



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE DEPUTY GOVERNOR
FINANCIAL SUPERVISION SECTOR

CIRCULAR LETTER NO. CL-2020- 037

To : **All BSP-Supervised Financial Institutions**

Subject : **Anti-Money Laundering Council (AMLC) Regulatory Issuance (ARI) A No. 3¹ – Amendments to the AMLC Registration and Reporting Guidelines on No/Low Risk Transactions of Money Service Business (MSBs)**

The AMLC, in its Resolution No. 30 dated 14 February 2020, approved the amendments to the list of no/low risk transactions of MSBs, which shall be deferred for reporting of covered transactions, as follows:

1. Pre-fund deposit and replenishment to process remittance transactions;
2. Payment of commission, charges or other operating income expenses for services rendered;
3. Foreign exchange transactions between a parent, its subsidiaries and affiliates, which are also covered persons;
4. Internal operating and capital expenses:
 - a. Lease agreement and rental payments;
 - b. Office repairs and maintenance expenses;
 - c. Purchase of furniture, fixtures and equipment;
 - d. MSBs using its remittance services to credit employees' salaries;
 - e. MSBs using its remittance services to fund its employees' travel allowances;
 - f. MSB employees using their company's remittance services to liquidate expenses, such as excess funds from previous cash advances; and
 - g. MSB head offices using their company's remittance services to fund the payment expenses of their branches.
5. Payment of MSBs taxes, such as corporate income tax, value added tax and percentage tax.

For information and compliance.


CHUCHI G. FONACIER
Deputy Governor

10 August 2020

¹ Copy attached

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ELECTRONIC RECORD ON FILE


08/10/2020
RYA ROSE D. NUNEZ
Manager, RMD
Administrative Services Department



AMLC REGULATORY ISSUANCE (ARI) A NO. 3
Series of 2020

Subject: Amendments to the AMLC Registration and Reporting Guidelines (ARRG), the inclusion of No/Low Risk Transactions for Money Service Businesses (MSBs)

By the authority vested in me by the Anti-Money Laundering Council (AMLC), pursuant to AMLC Resolution No. 30 dated 14 February 2020, the list of No/Low Risk Transactions (MSBs), which shall be deferred for reporting for Covered Transaction Reports are as follows:

1. Pre-fund deposit and replenishment to process remittance transactions;
2. Payment of commission, charges or other operating income expenses for services rendered;
3. Foreign exchange transactions between a parent, its subsidiaries and affiliates, however limited to subsidiaries and affiliates who are also CPs;
4. Internal operating and capital expenses:
 - a. Lease agreement and rental payments;
 - b. Office repairs and maintenance expenses;
 - c. Purchase of furniture, fixtures and equipment (FEE);
 - d. MSBs using its remittance services to credit employees' salaries;
 - e. MSBs using its remittance services to fund its employees travel allowances;
 - f. MSB employees using their company's remittance services to liquidate expenses, such as excess funds from previous cash advances; and
 - g. MSB head offices using their company's remittance services to fund the payment expenses of their branches.
5. Payment of MSBs taxes, such as corporate income tax, VAT and percentage tax.

The amendments under this ARI shall be implemented fifteen (15) calendar days after its publication in a newspaper of general circulation.

FOR THE AMLC:

(Original Signed)
MEL GEORGIE B. RACELA
Executive Director
AMLC Secretariat

26 February 2020

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ELECTRONIC RECORD ON FILE


08/10/2020
RYA ROSE D. NUNEZ
Manager, RMD
Administrative Services Department