

RULE OF PROCEDURE IN CASES OF CIVIL FORFEITURE, ASSET PRESERVATION, AND FREEZING OF MONETARY INSTRUMENT, PROPERTY, OR PROCEEDS REPRESENTING, INVOLVING, OR RELATING TO AN UNLAWFU...

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c6bbbec12ae4/>

Acting on the letter of the Chairman of the Committee on Revision of the Rules of Court submitting for this Court's consideration and approval the Propose Rule of Procedure in Cases of Civil Forfeiture, Asset Preservation, and Freezing of Monetary Instrument, Property, or Proceeds Representing, Involving, or Relating to an Unlawful Activity or Money Laundering Offense under Republic Act No. 9160, as Amended, the Court Resolved to APPROVE the same. These Rules shall take effect on the fifteenth of December 2005 following their publication in a newspaper of general circulation in the Philippines not later than 20 November 2005. 15 November 2005. HILARIO G. DAVIDE, JR. Chief Justice

REYNATO S. PUNO Associate Justice ARTEMIO V. PANGANIBAN Associate Justice

LEONARDO A. QUISUMBING Associate Justice CONSUELO YNARES- SANTIAGO Associate Justice

ANGELINA SANDOVAL-GUTIERREZ Associate Justice ANTONIO T. CARPIO Associate Justice

MA. ALICIA AUSTRIA-MARTINEZ Associate Justice RENATO C. CARPIO Associate Justice

CONCHITA CARPIO MORALES Associate Justice ROMEO J. CALLEJO, SR. Associate Justice

ADOLFO S. AZCUNA Associate Justice DANTE O. TINGA Associate Justice

MINITA V. CHICO-NAZARIO Associate Justice CANCIO C. GARCIA Associate Justice

RULE OF PROCEDURE IN CASES OF CIVIL FORFEITURE, ASSET PRESERVATION, AND FREEZING OF MONETARY INSTRUMENT, PROPERTY, OR PROCEEDS REPRESENTING, INVOLVING, OR RELATING TO AN UNLAWFUL ACTIVITY OR MONEY LAUNDERING OFFENSE UNDER REPUBLIC ACT NO. 9160, AS AMENDED Title I Applicability SECTION 1. Applicability. - The Rule shall govern all proceedings for civil forfeiture, asset preservation and freezing of monetary instrument, property, or proceeds representing, involving, or relating to an unlawful activity or a money laundering offense under Republic Act No. 9160, as amended. The Revised Rules of Court shall apply suppletorily when not inconsistent with the provisions of this special Rule. Title II Civil Forfeiture in the Regional Trial Court Sec. 2. Party to institute proceedings. - The Republic of the Philippines, through the Anti-Money Laundering Council, represented by the Office of the Solicitor General, may institute actions for civil forfeiture and all other remedial proceedings in favor of the State of any monetary instrument, property, or proceeds representing, involving, or relating to an unlawful activity or a money laundering offense. Sec. 3. Venue of cases cognizable by the regional trial court. - A petition for civil forfeiture shall be filed in any regional trial court of the judicial region where the monetary instrument, property, or proceeds representing, involving, or relating to an unlawful activity or to a money laundering offense are located; provided, however, that where all or any portion of the monetary instrument, property, or proceeds is located outside the Philippines, the petition may be filed in the regional trial court in Manila or of the judicial

region where any portion of the monetary instrument, property, or proceeds is located, at the option of the petitioner. Sec. 4. Contents of the petition for civil forfeiture. - The petition for civil forfeiture shall be verified and contain the following allegations:

- (a) The name and address of the respondent; (b) A description with reasonable particularity of the monetary instrument, property, or proceeds, and their location; and (c) The acts or omissions prohibited by and the specific provisions of the Anti-Money Laundering Act, as amended, which are alleged to be the grounds relied upon for the forfeiture of the monetary instrument, property, or proceeds;

and the reliefs prayed for. Sec. 5. Direct filing; action on the petition. - The petition shall be filed directly with the executive judge of the regional trial court or, in his absence, the vice-executive judge or, in their absence, any judge of the regional trial court of the same station. He shall act on the petition within twenty-four hours after its filing. Sec. 6. Separate logbook. - The executive judge of the regional trial court shall enter the petition in a logbook specifically designed for the purpose and assign it a docket number. He shall designate a member of his staff to keep the logbook under his custody and responsibility. Sec. 7. Confidentiality; prohibited disclosure. - The logbook and the entries therein shall be kept strictly confidential and maintained under the responsibility of the executive judge. No person, including court personnel, shall disclose, divulge or communicate to anyone directly or indirectly, in any manner or by any means, the fact of the filing of the petition for an asset preservation order, its contents and its entry in the logbook except to those authorized by the court. Violation shall constitute contempt of court. Sec. 8. Notice and manner of service. - (a) The respondent shall be given notice of the petition in the same manner as service of summons under Rule 14 of the Rules of Court and the following rules:

- The notice shall be served on respondent personally, or by any other means prescribed in Rule 14 of the Rules of Court;
- The notice shall contain: (i) the title of the case; (ii) the docket number; (iii) the cause of action; and (iv) the relief prayed for; and
- The notice shall likewise contain a proviso that, if no comment or opposition is filed within the reglementary period, the court shall hear the case ex parte and render such judgment as may be warranted by the facts alleged in the petition and its supporting evidence.

(b) Where the respondent is designated as an unknown owner or whenever his whereabouts are unknown and cannot be ascertained by diligent inquiry, service may, by leave of court, be effected upon him by publication of the notice of the petition in a newspaper of general circulation in such places and for such time as the court may order. In the event that the cost of publication exceeds the value or amount of the property to be forfeited by ten percent, publication shall not be required. Sec. 9. Comment or opposition. - The respondent shall file a verified comment or opposition, not a motion to dismiss the petition, within fifteen days from service of notice or within thirty days from the publication in case service of notice was by publication. The comment or opposition shall (a) state whether respondent admits the allegations of the petition; (b) specify such inaccuracies or falsities in petitioner's statement of facts; and (c) state clearly and concisely the respondent's defense in law and the specific and pertinent provisions of the law and their applicability to respondent. Sec. 10. Effect of failure to file comment or opposition. - If no comment or opposition is filed within the reglementary period, the court shall hear the case ex parte and render such judgment as may be warranted by the facts alleged in the petition and its supporting evidence. Title III Asset Preservation Order: Ex Parte Issuance, Summary Hearing, Service, Return and Grounds for Discharge Raised in Motion, Comment or Opposition Sec. 11. Ex parte issuance of provisional asset preservation order. - Where the executive judge of the regional trial court or, in his absence, the vice-executive judge or, in their absence, any judge of the regional trial court available in the same station, has determined that probable cause exists on the basis of allegations of a verified petition sufficient in form and substance, with a

prayer for the issuance of an asset preservation order, that the monetary instrument, property, or proceeds subject of the petition are in any way related to an unlawful activity as defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194, the court may issue ex parte a provisional asset preservation order effective immediately forbidding any transaction, withdrawal, deposit, transfer, removal, conversion, concealment or other disposition of the subject monetary instrument, property, or proceeds. Such order shall be effective for a period of twenty days from the respective dates of service to respondent or any person acting in his behalf, and upon each covered institution or government agency in accordance with Section 14 of this Rule. Sec. 12. Summary hearing. - The court shall schedule a hearing at a date and time within the twenty-day period at which the respondent may for good cause show why the provisional asset preservation order should be lifted. The court shall determine within the same period whether the provisional asset preservation order should be modified or lifted or an asset preservation order should issue and act accordingly. Sec. 13. Issuance, form and content of asset preservation order.- The asset preservation order issued under Section 11 or 12 shall:

- (a) issue in the name of the Republic of the Philippines represented by the Anti-Money Laundering Council;
- (b) state the name of the court, the case number and title, and the subject order; and (c) require the sheriff or other proper officer to whom it is directed to serve a copy of the order upon the respondent or any person acting in his behalf and upon the covered institution or government agency.

Sec. 14. Service and enforcement of asset preservation order. - The asset preservation order shall be served personally by the sheriff or other proper officer designated by the court in the manner provided in Sections 8, 19 and 20. If personal service is not practicable, the order shall be served in any other manner which the court may deem expedient. When authorized by the court, service may be effected upon the respondent or any person acting in his behalf and upon the treasurer or other responsible officer of the covered institution or the head of the covered government agency, by facsimile transmission (fax) or electronic mail (e-mail). In such cases, the date of transmission shall be deemed to be prima facie the date of service. The asset preservation order shall be enforceable anywhere in the Philippines. Sec. 15. Duties of covered institution and government agencies upon receipt of asset preservation order. - Upon receipt of notice of an asset preservation order, the covered institution or government agency shall immediately preserve the subject monetary instrument, property, or proceeds in accordance with the order of the court and shall forthwith furnish a copy of the notice of the asset preservation order upon the owner or holder of the subject monetary instrument, property, or proceeds. Sec. 16. Returns of the sheriff, covered institution or government agency. - Within twenty-four hours from receipt of an asset preservation order, the sheriff who served the order and the covered institution or government agency shall submit by personal delivery to the regional trial court which issued the order a detailed written return specifying all the relevant information which shall include the following:

- (a) For covered institutions: The account numbers for financial accounts or description of the monetary instrument, property, or proceeds involved; (b) For covered government agencies:
 - Certificates of title numbers of registered real property and the volumes and pages of the registration books of the Register of Deeds where the same are registered;
 - Registration in the Primary Entry Book and corresponding Registration Book in the Register of Deeds for unregistered real property;
 - Registration with the Register of Deeds of the enabling or master deed for a condominium project, declaration of restrictions relating to such condominium project, certificate of title conveying a condominium and notice of assessment upon any condominium;
 - Tax declarations for improvements built on land owned by a different party, together with the annotation of the contract of lease on the title of the owner of the land as registered in the Register of Deeds;

- Certificates of registration for motor vehicles and heavy equipment indicating the engine numbers, chassis numbers and plate numbers;
- Certificates of numbers for seacraft;
- Registration certificates for aircraft; or
- Commercial invoices or notarial identification for personal property capable of manual delivery;

whichever are applicable; (c) The names of the account holders, personal property owners or possessors, or real property owners or occupants; (d) The peso value of the monetary instrument, property, or proceeds as of the time the assets were ordered seized and preserved; (e) All relevant information as to the nature of the monetary instrument, property, or proceeds; and (f) The date and time when the asset preservation order was served.

Sec. 17. Grounds for discharge of asset preservation order. - The respondent or the party, whose personal or real property has been preserved pursuant to an asset preservation order, may raise in a motion or in the comment or opposition the grounds for its discharge. For this purpose, the motion, comment or opposition shall:

- (a) identify the specific property sought to be discharged; (b) state the respondent's interest in such property; and (c) be subscribed under oath. The following grounds for the discharge of the asset preservation order may be raised: (a) The order was improperly or irregularly issued or enforced; (b) Any of the material allegations in the petition, or any of the contents of any attachment to the petition thereto, or its verification, is false; and (c) The specific personal or real property ordered preserved is not in any manner connected with the alleged unlawful activity as defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194.

No counterbond to discharge the asset preservation order shall be allowed except for compelling reasons. Title IV Assets Subject to Preservation Order, Guidelines in Serving Asset Preservation Order, and Receivership Sec. 18. Assets subject to preservation order. ? (a) Monetary instrument. ? The term "monetary instrument" includes:

- Coins or currency of legal tender of the Philippines or of any other country;
- Credit instruments, including bank deposits, financial interest, royalties, commissions and other intangible personal property;
- Drafts, checks and notes;
- Stocks or shares, or an interest therein, of any corporation or company;
- An interest in any corporation, partnership, joint venture or any other similar association or organization for profit or otherwise;
- Securities or negotiable instruments, bonds, commercial papers, deposit certificates, trust certificates, custodial receipts or deposit substitute instruments, trading orders, transaction tickets and confirmations of sale or investments and money market instruments;
- Contracts or policies of insurance, life or non-life, and contracts of suretyship; and
- Other similar instruments where title thereto passes to another by assignment, endorsement or delivery;

(b) Property. ? The term "property" refers to:

- Personal property, including proceeds derived therefrom, traceable to any unlawful activity as defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194, includes but is not limited to: (i) Cash; (ii) Jewelry, precious metals, and other similar items; (iii) Works of art such as paintings, sculptures, antiques,

treasures and other similar precious objects; (iv) Perishable goods; and (v) Vehicles, vessels or aircraft, or any other similar conveyance.

- Personal property, used as instrumentalities in the commission of any unlawful activity defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194, such as: (i) Computers, servers and other electronic information and communication systems; and (ii) Any conveyance, including any vehicle, vessel and aircraft.

- Real estate, improvements constructed or crops growing thereon, or any interest therein, standing upon the record of the registry of deeds of the province in the name of the party against whom the asset preservation order is issued, or not appearing at all upon such records, or belonging to the party against whom the asset preservation order is issued and held by any other person, or standing on the records of the registry of deeds in the name of any other person, which are: (i) derived from, or traceable to, any unlawful activity defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194; or (ii) used as an instrumentality in the commission of any unlawful activity as defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194. (c) Proceeds. - The term "proceeds" refers to an amount derived or realized from an unlawful activity, which includes, but is not limited to:

- All material results, profits, effects and any amount realized from any unlawful activity;

- All monetary, financial or economic means, devices, documents, papers or things used in or having any relation to any unlawful activity; and

- All moneys, expenditures, payments, disbursements, costs, outlays, charges, accounts, refunds and other similar items for the financing, operations and maintenance of any unlawful activity.

Sec. 19. Guidelines in serving asset preservation order on perishable property. - When perishable property is preserved, and the same is liable to deteriorate in value and price by reason of delay in its disposition or is disproportionately expensive to keep, the following guidelines are to be strictly followed: (a) The petitioner may file a verified motion praying for the sale at public auction of said perishable property setting forth all the facts showing such sale to be necessary; (b) If the court grants the motion, the sale shall be conducted in the same manner as property sold under execution as provided in the Rules of Court:

- Written notice must be given, before the sale, by posting of the time and place of the sale in three public places, preferably in conspicuous areas of the municipal or city hall, post office and public market in the municipality or city where the perishable property is located and where the sale is to take place, for such time as may be reasonable, considering the character and condition of the property; and

- The proceeds shall be deposited with the Clerk of Court to be disposed of according to the final judgment of the court.

Sec. 20. Guidelines in serving asset preservation order on real estate property. - When real estate property is ordered preserved, the following guidelines are to be strictly followed: (a) Real property shall not be physically seized before a final order of forfeiture; (b) The owners, if known, and occupants of the real property shall not be evicted from, or otherwise deprived of the use and enjoyment of, real property that is the subject of a pending forfeiture action; (c) Notice of the asset preservation order shall be served in accordance with Section 14 of this Rule on the owners, if known, and occupants of the real property along with a copy of the petition; and (d) The sheriff shall also post in a conspicuous place on the real property a copy of the asset preservation order.

Sec. 21. Designation of receiver. - Upon verified motion, the court may order any person in contro1 or possession

of the monetary instrument, property, or proceeds to turn over the same to a receiver appointed by the court under such terms and conditions as the court may deem proper in the following instances: (a) When it appears that the party applying for the appointment of a receiver has an interest in the property or fund and that such property or fund is in danger of being lost, removed or materially injured; (b) When it appears that the property is in danger of being wasted or dissipated or materially injured; (c) After judgment, to preserve the property during the pendency of an appeal, or to dispose of it according to the judgment or to aid execution when the execution has been returned unsatisfied or the judgment obligor refuses to apply his property in satisfaction of the judgment, or otherwise to carry the judgment into effect; and (d) Whenever in other cases it appears that the appointment of a receiver is the most convenient and feasible means of administering or disposing of the property in litigation.

Title V Pre-trial Sec. 22. Pre-trial. - (a) Pre-trial mandatory. - Pre-trial is mandatory. If a comment or an opposition is filed, the court shall forthwith send notice of pre-trial conference to the parties. (b) Purpose. - The court shall consider:

- The possibility of obtaining stipulations or admissions of facts and of documents to avoid unnecessary proof;
- The simplification of the issues;
- The necessity or desirability of amendments to the pleadings;
- The limitation of the number of witnesses;
- The advisability of a preliminary reference of issues to a commissioner;
- The propriety of rendering judgment on the pleadings, or summary judgment, or of dismissing the action should a valid ground therefor be found to exist; and
- Such other matters as may aid in the prompt disposition of the action.

(c) Notice of pre-trial conference. ?The notice of pre-trial conference shall contain:

- The date of the pre-trial conference which shall be set within thirty days from the date of receipt by the court of the comment or opposition; and
- An order directing the parties to file and serve their respective pre-trial briefs. The parties shall ensure the receipt of the pre-trial brief by the adverse party at least three days before the date of pre-trial.

(d) Separate service of notice; appearances. ?The notice shall be served separately on the parties and their respective counsel, both of whom shall appear personally at the pre-trial conference. It shall be the duty of the counsel to inform his client of the pre-trial conference. The failure of a party to appear may be excused only if a valid cause is shown therefor or if a representative shall appear in his behalf, fully authorized in writing to enter into stipulations or admissions of facts and of documents. Sec. 23. Contents of the pre-trial brief. - The pre-trial brief shall contain the following: (a) A full and complete statement of the respective claims of the parties with a citation of the applicable laws and authorities; (b) A statement of the admitted facts and proposed stipulations of facts, as well as the disputed factual and legal issues; (c) Copies of the documents or exhibits to be presented, stating their purpose; (d) The names and number of witnesses, and the substance of their respective testimony; and (e) Such other matters as may aid in the prompt disposition of the case. Failure of a party to file a pre-trial brief or to comply with its required contents shall have the same effect as failure to appear at the pre-trial conference. Sec. 24. Effect of failure to appear at the pre-trial conference. - Failure of the petitioner or counsel to appear at the pre-trial conference shall be cause for dismissal of the petition. The dismissal shall be with prejudice, unless otherwise ordered by the court. A similar failure on the part of the respondent or counsel shall be cause to allow the petitioner to present its evidence ex parte and the court to render judgment on the basis thereof. Sec. 25.

Pre-trial order. - (a) Upon termination of the pre-trial conference, the court shall issue a pre-trial order which shall recite in detail the matters taken up, the actions thereon, the amendments allowed on the pleadings, the agreements or admissions made by the parties on any of the matters considered, including any provisional order that may be necessary or agreed to by the parties. (b) In case the court determines the need for further hearing, the pre-trial order shall contain a recital of the following:

- Facts admitted or undisputed;
- Facts disputed;
- Factual and legal issues to be resolved;
- Evidence, including objects and documents, that have been marked and are to be presented;
- The witnesses to be presented and the substance of their respective testimony;
- Schedule of the presentation of evidence by both parties which shall be as expeditious as possible; and
- Such other matters as may aid in the prompt disposition of the case.

(c) The parties shall not be allowed to raise issues or present witnesses and evidence other than those stated in the pre-trial order. The order shall control the trial of the case, unless modified by the court to prevent manifest injustice. (d) The parties shall have ten days from receipt of the pre-trial order to propose corrections or modifications. Sec. 26. Prohibited procedures. - The rules on amicable settlement, mediation and other alternative mode of dispute resolution shall not apply. Title VI Trial, Judgment and Review Sec. 27. No prior charge, pendency or conviction necessary. - No prior criminal charge, pendency of or conviction for an unlawful activity or money laundering offense is necessary for the commencement or the resolution of a petition for civil forfeiture. Sec. 28. Precedence of proceedings. - Any criminal case relating to an unlawful activity shall be given precedence over the prosecution of any offense or violation under Republic Act No. 9160, as amended, without prejudice to the filing of a separate petition for civil forfeiture or the issuance of an asset preservation order or a freeze order. Such civil action shall proceed independently of the criminal prosecution. Sec. 29. Trial. - The trial shall proceed in accordance with the applicable provisions of Rule 30 of the Rules of Court. Sec. 30. Business records as exception to the hearsay rule. - A memorandum, report, record or data compilation of acts, events, conditions, opinions or diagnoses, made by electronic, optical or other similar means at or near the time of or from transmission or supply of information by a person with knowledge, as a regular practice, and kept in the normal course of conduct of a business activity, as shown by the testimony of the custodian or other qualified witness, is excepted from the rule on hearsay evidence. Sec. 31. Factors to determine where lies preponderance of evidence. - In rendering judgment, the court may consider the following factors to determine where lies the preponderance of evidence:

(a) That the monetary instrument, property, or proceeds are represented, involved, or related to an unlawful activity or a money laundering offense:

- If the value or amount involved is not commensurate with the business, financial or earning capacity of the person;
- If any transaction indicates a clear deviation from the profile or previous transactions of the person;
- If a person opens, maintains or controls an account with a covered institution not in his own name or registered business name unless authorized under existing law;
- If a person has structured transactions in order to avoid being the subject of reporting requirements under Republic Act No. 9160, as amended; or

- If any transaction exists that has no apparent underlying legal or trade obligation, purpose or economic justification;

or (b) That the monetary instrument, property, or proceeds, the sources of which originated from or are materially linked to monetary instruments, properties, or proceeds used in the commission of an unlawful activity or money laundering offense, are related to the said unlawful activity or money laundering offense.

Sec. 32. Judgment. - The court shall render judgment within thirty days from submission of the case for resolution. It shall grant the petition if there is preponderance of evidence in favor of the petitioner and declare the monetary instrument, property, or proceeds forfeited to the State or, in appropriate cases, order the respondent to pay an amount equal to the value of the monetary instrument or property and adjudge such other reliefs as may be warranted. Sec. 33. Service and enforcement of judgment. - A certified copy of the judgment issued shall be served upon the parties or persons acting in their behalf and upon the covered institution or government agency as the court may direct. Sec. 34. Appeal. - (a) Notice and period of appeal. - An aggrieved party may appeal the judgment to the Court of Appeals by filing within fifteen days from its receipt a notice of appeal with the court which rendered the judgment and serving a copy upon the adverse party. (b) Procedure on appeal. - The parties shall file, in lieu of briefs, their respective memoranda within a non-extendible period of thirty days from receipt of the notice issued by the clerk of court to the parties that all the evidence, oral and documentary, are attached to the record. The failure of the appellant to file his memorandum within the period therefor may be a ground for dismissal of the appeal. Title VII Claims Against Forfeited Assets Sec. 35. Notice to file claims. - Where the court has issued an order of forfeiture of the monetary instrument or property in a civil forfeiture petition for any money laundering offense defined under Section 4 of Republic Act No. 9160, as amended, any person who has not been impleaded nor intervened claiming an interest therein may apply, by verified petition, for a declaration that the same legitimately belongs to him and for segregation or exclusion of the monetary instrument or property corresponding thereto. The verified petition shall be filed with the court which rendered the order of forfeiture within fifteen days from the date of finality of the order of forfeiture, in default of which the said order shall be executory and bar all other claims. Sec. 36. How to file a claim; contents. - In his petition, the claimant must state the complete facts, attach the affidavits of his witnesses, supporting documents and other evidence, and personally verify the claim. The claimant shall file the petition with the clerk of court, pay the docket and other lawful fees and submit proof of service of a copy of the claim upon the petitioner. Sec. 37. Effect of non-compliance with requirements. - The court may dismiss the claim outright if it is not sufficient in form and substance and is manifestly filed for delay. Otherwise, it shall issue a notice to the petitioner to file its comment on the claim. Sec. 38. Notice to file comment. - Within fifteen days after notice, petitioner shall file a comment admitting or denying the claim specifically, and setting forth the substance of the matters which are relied upon to support the admission or denial. If the petitioner has no knowledge sufficient to enable it to admit or deny specifically, it shall state such want of knowledge. The petitioner in its comment shall allege in offset any fees, charges, taxes and expenses due to it. A copy of the comment shall be served on the claimant. Sec. 39. Disposition of admitted or uncontested claim. - The court may, without hearing, issue an appropriate order approving any claim admitted or not contested by the petitioner. Sec. 40. Hearing on contested claim. - Upon the filing of a comment contesting the claim, the court shall set the claim for hearing within thirty days with notice to all parties. Sec. 41. Final order. - The court shall issue a final order on the contested claim within thirty days from submission. Sec. 42. Appeal. - An appeal to the Court of Appeals may be taken in the same manner as prescribed in Section 34 of this Rule. Title VIII Petitions for Freeze Order in the Court of Appeals Sec. 43. Applicability. - This Rule shall apply to petitions for freeze order in the Court of Appeals. The 2002 Internal Rules of the Court of Appeals, as amended, shall apply suppletorily in all other aspects. Sec. 44. Party to file petition. The Republic of the Philippines, through the Anti-Money Laundering Council, represented by the Office of the Solicitor General, may file ex parte with the Court of Appeals a verified petition for a freeze order on any monetary instrument, property or proceeds relating

to or involving an unlawful activity as defined under Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194. Sec. 45. Form of application.-An application for a freeze order shall be in the form of a verified petition accompanied by a sworn certification against forum shopping personally signed by an authorized official of the Anti-Money Laundering Council and as provided in the fourth paragraph of Section 3, Rule 46, Rules of Court. Sec. 46. Contents of the petition. - The petition shall contain the following allegations: (a) The name and address of the respondent; (b) A specific description with particularity of the monetary instrument, property or proceeds, their location, the name of the owner, holder, lienholder or possessor, if known; (c) The grounds relied upon for the issuance of a freeze order; and (d) The supporting evidence showing that the subject monetary instrument, property, or proceeds are in any way related to or involved in an unlawful activity as defined under Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194.

The petition shall be filed in seven clearly legible copies and shall be accompanied by clearly legible copies of supporting documents duly subscribed under oath. Sec. 47. Direct filing and docketing.- To ensure the confidentiality of an application for a freeze order, the petition shall be filed directly with the Presiding Justice in Manila or the Executive Justices in Cebu City or Cagayan de Oro City, who shall enter the same in a logbook specifically designed for the purpose, and assigned a docket number. In the absence of any of the aforementioned justices, the petition may be filed with the next available senior justice, who shall act on the petition as provided in this Rule. Sec. 48. Separate logbook. - There shall be a logbook under the custody and responsibility of a designated member of the staff of the Presiding Justice or Executive Justices. The petition shall be docketed in the logbook and the name of the assigned justice entered thereon. Sec. 49. Confidentiality; prohibited disclosure. - The logbook and the entries therein shall be kept strictly confidential and maintained under the responsibility of the Presiding Justice or the Executive Justices, as the case may be. No person, including Court personnel, shall disclose, divulge or communicate to anyone directly or indirectly, in any manner or by any means, the fact of the filing of the petition for freeze order, its contents and its entry in the logbook except to those authorized by the Court. Violation shall constitute contempt of court. Sec. 50. Raffle. -The petition shall be raffled immediately on the same day it is filed. The raffle shall be personally conducted by the Presiding Justice or the Executive Justices in the presence of the Chairmen of the second and third divisions in Manila, Cebu City or Cagayan de Oro City. The petition shall be raffled to a specific justice actually present in the Court from among the members of the first three divisions in Manila, Cebu City or Cagayan De Oro City, for study and report. Sec. 51. Action by the Court of Appeals. - All members of the Division of the Court to which the assigned justice belongs shall act on the petition within twenty-four hours after its filing. However, if one member of the Division is not available, the assigned justice and the other justice present shall act on the petition. If only the assigned justice is present, he shall act alone. The action of the two justices or of the assigned justice alone, as the case may be, shall be forthwith promulgated and thereafter submitted on the next working day to the absent member or members of the Division for ratification, modification or recall. If the Court is satisfied from the verified allegations of the petition that there exists probable cause that the monetary instrument, property, or proceeds are in any way related to or involved in any unlawful activity as defined in Section 3(i) of Republic Act No. 9160, as amended by Republic Act No. 9194, it shall issue ex parte a freeze order as hereinafter provided. If the Court finds no substantial merit in the petition, it shall dismiss the petition outright, stating the specific reasons for such dismissal. When the unanimous vote of the three justices of the Division cannot be obtained, the Presiding Justice or the Executive Justice shall designate two justices by raffle from among the other justices of the first three divisions to sit temporarily with them forming a special division of five justices. The concurrence of a majority of such special division shall be required for the pronouncement of a judgment or resolution. Sec. 52. Issuance, form and contents of the freeze order. - The freeze order shall: (a) issue in the name of the Republic of the Philippines represented by the Anti-Money Laundering Council; (b) describe with particularity the monetary instrument, property or proceeds frozen, as well as the names of their owner or owners; and (c) direct the person or covered institution to

immediately freeze the subject monetary instrument, property or proceeds or its related web of accounts.

Sec. 53. Freeze order. - (a) Effectivity; post-issuance hearing. - The freeze order shall be effective immediately for a period of twenty days. Within the twenty-day period, the court shall conduct a summary hearing, with notice to the parties, to determine whether or not to modify or lift the freeze order, or extend its effectivity as hereinafter provided. (b) Extension. - On motion of the petitioner filed before the expiration of twenty days from issuance of a freeze order, the court may for good cause extend its effectivity for a period not exceeding six months. Sec. 54. Notice of freeze order. - The court shall order that notice of the freeze order be served personally, in the same manner provided for the service of the asset preservation order in Section 14 of this Rule, upon the respondent or any person acting in his behalf and such covered institution or government agency. The court shall notify also such party in interest as may have appeared before the court. Sec. 55. Duty of respondent, covered institution or government agency upon receipt of freeze order. - Upon receipt of a copy of the freeze order, the respondent, covered institution or government agency shall immediately desist from and not allow any transaction, withdrawal, deposit, transfer, removal, conversion, other movement or concealment of the account representing, involving or relating to the subject monetary instrument, property, proceeds or its related web of accounts. Sec. 56. Consolidation with the pending civil forfeiture proceedings.-After the post-issuance hearing required in Section 53, the Court shall forthwith remand the case and transmit the records to the regional trial court for consolidation with the pending civil forfeiture proceeding. Sec. 57. Appeal. - Any party aggrieved by the decision or ruling of the court may appeal to the Supreme Court by petition for review on certiorari under Rule 45 of the Rules of Court. The appeal shall not stay the enforcement of the subject decision or final order unless the Supreme Court directs otherwise. Title IX Common Provisions Sec. 58. Costs and fees.- Petitioner is exempted from the payment of costs and other lawful fees prescribed in the Rules of Court. Sec. 59. Transitory provision. - This Rule shall apply to all pending civil forfeiture cases or petitions for freeze order. Sec. 60. Effectivity. - This Rule shall take effect on the fifteenth of December 2005, following its publication in a newspaper of general circulation in the Philippines not later than 20 November 2005.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.