REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE ANTI-MONEY LAUNDERING COUNCIL, PETITIONER, VS. CABRINI GREEN & ROSS, INC., MICHAEL J. FINDLAY AND JANE GELBERG, RESPONDENTS,

G.R. NO. 154522. May 05, 2006

Ponente: CORONA, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-154522/

CORONA, J.:

In the exercise of its power under Section 10 of RA 9160,[1] the Anti-Money Laundering Council (AMLC) issued freeze orders against various bank accounts of respondents. The frozen bank accounts were previously found prima facie to be related to the unlawful activities of respondents.

Under RA 9160, a freeze order issued by the AMLC is effective for a period not exceeding 15 days unless extended "upon order of the court." Accordingly, before the lapse of the period of effectivity of its freeze orders, the AMLC[2] filed with the Court of Appeals (CA)[3] various petitions for extension of effectivity of its freeze orders.

The AMLC invoked the jurisdiction of the CA in the belief that the power given to the CA to issue a temporary restraining order (TRO) or writ of injunction against any freeze order issued by the AMLC carried with it the power to extend the effectivity of a freeze order. In other words, the AMLC interpreted the phrase "upon order of the court" to refer to the CA.

However, the CA disagreed with the AMLC and dismissed the petitions. It uniformly ruled that it was not vested by RA 9160 with the power to extend a freeze order issued by the AMLC.[4]

Hence, these consolidated petitions[5] which present a common issue: which court has jurisdiction to extend the effectivity of a freeze order?

During the pendency of these petitions, or on March 3, 2003, Congress enacted RA 9194 (An Act Amending Republic Act No. 9160, Otherwise Known as the "Anti-Money Laundering Act of 2001").[6] It amended Section 10 of RA 9160 as follows:

SEC. 7. Section 10 of [RA 9160] is hereby amended to read as follows:

> SEC. 10. Freezing of Monetary Instrument or Property. - The Court of Appeals, upon application ex parte by the AMLC and after determination that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Sec. 3(i) hereof, may issue a freeze order which shall be effective immediately. The freeze order shall be for a period of twenty (20) days unless extended by the court.[7] (emphasis supplied)

Section 12 of RA 9194 further provides:

> SEC 12. Transitory Provision. - Existing freeze orders issued by the AMLC shall remain in force for a period

> of thirty (30) days after the effectivity of this Act, unless extended by the Court of Appeals. (emphasis supplied)

On April 3, 2003, the Office of the Solicitor General (OSG) filed a "Very Urgent Motion to Remand Cases to the Honorable Court of Appeals (with Prayer for Issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction)."[8] The OSG prayed for the remand of these cases to the CA pursuant to RA 9194. It also asked for the issuance of a TRO on the ground that the freeze orders would be automatically lifted on April 22, 2003 by operation of law and the money or deposits in the concerned bank accounts may be taken out of the reach of law enforcement authorities. The OSG further manifested that pending in the CA were 29 other cases involving the same issue. It requested that these cases be included in the coverage of the TRO prayed for.

On April 21, 2003, the Court issued a TRO in these cases and in all other similar cases pending before all courts in the Philippines. Respondents, the concerned banks, and all persons acting in their behalf were directed to give full force and effect to existing freeze orders until further orders from this Court.

On May 5, 2003, the OSG informed the Court that on April 22, 2003 the CA issued a resolution in CA-G.R. SP No. 69371 (the subject of G.R. No. 154694) granting the petition for extension of freeze orders.[9] Hence, the OSG prayed for the dismissal of G.R. No. 154694 for being moot. It also reiterated its earlier prayer for the remand of G.R. Nos. 154522, 155554 and 155711 to the CA.

The amendment by RA 9194 of RA 9160 erased any doubt on the jurisdiction of the CA over the extension of freeze orders. As the law now stands, it is solely the CA which has the authority to issue a freeze order as well as to extend its effectivity. It also has the exclusive jurisdiction to extend existing freeze orders previously issued by the AMLC vis-à-vis accounts and deposits related to money-laundering activities.

WHEREFORE, G.R. No. 154694 is hereby DISMISSED for being moot while G.R. Nos. 154522, 155554 and 155711 are REMANDED to the Court of Appeals for appropriate action. Pending resolution by the Court of Appeals of these cases, the April 21, 2003 temporary restraining order is hereby MAINTAINED.

No costs.

SO ORDERED.

Sandoval-Gutierrez, (Acting Chairperson), Azcuna, and Garcia, JJ., concur.
Puno, (Chairperson), J. on leave.

---

[1] Anti-Money Laundering Act of 2001. Section 10 thereof provides:

> SEC. 10. Authority to Freeze. - Upon determination that probable cause exists that any deposit or similar account is in any way related to an unlawful activity, the AMLC may issue a freeze order, which shall be effective immediately, on the account for a period not exceeding fifteen (15) days. Notice to the depositor that his account has been frozen shall be issued simultaneously with the issuance of the freeze order. The depositor shall have seventy-two (72) hours upon receipt of the notice to explain why the freeze order should be lifted. The AMLC has seventy-two (72) hours to dispose of the depositor's explanation. If it fails to act within seventy-two (72) hours from receipt of the depositor's explanation, the freeze order shall automatically be dissolved. The fifteen (15)-day freeze order of the AMLC may be extended upon order of the court, provided that the fifteen (15)-day period shall be tolled pending the court's decision to extend the period.
>
> No court shall issue a temporary restraining order or writ of injunction against any freeze order issued by the AMLC except the Court of Appeals or the Supreme Court.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

[2]In representation of the Republic of the Philippines.

[3]CA-G.R. SP No. 69210 for freeze orders issued against respondents Cabrini, Green & Ross, Inc., Michael J. Findlay and Jane Gelberg; CA-G.R. SP No. 69371 for freeze orders issued against respondents R.A.B. Realty, Inc., Multinational Telecom Investors Corporation, Rosario A. Baladjay and Saturnino M. Baladjay; CA-G.R. SP No. 72863 for freeze orders issued against respondents Mario N. Misa, Michael Z. Lafuente, Jesus Silverio, Reynaldo Nicholas and Rex D. Jao; and CA-G.R. SP No. 72971 for freeze orders issued against respondents Alberto de los Reyes, Lorenzo Castro, Hermie de Vera, Eduardo Lazo and Danilo Liwag.

[4] Decision dated May 20, 2002 in CA-G.R. SP No. 69210; Decision dated August 9, 2002 in CA-G.R. SP No. 69371; Decision dated September 30, 2002 in CA-G.R. SP No. 72863; and Decision dated October 15, 2002 in CA-G.R. SP No. 72971.

[5] Under Rule 45 of the Rules of Court.

[6] The law became effective on March 23, 2003.

[7]Pursuant to this amendment, this Court promulgated the Rules of Procedure in Cases of Civil Forfeiture, Asset Privatization, 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. Sections 43 to 53 of Title VIII thereof provide for the procedure governing petitions for freeze order in the Court of Appeals.

[8] Rollo (G.R. No. 154522), pp. 192-216.

[9] The extension was for a period of 90 days from April 22, 2003.

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.