



MEMORANDUM CIRCULAR

NO. *18-001/APP*
NOV. 28, 2018

SUBJECT: ADOPTION OF THE IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT ACT NO. 10927 OTHERWISE KNOWN AS "AN ACT DESIGNATING CASINOS AS COVERED PERSONS" FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING ACTIVITIES IN THE CAGAYAN SPECIAL ECONOMIC ZONE AND FREEPORT (CSEZFP)

WHEREAS, the Implementing Rules and Regulations (IRR) of Republic Act No. 10927 otherwise known as "An Act Designating Casinos as Covered Persons" under Republic Act No. 9160, otherwise known as the "Anti-Money Laundering Act of 2001", as amended has been adopted and promulgated jointly by the Anti-Money Laundering Council (AMLC), Philippine Amusement and Gaming Corporation (PAGCOR), Cagayan Economic Zone Authority (CEZA), and Aurora Pacific Economic Zone and Freeport Authority (APECO) on October 17, 2017;

WHEREAS, it is the policy of the Cagayan Economic Zone Authority (CEZA) to ensure that the Cagayan Special Economic Zone shall not be used as a money laundering and terrorist financing site for the proceeds of any predicate offense;

WHEREAS, consistent with the foreign policy of the Republic of the Philippines, CEZA shall extend cooperation in transnational investigations and prosecutions of persons involved in money laundering and terrorist financing activities wherever committed;

NOW THEREFORE, in order to ensure the observance of the abovementioned IRR of the CEZA gaming licensees defined under THE CAGAYAN SPECIAL ECONOMIC ZONE AND FREE PORT INTERACTIVE GAMING RULES AND REGULATIONS OF 2018 and the CEZA LAND-BASED CASINO REGULATORY MANUAL, the following are hereby implemented:

Section 1. Scope

This Regulation shall apply to all casinos, including interactive gaming, land based and ship-based casinos, operating within the territorial jurisdiction of the Cagayan Special Economic Zone and Freeport to engage in gaming operations.

On July 14, 2017 Republic Act (RA) No. 10927, otherwise known as the Act Designating Casinos as Covered Persons Under Republic Act No. 9160, as amended was signed into law, designating casinos as Covered Persons under the AMLA. It took effect on July 29, 2017. The Casino Implementing Rules and Regulations (CIRR) of Republic Act No. 10927 took effect on November 4, 2017.

The Implementing Rules that apply to other Covered Persons shall not apply to Casinos unless it is expressly so provided under the CIRR Republic Act No. 10927.



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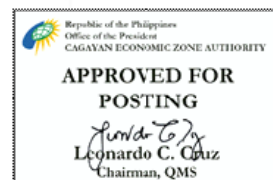
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Section 2. Designation of Casinos as Covered Persons

Casinos, including internet and ship-based casinos, with respect to their casino cash transactions related to their gaming operations, and such other entities as may be hereafter determined by Casino Regulators, are hereby designated as covered persons under the AMLA.

Section 3. Definition of Terms

For purposes of this Regulation, the following terms are hereby defined as follows:

- (a) "Account" – refers to membership account, customer's credit account, check cashing account, deposit account or any other account opened with a casino by or on behalf of a customer.
- (b) "Aggregation" – refers to the process of treating multiple or a series of financial transactions, as far as practicable or as soon as consolidated data becomes available, as a single financial transaction if done by or on behalf of a specific customer.
- (c) "Anti-Money Laundering Act" (AMLA) – refers to Republic Act (RA) No. 9160, as amended by RA Nos. 9194, 10167, 10365, and 10927.
- (d) "Anti-Money Laundering Council" (AMLC) – refers to the financial intelligence unit of the Republic of the Philippines which is the government agency tasked to implement the AMLA, as amended.
- (e) "Appropriate Government Agency" (AGA) – refers to APECO, CEZA, PAGCOR or any other government agency, as may be determined by law.
- (f) "Casino" – refers to a business authorized or operated by the appropriate Government agency to engage in gaming operations, including ship-based and internet-based casinos.
- (g) "Covered Persons" – refers to casinos, including internet and ship-based casinos, with respect to their casino cash transactions related to their gaming operations.
- (h) "Covered Transaction" – refers to a single casino cash transaction involving an amount in excess of Five Million Pesos (Php 5,000,000.00) or its equivalent in any other currency.
- (i) "Online Gaming Account" - is an electronic account opened by an internet based casino player to conduct gaming and financial transactions through the Internet based casino's website.

- (j) "Casino Employee License" - is an authorization issued by the regulator granting a person the privilege to be employed as a gaming employee within the Philippine jurisdiction. It is a pre-employment and continuing requirement for employment in any gaming establishment in the country.
- (k) "Gaming Operations" – refers to games of chance and variations thereof offered by casinos, and approved by the regulator under their enabling laws and other applicable issuances. It shall exclude:
1. Traditional Bingo operations authorized by AGA;
 2. Lotteries and sweepstakes of the Philippine Charity Sweepstakes Office (PCSO); and
 3. Such other games of chance and variations as may be declared exempted by the AGA based on the result of their money laundering and terrorist financing risk assessment in consultation with AMLC.
- (l) "Identification Document" – refers to any of the following documents:
1. For Filipino citizens: those issued by any of the following official authorities:
 - i. Government of the Republic of the Philippines, including its political subdivisions, agencies, and instrumentalities;
 - ii. Government Owned or Controlled Corporations (GOCCs); and
 - iii. Covered persons registered with and supervised or regulated by the Bangko Sentral ng Pilipinas (BSP), the Securities and Exchange Commission (SEC), or the Insurance Commission (IC).
 2. For foreign nationals: valid passport or Alien Certificate of Registration. For foreign nationals with low ML/TF risks a casino may consider the following identification documents:
 - i. identification documents enumerated in Section 4 (l)(1); and
 - ii. National identification card issued by a foreign government.
- (m) "Internet-based Casinos" – refers to casino operations where persons participate by the use of remote communication facilities such as, but not limited to, internet, telephone, television, radio or any other kind of electronic or other technology to facilitate communication.
- (n) "Monetary Instrument" – refers to:
1. Coins or currency of legal tender in the Philippines, or in any other country
 2. Negotiable Checks such as casino checks, personal checks, and bank drafts

3. Casino Value instrument such as casino chips, casino rewards cards, ticket/voucher in or ticket/voucher out, markers, cashier's orders, chip purchase orders/vouchers, chip checks, gift certificates, and casino drafts: and
 4. Other similar instruments where title thereto passes to another by endorsement, assignment or delivery.
- (o) "Probity Check" - is the process of looking up and compiling criminal records, commercial records, and financial records of an individual or a corporation to determine/assess its suitability to be a licensee.
- (p) "Suspicious Transaction" – refers to transactions with covered persons, regardless of the amounts involved, where any of the following exist:
1. There is no underlying legal or trade obligation, purpose or economic justification;
 2. The client is not properly identified;
 3. The amount involved is not commensurate with the business or financial capacity of the client;
 4. Taking into account all known circumstances, it may be perceived that the client's transaction is structured in order to avoid being the subject of reporting requirements under the AMLA;
 5. Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;
 6. The transaction is in any way related to an unlawful activity or any money laundering activity or offense that is about to be committed, is being or has been committed; or
 7. Any transaction that is similar, analogous or identical to any of the foregoing.
- (q) "Terrorist Financing" (TF) – as defined under Section 4 of Republic Act No. 10168.

Section 4. Basic Principles and Policies to Combat Money Laundering / Terrorist Financing (ML/TF)

- (a) Satisfactory evidence of the customer's identity should be obtained. The Licensee's Board of Directors and Senior Management shall ensure that the Casino is not used to facilitate ML/TF. They shall be responsible to direct all their employees to exercise utmost diligence to ensure that adequate

measures are implemented to prevent the Casino from being unwittingly involved in such a criminal activity.

- (b) Casinos shall in accordance with law, immediately give the authorized personnel of the AMLC, full access to all information, documents or objects pertaining to the account, casino transaction and/or person subject of the investigation.

Certified true copies of the documents pertaining to account, casino transaction and/or person subject of the investigation shall be submitted within five (5) working days from receipt of the request or order from the AMLC.

- (c) The casino shall fully cooperate with the CAGAYAN ECONOMIC ZONE AUTHORITY (CEZA), AMLC, and Law Enforcement Agencies within the legal constraints relating to customer confidentiality, particularly on matters relating to the Data Privacy Act. Appropriate measures such as reporting to the AMLC shall be taken when there are reasonable grounds for suspecting money laundering.
- (d) Policies consistent with the principles set in RA No. 9160, as amended by RA Nos. 9194, 10167, 10365, and 10927 shall be adopted and properly disseminated. Specific control procedures for customer identification, records keeping and retention of transaction documents and reporting of covered and suspicious transactions shall be implemented.

Section 5. **Creation and Implementation of Money Laundering and Terrorist Financing Prevention Program (MLPP)**

The casino's Board of Directors, shall approve, and the AML Compliance Officer shall implement, a comprehensive, risk-based MLPP geared towards the promotion of high ethical and professional standards and the prevention of Money Laundering and Terrorist Financing. The MLPP shall be in writing, consistent with the AMLA, and its provisions shall reflect the casino's corporate structure and risk profile. It shall be readily available in user friendly form whether in hard or soft copy. Moreover, it shall be well disseminated to all officers and staff who are obligated, given their position, to implement compliance measures. The casino shall design procedures that ensure an audit trail evidencing the dissemination of the MLPP to relevant officers and staff.

Lastly, the MLPP shall be updated at least once every two (2) years or whenever necessary to reflect changes in the AML/CFT obligations, Money Laundering and Terrorist Financing trends, detection techniques and typologies.

At a minimum, the MLPP provisions shall include:

- i. Detailed procedures of the covered person's compliance and implementation of the following major requirements of the AMLA, the CIRR and this CRM Regulation:**
 - i.i Customer identification process, including acceptance policies and an on-going monitoring process;**
 - i.ii Record keeping and retention;**
 - i.iii Covered transaction reporting; and**
 - i.iv Suspicious transaction reporting.**

Casino shall adopt a system, electronic or manual, of flagging, monitoring and reporting of transactions that qualify as suspicious transactions, regardless of amount and a system to monitor aggregated transactions that would breach the threshold for a covered transaction report.

Suspicious transaction reporting shall include a reporting chain under which a suspicious transaction will be processed and the designation of a Board-level or approved Committee who will ultimately decide whether or not the covered institution should file a report to AMLC.

- ii. An effective and continuous AML/CFT training program for all directors, and responsible officers and employees, to enable them to fully comply with their obligations and responsibilities under the AMLA, this CIRR and other applicable issuances, their own internal policies and procedures, and such other obligations as may be required by the AMLC and AGA;**
- iii. An adequate risk-based screening and recruitment process to ensure that only qualified and competent personnel with no criminal record or integrity-related issues are employed or contracted by casinos;**
- iv. An internal audit system and an independent audit program that will ensure the completeness and accuracy of information obtained from customers. The casino shall specify in writing the examination scope of independent audits, which shall include ensuring checking the accuracy and completeness of identification documents, covered transaction report (CTR) and suspicious transaction report (STR) submitted to the AMLC, and records retained in compliance with this framework, as well as assuring adequacy and effectiveness of the casino's training programs;**

- v. A mechanism that ensures all deficiencies noted during the audit and/or regular or special inspection/examination are immediately corrected and acted upon;
- vi. Cooperation with the AMLC and CEZA;
- vii. Designation of an AML compliance officer, who shall, at least, be of a senior management level, as the lead implementer of the casino's compliance program; and
- viii. The identification, assessment, and mitigation of ML/TF risks that may arise from new business practices, services, technologies, and products.

Section 6. Customer Due Diligence (CDD) –

A. Casinos must apply CDD measures under the following circumstances:

- (a) When a customer:
 - i. participates or joins its casino membership program;
 - ii. when a customer creates an online gaming account for internet-casino;
 - iii. engages in an aggregate financial transaction in excess of Five Hundred Thousand (500,000.00) Pesos or its equivalent in foreign currency;
- (b) When customers make use of any financial services;
- (c) When it becomes aware of circumstances which alter the current ML/TF risk profile of a carded customer, including, but not limited to the following:
 - i. When there is an indication that the identity of the customer, or of the customer's beneficial owner, has changed.
 - ii. When customer's transaction is not reasonably consistent with the casino's knowledge of the customer.
 - iii. When there is a change in the purpose or intended nature of the casino's relationship with the customer.
 - iv. Any other circumstances which could affect the casino's assessment of the ML/TF risk in relation to the customer.
- (d) When the casino suspects money laundering or terrorist financing.
- (e) When the casino doubts the veracity or adequacy of documents or information previously obtained for the purpose of identification or verification.

- B. Casinos are required to identify the beneficial owner and take reasonable measures to verify the identity of the beneficial owner, using the relevant information or data obtained from a reliable source, such that it is satisfied that it knows who the beneficial owner is.**

- C. Casinos are required to understand and, as appropriate, obtain information on, the purpose and intended nature of the business relationship.
- D. Casinos are required to conduct ongoing due diligence on the business relationship, including:
 - (a) scrutinizing transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the casinos knowledge of the customer, their risk profile, including where necessary, the source of funds; and
 - (b) ensuring that documents, data or information collected under the CDD process is kept up-to-date and relevant, by undertaking reviews of existing records, particularly for higher risk categories of customers.
- E. Casinos are required to verify the identity of the customer and beneficial owner before or during the course of establishing a business relationship or conducting transactions for occasional customers; or (if permitted) may complete verification after the establishment of the business relationship, provided that:
 - (a) this occurs as soon as reasonably practicable;
 - (b) this is essential not to interrupt the normal conduct of business; and
 - (c) the ML/TF risks are effectively managed.
- F. Casinos are required to adopt risk management procedures concerning the conditions under which a customer may utilize the business relationship prior to verification.
- G. Casinos are required to identify the manner of how deposits and pay-outs are settled, for each customer, whether land-based or online, i.e. payment solutions, bank transfer, in-house settlement.
- H. Casinos are required to apply CDD requirements to existing customers on the basis of materiality and risk, and to conduct due diligence on such existing relationships at appropriate times, taking into account whether and when CDD measures have previously been undertaken and the adequacy of data obtained.
- I. Casinos are required to perform enhanced due diligence where the ML/TF risks are higher.
- J. Casinos may apply simplified CDD measures where lower risks have been identified, through an adequate analysis of risks by the country or the casinos. The simplified measures should be commensurate with the lower risk factors, but are not acceptable whenever there is suspicion of ML/TF, or specific higher risk scenarios apply.
- K. Where the casinos are unable to comply with relevant CDD measures:
 - (a) it should be required not to open the membership account, commence business relations or perform the transaction; or should be required to terminate the business relationship; and
 - (b) it should be required to consider making a suspicious transaction report (STR) in relation to the customer.

L. In cases where the casinos form a suspicion of money laundering or terrorist financing, and they reasonably believe that performing the CDD process will tip-off the customer, they may not pursue the CDD process, and file an STR.

M. Casinos shall take all steps necessary to be able to establish the true and full identity of each customer and, to the extent possible, the intermediary and the person or entity on whose behalf the transaction is being conducted.

Section 6.A. - **Third Party Reliance** -

(a) Casinos may rely on duly accredited third-party institutions and DNFBPs to perform elements the CDD measures (identification of the customer; identification of the beneficial owner; and understanding the nature of the business) or to introduce business, the ultimate responsibility for CDD measures should remain with the casino relying on the third party, which should be required to:

- i. obtain immediately the necessary information concerning the CDD measures;
- ii. take steps to satisfy itself that copies of identification data and other relevant documentation relating to CDD requirements will be made available from the third party upon request without delay;
- iii. satisfy itself that the third party is regulated, and supervised or monitored for, and has measures in place for compliance with, CDD and record-keeping requirements.

(b) When determining in which countries the third party that meets the conditions can be based, countries should have regard to information available on the level of country risk.

(c) Casinos that rely on a third party that is part of the same business group, shall comply with requirements of the criteria above in the following circumstances:

- i. the group applies CDD and record-keeping requirements, and programmes against money laundering and terrorist financing;
- ii. the implementation of those CDD and record-keeping requirements and AML/CFT programmes is supervised at a group level by a competent authority; and
- iii. any higher country risk is adequately mitigated by the group's AML/CFT policies.

Section 7. **Record-keeping**

(a) Record-keeping – all CDD records and business correspondence, and results of any analysis undertaken and casino transactions of customers shall be maintained and safely stored for at least five (5) years, except for records of

video footage, where casinos may enforce a risk-based approach, provided that suspicious activities and STR-related footage are kept for 5 years or as otherwise allowed by the AMLC. If a case has been filed in court, records including video footage must be retained and safely kept beyond the five (5)-year period, until it is officially confirmed by the AMLC Secretariat that the case has been resolved.

- (b) **Record Safekeeping** – a casino shall designate an officer to be responsible and accountable for all record-keeping requirements. The officer will also be responsible for making these records available to the AMLC and AGA upon request. Casinos shall maintain records in an organized and confidential manner which allows the AMLC, AGA, the courts and any auditor establish an audit trail for money laundering and terrorist financing activities, if any, and to assess its compliance program.
- (c) **Form of Records** – records should be sufficient to permit reconstruction of individual transactions and retained as originals or copies in such forms as admissible in court pursuant to existing laws, such as RA No. 8792 or the E-Commerce Act and its implementing rules and regulations, and the applicable rules promulgated by the Supreme Court.
- (d) **For internet casino or proxy betting service** - In addition to the required information above, the operator through the Licensee shall submit the names, IP address, and any other data pertaining to the identity of the person who logged in the site and was given access to view the video streaming for purposes of monitoring.
- (e) Casinos are required to ensure that all CDD information and transaction records are available swiftly to the AMLC or AGA.

Section 8. **Transaction Reporting**

- (a) **Reporting of Covered and Suspicious Transactions** – casinos shall report to the AMLC all covered transactions and suspicious transactions within five (5) working days, unless the AMLC prescribes a different period not exceeding fifteen (15) working days, from the occurrence thereof.

For suspicious transactions, “occurrence” refers to the date of determination of the suspicious transaction, which determination shall be made not exceeding ten (10) calendar days from the date of transaction. However, if the transaction is in any way related to, or the period transacting is involved in or connected to, a predicate offense or money laundering offense, the 10-day

period for determination shall be reckoned from the date the covered person knew or should have known the suspicious transaction indicator.

Should a casino transaction be determined to be both a covered transaction and a suspicious transaction, it shall be reported as a suspicious transaction.

- (b) Substance and form of reports – covered persons shall ensure the accuracy and completeness of CTRs and STRs, which shall be filed in the form prescribed by the AMLC and shall be submitted in a secured manner to the AMLC in electronic form. In order to provide accurate information, the casino shall regularly update customer identification information at least once every five (5) years on the basis of risk and materiality.
- (c) Confidentiality of Reporting – when reporting covered transactions, casinos, and their officers and employees, are prohibited from communicating directly or indirectly, in any manner or by any means, to any person or entity, or the media, the fact that a covered or suspicious transaction has been or is about to be reported, the contents of the report, or any other information in relation thereto. Any information about such reporting shall not be published or aired, in any manner or form, by the mass media, or through electronic mail, or other similar devices.
- (d) Safe Harbor - Casinos and their directors, officers and employees shall be exempt from any criminal and civil liability for breach of any restriction on disclosure of information imposed by contract or by any legislative, regulatory or administrative provision, if the suspicious transaction report was performed in good faith. The exemption shall apply even if the underlying unlawful activity was reported is not accurate, and regardless of whether illegal activity actually occurred.

Section 9. – Training

As part of an effective anti-money laundering program, this Regulation shall require all licensee to have an employee training program as determined by AML Compliance Officer and in coordination with the AMLC. This will ensure that training on the principles of anti-money laundering is provided to all employees engaged in the operation of Casino games, Casino marketing employees, Surveillance employees, Cage employees. The training shall cover, but not limited to:

- (a) Customer Due Diligence
- (b) Identifying suspicious activity

(c) **Records keeping Covered transaction reporting and Suspicious transaction reporting**

Section 10 – Employee Screening

To ensure that casinos being regulated by AGA are of integrity, all casino employees, local and foreign, must undergo screening procedure set by the casino operators.

For those casino operators who employ foreign employees, said employees must secure CEZA working visa and other relevant documents necessary to be able to work in the jurisdiction of CEZA.

Section 11 – Independent Internal Audit System –

Casinos shall establish internal controls to ensure day-to-day compliance with its AML/CFT obligations under the AMLA, this CIRR, and other applicable issuances, taking into consideration the size and complexity of the casino operations.

Qualified personnel who are independent of the office being audited shall conduct internal audits for casinos. The auditors shall have the support and a direct line of communication to the casino's Board of Directors, or the partners or the sole proprietor, as the case may be. The casino's internal audit program shall include periodic and independent evaluation of the casino's risk management, as well as the sufficiency and degree of adherence to the casino's compliance measures. Internal audit examination scope shall cover the accuracy of customer identification information, covered and suspicious transaction reports, and all other records and internal controls pertaining to compliance with AML/CFT obligations. Internal audits shall be conducted at least once every two (2) years or at such frequency as necessary, consistent with the risk assessment of the casinos.

The results of the internal audit shall be timely and directly communicated to both the casino's Board of Directors, or the partners or the sole proprietor, as the case may be, and the compliance officer. There shall also be a written procedure by which deficiencies in a compliance program are promptly remedied once identified by an internal audit. Moreover, audit results relative to AML/CFT compliance shall promptly be made available to the AMLC and AGA upon request.

The internal audit function shall be periodically assessed by an independent third party auditor accredited by the AGA. A mechanism that ensures all deficiencies noted during the audit and/or regular or special inspection/examination are immediately corrected and acted upon;

Section 12 – Cooperation with the AMLC and AGA–

Casinos shall ensure cooperation with AGA and/or AMLC when an audit is being conducted or an investigation is being undertaken and shall at all times provide the necessary documents needed during the audit as well as possible actionable intelligence that may assist and/or contribute during the audit.

Section 13 – Designation of a compliance officer –

Casinos shall designate a compliance officer of senior management status with the authority and mandate to ensure day-to-day compliance with its AML/CFT obligations. The compliance officer shall have a direct line of communication to the casino's Board of Directors, or the partners or the sole proprietor, as the case may be, to report on matters pertaining to its AML/CFT obligations, including the casino's failure to manage ML/TF risks and new AML/CFT obligations issued in the form of circulars and correspondence from AMLC and AGA that require updates to the casino's compliance measures. The compliance officer shall also ensure that compliance measures reflect readily available information concerning new trends in ML and TF and detection techniques.

If a casino's activities are complex or if it maintains multiple business locations, it shall make and document a decision as to whether or not it will be necessary to create a compliance office or to appoint a compliance officer for each of the casino's locations. This decision shall take into consideration the similarity of risks posed to the casino's various operations, including but not limited to, distinctions in customers/clients, transactions, services offered, as well as the location between business locations.

The casino shall also designate a separate officer to be responsible and accountable for all record-keeping requirements under this CIRR. These officers will also be responsible for making these records readily available to the AMLC upon request.

Section 14 – Risk Assessment –

- (a) Casinos are required to identify and assess the ML/TF risks that may arise in relation to the development of new products and new business practices, including new delivery mechanisms, and the use of new or developing technologies for both new and pre-existing products.
- (b) Casinos are required to:
 - a. undertake the risk assessments prior to the launch or use of such products, practices and technologies; and
 - b. take appropriate measures to manage and mitigate the risks.

Section 14 –Higher Risk Jurisdictions –

- (a) Casinos are required to apply enhanced due diligence, proportionate to the risks, to business relationships and transactions with its customers from countries for which this is called for by the FATF.

Section 15 – AML/CFT Controls for Branches and Subsidiaries - -

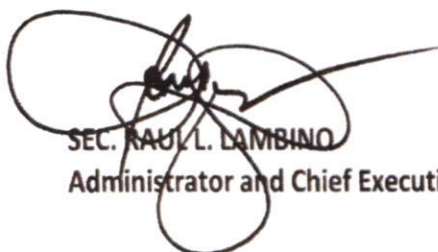
- (a) Casino groups should be required to implement group-wide MLPP, which should be applicable, and appropriate to, all branches and majority-owned subsidiaries of the business group. These should include the minimum components of an MLPP and also:
 - a. policies and procedures for sharing information required for the purposes of CDD and ML/TF risk management;
 - b. the provision, at group-level compliance, audit, and/or AML/CFT functions, of customer, account, and transaction information from branches and subsidiaries when necessary for AML/CFT purposes. This should include information and analysis of transactions or activities which appear unusual (if such analysis was done). Similarly branches and subsidiaries should receive such information from these group-level functions when relevant and appropriate to risk management; and
 - c. adequate safeguards on the confidentiality and use of information exchanged, including safeguards to prevent tipping-off.
- (b) Casinos are required to ensure that their foreign branches and majority-owned subsidiaries apply AML/CFT measures consistent with the AMLA requirements, where the minimum AML/CFT requirements of the host country are less strict than those of the AMLA, to the extent that host country laws and regulations permit.

If the host country does not permit the proper implementation of AML/CFT measures consistent with the AMLA requirements, financial groups should be required to apply appropriate additional measures to manage the ML/TF risks, and inform AGA.

Section 15. – List of Offenses and Corresponding Penalties, Sanctions, or Other Measures

The Rules on Imposition of Administrative Sanctions issued by the AMLC shall apply as provided under Section 37 of the CIRR.

Approved:



SEC. RAUL L. LAMBINO
Administrator and Chief Executive Officer