



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



<b>Advisory No:</b>	<b>RS-2024-002</b>
<b>Classification:</b>	<b>Regulatory and Supervisory Advisory</b>
<b>Date:</b>	<b>30 January 2024</b>

### INSURANCE COMMISSION ADVISORY

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

**SUBJECT :** Dissemination of the AMLC Advisory Urging Entities to Apply Risk-Based Measures Against Money Laundering (ML) and Terrorism Financing (TF) for Customers, Including Transactors

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The attached advisory from Anti-Money Laundering Council (AMLC) reminds Covered Persons (CPs) to implement risk-based preventive measures against money laundering (ML) and terrorism financing (TF) on its customers, including transactors.

Transactors are any person, other than the account owner/ holder, who transacts business with a covered person. Covered persons should conduct risk-based CDD measures, keep all CDD and transaction records for at least five years, and file covered and suspicious transaction records based on the latest AMLC Registration and Reporting Guidelines.

This Commission encourages all Insurance Commission Regulated Entities (ICREs) to adopt a proactive approach in implementing these requirements to maintain their compliance with the AMLC regulations.

For your information and guidance.

  
**REYNALDO A. REGALADO**  
Insurance Commissioner





Republic of the Philippines  
**ANTI-MONEY LAUNDERING COUNCIL**

**ADVISORY**

Subject: **Reminder for Covered Persons to Implement Risk-based Preventive Measures against Money Laundering and Terrorism Financing on Its Customers, including Transactors**

The Anti-Money Laundering Council (AMLC) reminds all covered persons of their duty to implement risk-based Customer Due Diligence (CDD), Record-keeping, and Transaction Reporting measures on its customers, particularly the transactors.

**Transactors are Customers**

Rule 2, Section 1(z) of the 2018 Implementing Rules and Regulations (IRR) of Republic act (RA) No. 9160, otherwise known as The Anti-Money Laundering Act of 2001, as amended (AMLA), defines the term "Customer/Client" as follows:

- (z) *"Customer/Client" refers to any person who keeps or maintains an account, or otherwise transacts business with a covered person. It includes the following:*
- (1) *Beneficial owner, or any natural person who ultimately owns or controls a customer and/or on whose behalf an account is maintained or a transaction is conducted;*
  - (2) ***Transactors**, agents and other authorized representatives of beneficial owners;*
  - (3) *Beneficiaries of trusts, investment and pension funds, insurance policies, and remittance transactions;*
  - (5) *Persons whose assets are managed by an asset manager;*
  - (5) *Trustors/grantors/settlors of a trust;*
  - (6) *Insurance policy holders, whether actual or prospective; and*
  - (7) *Juridical person.*

*For purposes of this Rule, the term juridical person shall refer to an entity other than a natural person as defined under the Civil Code of the Philippines, including corporate clients who keep or maintain an account with a covered person.*

Under the foregoing definition, the term transactor is understood to mean any person, other than the account owner/holder who transacts business with a covered person. Transacting business includes all activities relative to the regular business, service, or product being offered or performed by a covered person, regardless if it results in account opening or actual movement of funds.