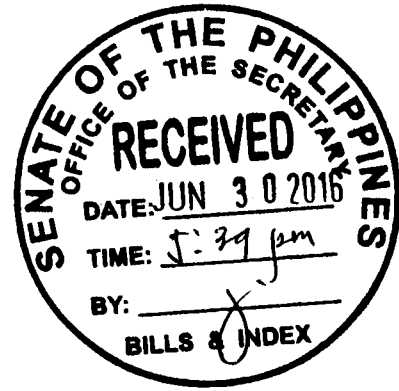


SEVENTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



SENATE  
S.B. No. 178

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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

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**AN ACT  
PROVIDING FOR THE REGULATION AND SUPERVISION OF PAYMENT SYSTEMS**

**EXPLANATORY NOTE**

We operate in a world of trade and transactions. Today, thanks to innovations in science and technology, the interchange of resources can be completed quicker and more efficiently through online payments.

But while many countries have embraced these advancements, 99% of payments in the Philippines remain cash-based while only 1% is paid through electronic systems.

According to a study done by Better Than Cash Alliance, the Philippine e-commerce industry makes up less than 1% of total commerce in the country. This is relatively low compared to our ASEAN neighbors who generate 4-5% in e-commerce transactions.

The potential for growth and development of industry as well as the opportunity to improve and bolster of our financial systems must not be put to waste. To drive the economy forward, it is imperative that we empower the market with updated and streamlined payment systems.

Thus, the National Payment Systems Act seeks to organize, manage, and regulate all matters affecting payment instructions in the country under the Bangko Sentral ng Pilipinas to promote effective interoperability among payment systems, incorporating digital transactions.

In order to ensure the security and efficiency of payments for the benefit of all stakeholders – consumers, businesses, and financial institutions alike, we must upgrade the management and regulation of our payment industry.

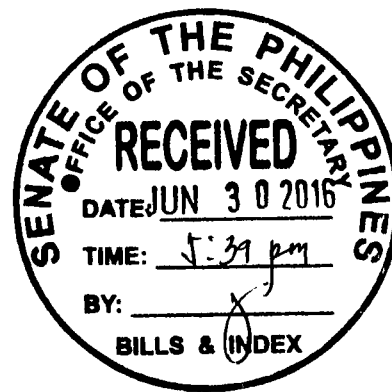
Now, more than ever, we are compelled to advance our systems along with our ASEAN neighbors.

Through this measure, we have the opportunity to protect retailers, enhance buyer experience, boost the confidence in our financial sector, and keep pace with the ever-improving technology for cashless payment.

In view of the foregoing, immediate passage of this bill is earnestly sought.

  
Senator Paolo Benigno "Bam" A. Aquino IV

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AN ACT  
PROVIDING FOR THE REGULATION AND SUPERVISION OF PAYMENT SYSTEMS

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

- 1       **SECTION 1. Title.** - The short title of this Act shall be the "The National Payment  
2 Systems Act".
- 3       **SEC. 2. Declaration of Policy.** - The State recognizes that payment systems are crucial  
4 parts of the financial infrastructure of the country and it is essential that they function safely  
5 and efficiently for the stability and effectiveness of the monetary and financial system.
- 6       **SEC. 3. Objectives.** - The State shall promote, through the *Bangko Sentral*, the safe,  
7 efficient and reliable operation of payment systems in order to control systemic risk and  
8 provide an environment conducive to the sustainable growth of the economy.
- 9       **SEC. 4. Definition of Terms.** - For the purpose of this Act, the following terms shall refer  
10 to:
- 11       a. *Bangko Sentral* - the *Bangko Sentral ng Pilipinas* established under Republic Act No.  
12 7653.
- 13       b. *Clearing* - the process of transmitting, reconciling, and in some cases, confirming  
14 payment orders prior to settlement, and the establishment of final obligations for  
15 settlement.
- 16       c. Designated payment system - the payment system that has been designated as  
17 such by the *Bangko Sentral* pursuant to this Act and its implementing rules and  
18 regulations.
- 19       d. *Director* - any member of the board of directors of a participant to the payment  
20 system, or a person considered as such under *Bangko Sentral* regulations.
- 21       e. *End-user* - any person who originally initiates the instruction to pay or the ultimate

- 1 receiver of funds in a payment system.
- 2 f. *Fund* - any unit of value that forms the consideration or object of transactions.
- 3 g. *Issuer* - any person who provides the means or the instrument to hold or transfer  
4 funds.
- 5 h. *Manager* - any person of recognized competence in payment system designated by  
6 the *Bangko Sentral* to manage the operations of the operator of a designated  
7 payment system as provided under Section 18 hereof. For this purpose, personnel  
8 of the *Bangko Sentral* may be designated as manager.
- 9 i. *Monetary Board* - the Monetary Board of the *Bangko Sentral*.
- 10 j. *Netting* - an agreed offsetting of obligations by participants of payment systems.
- 11 k. *Officer* - any person who is an employee holding a management position in any of  
12 the participants to the payment system, or a person considered as such under  
13 *Bangko Sentral* regulations.
- 14 l. *Operator* - any person who provides clearing or settlement services in a payment  
15 system, or defines, prescribes, designs, controls or maintains the operational  
16 framework for the system.
- 17 m. *Participant* - the operator, issuer, service provider, or any person involved in the  
18 payment system other than the end-user.
- 19 n. *Payment instrument* - any instrument, whether tangible or intangible, that enables  
20 a person to transfer funds.
- 21 o. *Payment order* - an order or message requesting the transfer of funds to the order  
22 of the payee.
- 23 p. *Payment system* - the set of payment instruments, processes, procedures and  
24 participants that ensures the circulation of money or movement of funds.
- 25 q. *Payment System Management Body* - the entity organized by participants of the  
26 designated payment system for the purpose of self-regulation.
- 27 r. *Service provider* - an entity that provides process arrangements, technology or  
28 infrastructure to operators of a payment system.
- 29 s. *Settlement* - an act that discharges obligations in respect of fund transfers between  
30 two or more parties.
- 31 t. *Systemic risk* - the risk that the failure of one participant in a payment system, or in  
32 financial markets generally, to meet its required obligations will cause other  
33 participants or financial institutions to be unable to meet their obligations,

1 including settlement obligations in a payment system, when due: *Provided, That,*  
2 such failure could threaten the stability of the system or financial markets.

3 **SEC. 5. Authority of the Bangko Sentral.** – The *Bangko Sentral* shall oversee the  
4 payment systems in the Philippines and exercise supervisory and regulatory powers for the  
5 purpose of ensuring the stability and effectiveness of the monetary and financial system.

6 **SEC. 6. Powers of the Bangko Sentral.** - In the performance of its mandate under this  
7 Act, the *Bangko Sentral* shall have, in addition to its powers under existing laws, the  
8 following powers:

9 a. Designate a payment system if it determines the payment system as posing or  
10 having the potential to pose a systemic risk or the designation is necessary to  
11 protect the public interest.

12 1. Any such determination by the *Bangko Sentral* shall be conclusive. The  
13 designation of a payment system by the *Bangko Sentral* shall be effective  
14 until revoked. The *Bangko Sentral* may revoke such designation if it finds that  
15 the designated payment system no longer poses any systemic risk or it is no  
16 longer in the public interest that the system be designated.

17 2. Should the *Bangko Sentral* designate a payment system, it shall require the  
18 participants of the designated payment system to comply, within a  
19 reasonable period, with the provisions of this Act and its implementing rules  
20 and regulations. The *Bangko Sentral* shall give due consideration to the  
21 orderly transition of the operations of the newly designated payment system  
22 to ensure that it operates in a safe, efficient and reliable manner.

23 b. Require operators of the designated payment system to secure prior authority  
24 from the *Bangko Sentral*.

25 1. In granting the authority, the *Bangko Sentral* shall take into consideration the  
26 capability of an operator in terms of its financial resources, technical  
27 expertise, and reputation. The licensing process shall include but not be  
28 limited to an assessment of the ownership structure, governance, key  
29 personnel, business model, risk management and financial resources.

30 2. No person or entity shall be allowed to act as an operator of a designated  
31 payment system without prior authority from the *Bangko Sentral*. The  
32 determination of whether a person or entity is acting as an operator of a  
33 designated payment system without *Bangko Sentral* authority shall be made  
34 by the Monetary Board. To resolve such issue, the Monetary Board may,  
35 through the appropriate department of the *Bangko Sentral*, examine, inspect  
36 or investigate the books and records of such person or entity.

37 c. Accredite or require, when deemed necessary, a payment system management body  
38 organized by participants of the designated payment system for the purpose of  
39 self- regulation.

- 1           1. The accredited payment system management body may issue and enforce its  
2           rules and regulations and impose appropriate sanctions among participants  
3           of the designated payment system; *Provided, That*, such rules and regulations  
4           shall be with prior *Bangko Sentral* approval and subject to its review.
- 5           d. Issue, through the Monetary Board, rules and regulations governing the following:
- 6           1. The standard of operation of payment systems and the conduct of  
7           examination of the participants of the designated payment systems, in such  
8           frequency as may be prescribed by the Monetary Board, to determine  
9           compliance with laws and regulations;
- 10          2. The adequacy of resources of operators of the designated payment systems  
11          to ensure that the designated payment systems have a high degree of  
12          security and operational reliability and have contingency requirements for  
13          timely completion of daily processing commitments;
- 14          3. The qualifications and disqualifications of individuals elected or appointed as  
15          directors or officers of operators of the designated payment systems with  
16          particular regard to their integrity, experience, education, training and  
17          competence. The Monetary Board may suspend, disqualify or remove any  
18          director or officer found unfit for the position;
- 19          4. The appropriate measures to ensure the confidentiality of payment  
20          information which, under the provisions of this Act and other existing laws, is  
21          considered confidential;
- 22          5. The necessary measures to ensure the compliance of designated payment  
23          systems with Republic Act No. 9160, as amended, otherwise known as the  
24          Anti-Money Laundering Act of 2001, and other related laws;
- 25          6. The mechanism for the protection of the rights of the end-users and  
26          participants to the designated payment systems;
- 27          7. Principles on setting prices or pricing mechanisms in payment systems; and  
28          8. Guidelines applicable to payment system management bodies, including the  
29          grant and revocation of accreditation; and  
30          9. Other pertinent matters as may be determined by the Monetary Board.
- 31          e. Issue, through the Monetary Board, directives and orders to any participant of a  
32          payment system whenever the Monetary Board has determined that it is necessary  
33          to ensure the safety, efficiency or reliability of a payment system or it is in the  
34          interest of the public to do so.
- 35          f. Require participants of payment systems to submit reports on their operations and  
36          provide information for statistical, policy development, supervisory and regulatory  
37          purposes.
- 38          g. Assess and collect from the participants of the designated payment systems an  
39          annual fee in such amount, as may be necessary to cover expenses related to or  
40          incidental to the conduct of supervisory functions over such entities, subject to the  
41          rules prescribed by the Monetary Board.
- 42          h. Such other powers as may be reasonably necessary to meet the objectives of this

1 Act.

2 **SEC. 7. Adoption of International Standards and Practices.** - In the exercise of its  
3 authority under this Act, the *Bangko Sentral* shall be guided by internationally accepted  
4 standards and practices.

5 **SEC. 8. Protection of Confidential Information.** - Information obtained by the *Bangko*  
6 *Sentral* in the course of its oversight of payment systems and supervision and regulation of  
7 participants thereof are considered confidential, and such confidential information may only  
8 be disclosed upon prior authorization from the Monetary Board or the Governor as may be  
9 necessary in the course of its coordination with other Philippine and foreign regulators as  
10 provided under Section 10 of this Act or when ordered by the courts. *Provided, however,*  
11 That, the collective data may be released to interested persons or entities.

12 **SEC. 9. Bangko Sentral Authority to Own and Operate a Payment System.** - The *Bangko*  
13 *Sentral* shall have the authority to own and operate payment systems as may be deemed  
14 necessary by the Monetary Board. The *Bangko Sentral* shall have the authority to determine  
15 who shall be allowed to participate in payment systems owned and operated by it and who  
16 shall be allowed to open an account with the *Bangko Sentral* for settlement purposes. The  
17 *Bangko Sentral* shall adopt internal safeguards to ensure appropriate independent oversight  
18 of its operator functions.

19 **SEC. 10. Coordination with Other Government Agencies and Foreign Regulators.** - The  
20 *Bangko Sentral* shall coordinate with other regulators and other concerned government  
21 agencies to avoid gaps, inefficiencies, duplications and inconsistencies in the regulation of  
22 other systems which are related to or interconnected with payment systems. The grant,  
23 suspension or revocation of any government license necessary for the conduct of business  
24 of a payment system operator must be done only with prior consultation with the *Bangko*  
25 *Sentral*.

26 The *Bangko Sentral* shall endeavor to coordinate with the regulators or overseers of  
27 payment systems of other countries to facilitate safe, efficient and reliable cross-border  
28 payment transactions.

29 **SEC. 11. Registration of Payment System Operators.** - Within six (6) months from the  
30 effectivity of this Act, all operators of payment systems as defined under Section 4 of this  
31 Act shall register with the *Bangko Sentral*. Operators of payment systems, which shall  
32 commence business or operations subsequent to the effectivity of this Act, shall register  
33 with the *Bangko Sentral* in such manner and within such reasonable period as may be  
34 prescribed by the Monetary Board.

35 **SEC. 12. Organization of Operators of Designated Payment Systems.** - Operators of  
36 the designated payment system, except payment systems operated by the *Bangko Sentral*,  
37 shall be required to incorporate as stock corporations for the purpose of operating a  
38 payment system, and shall meet the minimum requirements as may be prescribed by the  
39 Monetary Board. Operators of designated payment systems, so long as they continue to be  
40 authorized by *Bangko Sentral* to operate as such, shall not be included in the definition of a

1 debtor under Republic Act No. 10142, otherwise known as the Financial Rehabilitation and  
2 Insolvency Act of 2010.

3 **SEC. 13. Certificate of Authority to Register Operators of Designated Payment System.**

4 – The Securities and Exchange Commission shall not register the articles of incorporation of  
5 any operator of a designated payment system, or any amendment thereto, or otherwise  
6 issue a license to do business in the Philippines, unless accompanied by a certificate of  
7 authority to register issued by the Monetary Board, under its seal. The Securities and  
8 Exchange Commission shall also not register the by-laws of any operator of a designated  
9 payment system, or any amendment thereto, unless accompanied by a certificate of  
10 authority from the *Bangko Sentral*.

11 **SEC. 14. Transfer and Acquisition of Substantial Shareholdings.** – No person shall

12 acquire shares in an operator of a designated payment system that will result in ownership  
13 or control, directly or indirectly, of more than ten percent (10%) of the voting stock of such  
14 operator, without obtaining the prior approval of the Monetary Board. Prior to Monetary  
15 Board approval, no such transfer or acquisition of shares shall have legal effect nor shall the  
16 same be recognized in the stock and transfer books of the operator or in the records of any  
17 government agency.

18 **SEC. 15. Responsibilities of the Operator of the Designated Payment System.** – The

19 operator of the designated payment system shall be primarily responsible for the  
20 maintenance and operation of a safe, efficient and reliable payment system in accordance  
21 with rules and regulations. This includes the development of a process, which shall be  
22 subject to *Bangko Sentral* review, for the selection, monitoring and disciplining of  
23 participants to its system.

24 **SEC. 16. Finality of Settlement.** - Notwithstanding the provisions of existing laws to the

25 contrary, settlement effected in accordance with the agreed procedures of a payment  
26 system shall be final and irrevocable and shall not be subject to reversal for any reason  
27 whatsoever: *Provided, That*, if it is shown and established that any such fund so paid and  
28 transferred was not legally due, the settlement shall remain and such amount shall  
29 constitute a new monetary obligation owed by the payee to the person who caused the  
30 payment.

31 **SEC. 17. Notification in case of Insolvency of Participant in a Payment System.** - The

32 participant of a payment system shall notify in writing the operator of such payment system  
33 upon the issuance of a stay order or the declaration of insolvency, bankruptcy,  
34 rehabilitation or placement under receivership or liquidation of the participant on the day of  
35 the receipt of the order or resolution issued by the court or quasi-judicial agency. Upon  
36 receipt by the operator of such notice, the operator shall immediately stop the processing  
37 of any pending payment order involving said participant.

38 The operator of a payment system shall notify in writing its participants and the *Bangko*  
39 *Sentral* upon the issuance of a stay order or the declaration of its insolvency, bankruptcy,  
40 rehabilitation or placement under liquidation on the day of the receipt of the order or  
41 resolution issued by the court or quasi-judicial agency.



1       **SEC. 18. Designation of a Manager to Manage the Operations of the Operator of a**  
2 **Designated Payment System.** - In order to avert disruptions in payment systems which may  
3 adversely affect the country's monetary and financial stability, the *Bangko Sentral* may,  
4 upon determination of the existence of any of the circumstances enumerated below, based  
5 on the report of the head of the supervising or examining department, and with prior  
6 approval of the Monetary Board, designate without need for prior hearing a manager of  
7 recognized competence in payment systems to manage the operations of the operator of a  
8 designated payment system, as may be necessary or expedient.

9       A threat to the safety, efficiency and reliability of the designated payment system exists  
10 as a result of any of the following:

- 11       1. The violation of existing laws, rules and regulations by the operator;
- 12       2. The failure of the operator to comply with any order of the Monetary Board;
- 13       3. The assets of the operator are not sufficient to give adequate protection to its  
14       participants or users;
- 15       4. The capital of the operator has reached a level or is eroding in a manner that  
16       may detrimentally affect its participants, users or the public in general; or
- 17       5. Any other financial or business condition of the operator which may be  
18       considered by the Monetary Board to be prejudicial to the interests of its  
19       participants, users or the public in general.

20       The actions of the Monetary Board taken under this section shall be final and  
21 executory, and may not be restrained or set aside by the court except on petition for  
22 *certiorari* on the ground that the action taken was in excess of jurisdiction or with such  
23 grave abuse of discretion as to amount to lack or excess of jurisdiction. The petition for  
24 *certiorari* may only be filed by the stockholders of record representing the majority of the  
25 capital stock within ten (10) days from receipt by the board of directors of the operator of  
26 the designated payment system of the notice from the *Bangko Sentral* advising of the  
27 designation of a manager to manage the operations of such operator.

28       The designation of a manager who will manage the operations of the operator of a  
29 designated payment system shall only be for such period during which any of therefore  
30 mentioned circumstances is exists. The Monetary Board, however, may replace the  
31 manager as it may deem necessary. The manager so designated shall immediately control,  
32 manage, and administer the operations of the operator of a designated payment system.  
33 Effective immediately upon designation, the powers, functions, and duties, as well as  
34 allowances, remunerations and perquisites of the incumbent directors shall be suspended.  
35 The suspension shall also apply to the officers of such operator of a designated payment  
36 system, unless the manager gives its approval in writing for any officer to continue acting as  
37 such under such terms and conditions as the manager may determine. The relevant  
38 provisions of the articles of incorporation and by-laws of such operator are likewise  
39 suspended.

40       The manager so designated shall determine within the period prescribed by the  
41 Monetary Board, but not to exceed one (1) year from the designation, whether any of the  
42 aforementioned circumstances still exists or whether the operator of a designated payment

1 system may be permitted to resume management with safety to its payment system  
2 participants and end-users: Provided, that any determination for the resumption of  
3 management of the operator of a designated payment system shall be subject to prior  
4 approval of the Monetary Board.

5 If the manager so designated determines that the operator of a designated payment  
6 system cannot continue its operation without causing damage to its participants, end-users  
7 or the public in general, the manager so designated shall notify the Monetary Board in  
8 writing of its findings and recommend the revocation of the certificate of authority of an  
9 operator of a designated payment system. Once the certificate of authority is revoked by  
10 the Monetary Board, the provisions of R.A. No. 10142 shall apply. For this purpose, the  
11 *Bangko Sentral* may initiate the appropriate action under the aforesaid law.

12 The costs and expenses in managing the operations of the operator of a designated  
13 payment system, including the remuneration of the designated manager, shall be paid first  
14 before other claims out of the funds and properties of the operator of a designated  
15 payment system.

16 The Monetary Board shall issue implementing guidelines to govern the management of  
17 the operations of the operator of a designated payment system by the designated manager,  
18 including but not limited to:

- 19 1. The responsibilities of the designated manager;
- 20 2. The information required to be given by the operator, its directors and officers to  
21 the designated manager to facilitate the management of the operations of the  
22 operator;
- 23 3. The circumstances, terms, and conditions when the assets of the operator may be  
24 sold or disposed of; and
- 25 4. Other matters related to the effective management of the operations of the  
26 operator and the appropriate performance of the duties of the designated manager  
27 to manage the operations of the operator.

28 **SEC. 19. Netting.** - Notwithstanding the provisions of existing laws to the contrary,  
29 when an operator receives from the participant a notice pursuant to Section 17, the  
30 operator may effect the netting of all payment orders received before such notice in  
31 accordance with the agreed procedures of the payment system. The insolvency, bankruptcy,  
32 rehabilitation, receivership or liquidation proceedings shall recognize any such netting as  
33 valid.

34 **SEC. 20. Administrative Sanctions.** -

- 35 a. Without prejudice to the penalties and sanctions provided in Section 21 of this Act,  
36 the Monetary Board may, at its discretion, impose upon any participant of a  
37 designated payment system, its directors and officers, including any person or entity  
38 determined by the Monetary Board to be acting as an operator without the requisite  
39 authority from the *Bangko Sentral*, for violations of this Act or rules and regulations  
40 issued by the Monetary Board or any order or instruction of the Governor of the  
41 *Bangko Sentral*, fines in amounts as may be determined by the Monetary Board to

1 be appropriate, but not to exceed one million pesos (₱1,000,000.00) for each  
2 transactional violation or one hundred thousand pesos (₱100,000.00) a day for each  
3 continuing violation, depending on the nature and gravity of the violation or  
4 irregularity; *Provided*, That, in case profit is gained or loss is avoided as a result of the  
5 violation, an additional fine of no less than the profit gained or loss avoided but no  
6 more than three (3) times the profit gained or loss avoided may be imposed.

7 b. The Monetary Board may suspend, disqualify, or remove any of the directors or  
8 officers of the operator of a designated payment system, in any of the following  
9 instances:

- 10 1. Willful violation of the charter or by-laws of the operator of the designated  
11 payment system;
- 12 2. Willful delay in the submission of reports of publications thereof as required by  
13 the rules and regulations to be issued by the Monetary Board pursuant to this  
14 Act;
- 15 3. Refusal to permit examination into the affairs of the operator of the designated  
16 payment system;
- 17 4. Willful making of a false or misleading statement to the Monetary Board or  
18 *Bangko Sentral* examiners;
- 19 5. Willful failure or refusal to comply with any provision of this Act, rule or  
20 regulation or any order instruction issued by the Monetary Board pursuant to  
21 this Act, or any order or instruction of the Governor of the *Bangko Sentral*; and  
22 6. Willful commission of irregularities or the conduct of business that threatens the  
23 safety, efficiency or reliability of a payment system as may be determined by the  
24 Monetary Board.

25 The suspension of directors and officers of the operator of a designated payment  
26 system shall not be more than one (1) year, depending on the nature and gravity of the  
27 violation or irregularity. Resignation or termination from office shall not exempt such  
28 director or officer from administrative or criminal sanctions.

29  
30 c. Notwithstanding the institution or pendency of an administrative proceeding, if the  
31 participant of a designated payment system and its directors and its officers  
32 concerned continue with or otherwise persist in the commission of the cited practice  
33 or violation, the *Bangko Sentral* may issue an order requiring such participant and its  
34 directors and officers concerned to cease and desist from the cited practice or  
35 violation, and may further order that immediate action be taken to correct the  
36 conditions resulting from such practice or violation. The cease and desist order shall  
37 be immediately effective upon service on the respondents.

38  
39 d. The revocation of the certificate of authority of an operator of a designated payment  
40 system may be ordered by the Monetary Board on the following grounds:

- 41 1. The operator committed a violation of or has not complied with the provisions  
42 of this Act or the rules and regulations on orders and instructions issued by the  
43 Monetary Board or any order or instruction of the Governor of the *Bangko*  
44 *Sentral*, involving acts or violations which amount to fraud or expose its

- 1 participants or the public to material loss or damage; or  
2 2. The operator committed a violation of or has not complied with the provisions  
3 of this Act or the rules and regulations or orders and instructions issued by the  
4 Monetary Board or any order or instruction of the Governor of the *Bangko*  
5 *Sentral*, or failed to implement the rules of the payment system or a cease and  
6 desist order issued by the *Bangko Sentral*, and such violation or failure has been  
7 determined by the Monetary Board to be a threat to the safety, efficiency or  
8 reliability of the payment system or poses a risk to the stability of the monetary  
9 and financial system.  
10  
11 e. The cancellation of the registration of any operator of a payment system may be  
12 ordered by the Monetary Board, if it finds that the payment system operates to  
13 facilitate fraud and other transactions contrary to law, good morals and public policy.

14 The Monetary Board may also order the suspension or revocation of the certificate of  
15 authority or the registration with the *Bangko Sentral* of an operator of a payment system on  
16 the basis of the suspension or revocation of its permits or licenses issued by other  
17 government agencies.

18 **SEC. 21. Other Penalties and Sanctions.** – Whenever any person or entity willfully  
19 violates this Act, rule or regulation, directives or orders duly promulgated by the Monetary  
20 Board pursuant hereto, the person or persons responsible for such violation shall be  
21 punished by a fine of not less than two hundred thousand pesos (₱200,000.00) or more than  
22 two million pesos (₱2,000,000.00) or by imprisonment of not less than two (2) years nor  
23 more than ten (10) years, or both, at the discretion of the court.

24 **SEC. 22. Implementing Rules and Regulations.** – Within sixty (60) days from the  
25 effectivity of this Act, the Bangko Sentral ng Pilipinas (BSP) shall promulgate the necessary  
26 rules and regulations for the effective implementation of this Act.

27 **SEC. 23. Separability clause.** – Should any provision herein be declared unconstitutional,  
28 the same shall not affect the validity of the other provisions of this Act.  
29

30 **SEC. 24. Repealing Clause.** – All laws, decrees, orders, rules, and regulations or other  
31 issuances or parts inconsistent with the provisions of this Act are hereby repealed or  
32 modified accordingly.

33 **SEC. 25. Transitory Provision.** – Payment systems existing on the day of the effectivity  
34 of this Act shall be given sufficient time, as may be determined by the *Bangko Sentral*, to  
35 comply with the requirements of this Act.

36 **SEC. 26. Effectivity.** – This Act shall take effect fifteen (15) days following its publication  
37 in the Official Gazette or in two (2) newspapers of general circulation in the Philippines.

38 *Approved,*