the following: <ul style="list-style-type: none"> • Capital Expenditures; • IT equipment; • System upgrades; 	

ANNEX "A"

		<p><i>customer accounts prior to the effectivity of the DIGICUR = %</i></p>	<ul style="list-style-type: none"> • Training; and • Other measures. 	
<p>Digitization of new accounts opened after the effectivity of the DIGICUR</p>	<ul style="list-style-type: none"> • 	<p><i>Number of digitized new customer accounts opened after the effectivity of the DIGICUR/total number of new customer accounts opened after the effectivity of the DIGICUR = %</i></p>	<p>Indicate details and amount of investment in the following:</p> <ul style="list-style-type: none"> • Capital Expenditures; • IT equipment; • System upgrades; • Training; and • Other measures. 	

Certified correct:

Attested by:

Chief Compliance Officer

President/CEO

[Print](#)

All Covered Persons that are required to comply with the Guidelines on Digitization of Customer Records (DIGICUR) are hereby reminded of the **Final and Non-Extendable Deadline of 30 September 2022** to fully comply with its requirements, pursuant to AMLC Regulatory Issuance (ARI) No. 6, Series of 2021. The compliances of said covered persons as of that deadline shall be reported to the AMLC thru the Quarterly DIGICUR Status Report of Compliance (QUADSREC), which is due on or before the 15th of October 2022.

The failure to fully comply with the DIGICUR by **30 September 2022** shall warrant the imposition of enforcement actions such as Warning, Compliance Letter, and Notarized Compliance Commitment in accordance with ARI No. 5, Series of 2020, otherwise known as the Enforcement Action Guidelines (EAG), based on whether the covered person has satisfied the following conditions:

1. Updated its MTPP to incorporate the provisions of the DIGICUR;
2. Established a central database for customer records;
3. Digitized at least 50% of the records of existing customers prior to the effectivity of the DIGICUR (13 October 2018);
4. Digitized at least 50% of the records of new customers opened after effectivity of the DIGICUR; and
5. Can complete digitization of customer records by 31 December 2023.

Notwithstanding the above enforcement actions, non-compliance with the DIGICUR remains to be a Grave Violation under the Rules of Procedure in Administrative Cases, with penalties ranging from Php37,500 to Php375,000 per customer.

Posted 21 September 2022