

****Title:**** Republic of the Philippines vs. Bloomberry Resorts and Hotels, Inc. (Solaire) and Banco de Oro: The Lifting of a Freeze Order in Relation to the Bangladesh Bank Heist

****Facts:****

In February 2016, approximately \$81 million was illegally transferred from the Bangladesh Bank's account with the New York Federal Reserve to various accounts in the Philippines, igniting an international money laundering controversy. Bangladesh Bank Governor Atiur Rahman sought assistance from the Governor of Bangko Sentral ng Pilipinas, Amando M. Tetangco, Jr., to reclaim the lost funds. Investigations revealed the money was moved through fraudulent transactions to four RCBC accounts and subsequently funneled into various accounts, including the account of Bloomberry Resorts and Hotels, Inc. (BRHI) at Banco de Oro (BDO). The Anti-Money Laundering Council (AMLC) of the Philippines, believing the transferred funds to BRHI were connected to the heist, successfully petitioned the Court of Appeals (CA) for a 30-day freeze order on BRHI's BDO account on March 15, 2016. In response, BRHI filed an Urgent Motion to Lift Freeze Order, while the AMLC filed for an additional freeze period. The CA, in its April 2016 resolution, favored BRHI, lifting the freeze order and sparking the AMLC's appeal to the Supreme Court contesting the CA's decision.

****Issues:****

The primary legal issue centered on whether the CA erred in lifting the freeze order against BRHI's account, taking into consideration the elapsed maximum six-month period for a freeze order's effectiveness under Republic Act No. 9160 (AMLA), as amended.

****Court's Decision:****

The Supreme Court deemed the petition moot and academic, reinforcing that a freeze order under the AMLA, as amended, could not exceed a maximum period of six months. Since more than six months had elapsed since the original freeze order's issuance, and considering the bank had already complied with the CA's lift order, there was no practical purpose in revisiting the AMLC's request for an additional freeze period. The Court declined to review the merits of the AMLC's appeal, citing the mootness of the case and lifted the temporary restraining order it previously issued.

****Doctrine:****

This case reiterated the doctrine that limits the effectiveness of a freeze order to a maximum of six months as prescribed under the AMLA, as amended. The decision underscores the principles of mootness and academicism in legal disputes, particularly

highlighting the timely nature of judicial interventions in freeze order applications and the substantial relief pegged to the duration of such orders.

****Class Notes:****

- ****Money Laundering Acts (Republic Act No. 9160, as amended):**** Freeze orders related to money laundering can only be effective for a maximum of six months.
- ****Moot and Academic Principle:**** A case is considered moot and academic if supervening events render it devoid of practical legal relief or if it ceases to present a justiciable controversy.
- ****Judicial Review and Temporary Relief:**** The judiciary's power to review can be limited by statutory durations defining the temporal effectiveness of interim reliefs like freeze orders.

****Historical Background:****

The case fell within the broader context of the infamous Bangladesh Bank cyber heist, marking a significant instance of international financial fraud and money laundering. The incident exposed the vulnerabilities of the global banking system to cyber attacks and the complexities surrounding the recovery of stolen funds across jurisdictions. The Philippine legal system's handling of the case illustrates its mechanisms for addressing international financial crimes and the challenges posed by the inherently transient nature of electronic fund transfers in detecting and preventing money laundering.