



23 May 2019

MS. JANET A. ENCARNACION
Head, Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 5th Avenue cor. 28th Street
Bonifacio Global City
Taguig City

Dear Ms. Encarnacion,

This refers to the following news articles:

1. "5 RCBC officials charged over \$81-M theft from Bangladesh Bank" posted in the Manila Bulletin (Internet Edition) on May 22, 2019, which reported in part that:

"The Department of Justice (DOJ) has filed charges against five officials of the Rizal Commercial Banking Corporation (RCBC) over their alleged involvement in the theft of \$81 million from the Bangladesh Bank in 2016.

The DOJ filed the case last Monday before the Makati Regional Trial Court (RTC) after issuing a resolution finding probable cause to indict the five bank officials for violating Section 4(f) of Republic Act 9160, the Anti-Money Laundering Act of 2001.

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2. "Bangladesh Bank case: DOJ insists RCBC execs liable" posted in BusinessMirror (Online Edition) on May 23, 2019, which reported in part that:

"The Department of Justice (DOJ) has filed charges against five officials of the Rizal Commercial Banking Corporation (RCBC) over their alleged involvement in the theft of \$81 million from the Bangladesh Bank in 2016.

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In a resolution signed by Assistant State Prosecutor Mary Jane Systat, the DOJ sustained the application of the 'willful blindness doctrine' in finding probable cause to indict the respondents Raul Victor Tan, National Sales Director Ismael Reyes, Regional Sales Director Brigitte Capiña, Customer Service Head Romualdo Agarrado and Senior Customer Relationship Angela Ruth Torres for violation of Republic Act 9160 or the Anti-Money Laundering Act of 2001.

The willful blindness doctrine is defined as the deliberate avoidance or knowledge of a crime, especially by failing to make a reasonable inquiry about suspected wrongdoing, despite being aware that it is highly probable.



We believe in you.

'There is no better way to describe the acts of respondents Tan, Capiña, Reyes, Agarrado and Torres than this,' the resolution read.

The five RCBC officers are being accused of facilitating the suspicious transactions involving the accounts of a certain Michael Cruz (\$6 million), Jessie Christopher Lagrosas (\$30 million), Alfred Vergara (\$20 million) and Enrico Vasquez (\$25 million) despite stop-payment requests from the Bangladesh Bank.

The respondents, according to the DOJ, were found instrumental in the lifting of the temporary hold on the four beneficiary accounts of the international inward remittances of funds allegedly wrongfully taken from the Bangladesh Bank, and the withdrawal of such funds, among other acts.

The resolution found the five to have, among others, deliberately avoided knowledge of the crime, 'by failing to make a reasonable inquiry about suspected wrongdoing, despite being aware that it is highly probable.'

It added: 'By the very nature of their work in handling millions of pesos in daily transactions, the degree of responsibility, care and trustworthiness expected of bank employees and officials are greater than those of ordinary clerks and employee.'

The resolution slammed 'their complacent attitude in handling the suspicious remittances,' calling this 'unacceptable and [rocking] the integrity of our banking system.'

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The Bank is aware that the Department of Justice has filed a case against its former and current officers. To the best of our knowledge this was filed May 22, 2019. We confirm that the charges involve the amount of USD81M allegedly laundered through the banking system. The Bank's own investigation concluded that (4 of the 5) indicted officers had no knowledge of the alleged money laundering activities. While we expect the case to be resolved favorably, the Bank cannot give further comments on the case without risking subjudice.

We trust that this clarifies the news report.

Thank you.

Very truly yours,

MA. CHRISTINA P. ALVAREZ

Senior Vice President and Corporate Information Officer
Rizal Commercial Banking Corporation

cc: Ms. Paula Beatrice A. Bueno, Philippine Dealing and Exchange Corporation